

**CITY OF IQALUIT**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

**CITY OF IQALUIT**  
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 DECEMBER 31, 2015

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**INDEPENDENT AUDITORS' REPORT**

Mayor and Council  
City of Iqaluit  
Iqaluit, Nunavut

We have audited the accompanying consolidated financial statements of the City of Iqaluit, which comprise the consolidated statement of financial position as at December 31, 2015 and the consolidated statements of operations, changes in net financial assets (debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Administration's Responsibility for the Consolidated Financial Statements**

Administration is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian Public Sector Accounting Standards and for such internal control as Administration determines is necessary to enable the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City of Iqaluit as at December 31, 2015 and its financial performance and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

**Report on Other Legal and Regulatory Requirements**

As required by Section 144 of the *Cities, Towns and Villages Act* of Nunavut we report that, in our opinion, the principles have been applied on a basis consistent with that of the preceding year.

We further report in accordance with the *Cities, Towns and Villages Act* of Nunavut that, in our opinion, proper books of account have been kept by the City, the consolidated financial statements are in agreement with the records maintained by the City and the transactions that have come under our notice have, in all significant respects, been within the statutory powers of the City, except as outlined in Note 13 to the consolidated financial statements.

Iqaluit, Nunavut  
February 26, 2016

Handwritten signature of Lester Landau in black ink.

CHARTERED ACCOUNTANTS

**CITY OF IQALUIT**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
AS AT DECEMBER 31, 2015

	<u>2015</u>	<u>2014</u>
<b>Financial Assets</b>		
Cash and cash equivalents (Note 2)	\$ 29,984,868	\$ 20,716,350
Accounts receivable		
Taxes and grants in lieu (Note 3)	3,077,952	2,438,835
Trade and other (Note 3)	4,226,515	4,422,620
Land held for resale (Note 4)	15,766	15,766
Land leases receivable (Note 5)	<u>4,395,931</u>	<u>5,422,952</u>
<b>Total Financial Assets</b>	<u>41,701,032</u>	<u>33,016,523</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	7,045,872	5,487,264
Due to Government of Nunavut (Note 6)	0	38,689
Deposits	130,024	130,142
Performance bond payable	0	59,321
Post-employment benefits payable (Note 1)	1,700,843	1,633,473
Closure/post-closure liabilities (Note 14)	3,997,940	4,431,674
Deferred revenue (Note 7)	17,572,378	16,485,272
Long term debt (Note 8)	30,339,554	12,978,589
Obligations under capital lease (Note 9)	<u>0</u>	<u>34,461</u>
<b>Total Liabilities</b>	<u>60,786,611</u>	<u>41,278,885</u>
<b>Net Financial Assets (Debt)</b>	<u>(19,085,579)</u>	<u>(8,262,362)</u>
<b>Non-Financial Assets</b>		
Prepaid expenses	236,783	237,904
Consumable inventories (Note 1)	1,211,453	1,457,501
Tangible capital assets (Note 1 and Schedule 17)	<u>119,521,726</u>	<u>103,100,245</u>
<b>Total Non-Financial Assets</b>	<u>120,969,962</u>	<u>104,795,650</u>
<b>Accumulated Fund Balances (Schedule 1)</b>	<u>\$ 101,884,383</u>	<u>\$ 96,533,288</u>

Contingent Liabilities (Note 14)

Approved on behalf of the City of Iqaluit:



Mayor



Chief Administrative Officer

**CITY OF IQALUIT**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>2015</u> <u>Budget</u>	<u>2015</u> <u>Actual</u>	<u>2014</u> <u>Actual</u>
<b>Revenues</b>			
Taxation and user charges			
Taxes and grants in lieu (Schedule 2)	\$ 17,556,130	\$ 17,523,470	\$ 14,420,121
Water and sewer (Schedule 3)	5,586,100	5,596,213	5,285,337
Sanitation (Schedule 4)	2,868,500	2,676,242	2,442,114
Land development and administration (Schedule 5)	2,405,700	1,830,229	1,021,822
Gravel (Schedule 6)	0	88,304	46,410
Other revenue from own sources (Schedule 8)	3,305,000	3,538,260	2,961,954
Government transfers			
Equalization contribution (Schedule 2)	2,031,181	2,117,997	1,915,426
Water and sewer subsidy (Schedule 3)	1,234,597	1,234,597	1,234,597
Sanitation projects (Schedule 4)	0	0	2,925
Land contributions (Schedule 5)	77,000	83,409	82,593
Other government transfers (Schedule 8)	155,800	131,550	245,816
Economic development contribution (Schedule 15)	190,000	182,017	247,133
Contract services (Schedule 16)	<u>702,300</u>	<u>993,222</u>	<u>1,197,726</u>
	<u>36,112,308</u>	<u>35,995,510</u>	<u>31,103,974</u>
<b>Expenses</b>			
Water and sewer (Schedule 3)	6,437,300	7,329,417	7,099,604
Sanitation (Schedule 4)	2,122,600	1,731,760	5,903,930
Land development and administration (Schedule 5)	2,674,350	1,279,923	1,433,063
Gravel (Schedule 6)	40,600	44,407	609,602
General government (Schedule 9)	5,234,140	4,364,789	4,304,937
Emergency services (Schedule 10)	4,296,750	4,327,001	4,034,681
By-law enforcement (Schedule 11)	1,322,200	1,243,980	1,075,021
Public works and transportation (Schedule 12)	4,146,850	3,559,853	3,238,095
Recreational and cultural (Schedule 13)	3,710,400	3,574,013	3,378,531
Engineering services (Schedule 14)	1,146,700	981,682	924,483
Economic development (Schedule 15)	197,800	184,947	247,133
Contract services (Schedule 16)	701,800	1,007,484	1,216,224
Depreciation (Schedule 17)	<u>4,781,800</u>	<u>4,873,075</u>	<u>4,805,445</u>
	<u>36,813,290</u>	<u>34,502,331</u>	<u>38,270,749</u>
<b>Excess Revenues (Expenses) before Other</b>	<u>(700,982)</u>	<u>1,493,179</u>	<u>(7,166,775)</u>
<b>Other</b>			
Government transfers relating to capital (Schedule 18)	<u>6,977,300</u>	<u>3,857,916</u>	<u>1,218,694</u>
<b>Excess Revenues (Expenses)</b>	<u>\$ 6,276,318</u>	<u>\$ 5,351,095</u>	<u>\$ (5,948,081)</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CITY OF IQALUIT**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS (DEBT)**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	2015 <u>Budget</u>	2015 <u>Actual</u>	2014 <u>Actual</u>
<b>Excess Revenues (Expenses)</b>	\$ 6,276,318	\$ 5,351,095	\$ (5,948,081)
Tangible capital assets purchased	(24,020,527)	(21,378,637)	(7,095,744)
Depreciation	4,781,800	4,873,075	4,805,445
Loss on disposal of tangible capital assets	0	0	3,668
Tangible capital asset adjustment	<u>0</u>	<u>84,081</u>	<u>0</u>
	(12,962,409)	(11,070,386)	(8,234,712)
Change in prepaid expenses	0	1,121	(81,073)
Change in consumable inventories	<u>0</u>	<u>246,048</u>	<u>(189,118)</u>
<b>Decrease in Net Financial Assets (Debt)</b>	(12,962,409)	(10,823,217)	(8,504,903)
<b>Net Financial Assets, opening</b>	<u>(8,262,362)</u>	<u>(8,262,362)</u>	<u>242,541</u>
<b>Net Financial Assets (Debt), closing</b>	\$ <u>(21,224,771)</u>	\$ <u>(19,085,579)</u>	\$ <u>(8,262,362)</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CITY OF IQALUIT**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>Operating Activities</b>		
Excess revenues (expenses)	\$ 5,351,095	\$ (5,948,081)
Items not requiring cash:		
Depreciation	4,873,075	4,805,445
Loss on disposal and adjustment	<u>84,081</u>	<u>3,668</u>
	10,308,251	(1,138,968)
 Cash provided by (used for) changes in non-cash working capital:		
Taxes and grants in lieu receivable	(639,117)	(669,003)
Trade and other receivables	196,105	(447,561)
Land leases receivable	1,027,021	1,494,633
Accounts payable and accrued liabilities	1,558,608	(3,443,103)
Due to Government of Nunavut	(38,689)	0
Deposits	(118)	13,299
Performance bond payable	(59,321)	629
Post-employment benefits payable	67,370	(152,759)
Closure/post-closure liabilities	(433,734)	1,781,729
Deferred revenue	1,087,106	4,885,819
Prepaid expenses	1,121	(81,071)
Consumable inventory	<u>246,048</u>	<u>(189,118)</u>
Cash from (used for) operations	<u>13,320,651</u>	<u>2,054,526</u>
 <b>Capital Activities</b>		
Tangible capital assets purchased	<u>(21,378,637)</u>	<u>(7,095,744)</u>
 <b>Financing Activities</b>		
Long term debt repaid	(1,621,646)	(1,627,469)
Long term debt issued	18,982,611	0
Obligations under capital lease repaid	<u>(34,461)</u>	<u>(111,954)</u>
Cash from (used for) financing activities	<u>17,326,504</u>	<u>(1,739,423)</u>
 <b>Increase (Decrease) in Cash</b>	9,268,518	(6,780,641)
 <b>Cash and Cash Equivalents, opening</b>	<u>20,716,350</u>	<u>27,496,991</u>
 <b>Cash and Cash Equivalents, closing</b>	<u>\$ 29,984,868</u>	<u>\$ 20,716,350</u>

The accompanying notes are an integral part of these consolidated financial statements.



**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the City of Iqaluit (the "City") are the representations of Administration prepared in accordance with Canadian Public Sector Accounting Standards. The consolidated financial statements have, in Administration's opinion, been properly prepared within reasonable limits of materiality within the framework of the significant accounting policies summarized below:

**(a) Reporting Entity**

These consolidated financial statements reflect the assets, liabilities, revenues and expenditures of the General Operating Fund, Water and Sewer Fund, Sanitation Program Fund, Land Development Fund, Gravel Fund, and Reserve Fund and include all the activities of all committees of Council. All inter-fund assets, liabilities, revenues, and expenditures are eliminated.

The City receives significant funding from the Government of Nunavut in the form of operating and capital contributions. Administration is of the opinion that discontinuance of funding would significantly disrupt operations.

**(b) Basis of Accounting**

The consolidated financial statements are prepared using the accrual basis of accounting. Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Expenditures are recognized in the period the goods and services were acquired and a liability is incurred or transfers are due.

Government transfers are recognized in the consolidated financial statements as revenues when:

- 1) a transfer without eligibility criteria or stipulations is authorized.
- 2) a transfer with eligibility criteria but without stipulations is authorized and all eligibility criteria have been met.
- 3) a transfer with or without eligibility criteria but with stipulations is authorized and all eligibility criteria have been met, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability.

Funds and contributions from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the specific purpose.

Interest earned on reserve fund cash is transferred to the specific reserve fund that generated the interest.

**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(c) Use of Estimates**

The preparation of the consolidated financial statements of the City requires Administration to make estimates and approximations based on information available as of the date of the consolidated financial statements. Significant estimates include assumptions used in estimating provisions for accrued liabilities, allowance for doubtful accounts, valuations of employee future benefits and closure and post-closure liabilities. Actual results could differ from those estimates and approximations.

**(d) Fund Accounting**

The City maintains the General Operating Fund, Water and Sewer Fund, Sanitation Program Fund, Land Development Fund, Gravel Fund, and Reserve Fund. Transfers between funds are recorded as adjustments to the appropriate fund balance.

**(e) Financial Instruments**

The City initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. The City subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and cash equivalents, accounts receivable and land leases receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, amounts due to Government of Nunavut and long-term debt.

It is management's opinion that the City is exposed to significant interest and credit risks arising from these financial instruments as described in Note 12.

**(f) Budget**

Budget figures are unaudited and are those approved by Council on December 23, 2014.

**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(g) Inventory**

**Inventory for Consumption**

Inventories other than for resale are recorded at the lower of cost, determined on a weighted average basis, and net replacement cost.

**Inventory of Land Held for Resale**

The cost of lots sold is recorded at estimated cost which is assumed to equal the selling price until all costs of development of an area are known. Therefore the inventory of land held for resale represents the residual amount of costs to date on the project.

**(h) Leases**

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenditures as incurred.

**(i) Contributed Tangible Capital Assets**

Tangible capital assets acquired as contributions are recorded at their fair value on the date received. Equivalent amounts are recorded as other capital contributions on the Consolidated Statement of Operations.

**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(j) Tangible Capital Assets**

Tangible capital assets are recorded at cost. Depreciation is provided using methods and rates intended to depreciate the cost of assets over their estimated useful lives. Estimated useful life and depreciation methods are set forth below:

<u>Category</u>	<u>Threshold (\$)</u>	<u>Estimated Useful Life</u>	<u>Depreciation Method</u>
Buildings	10,000	40 years	Straight-line
Cemetery development	All	Indefinite	NA
Computer equipment - hardware	5,000	3 years	Straight-line
Computer software	5,000	3 years	Straight-line
Feasibility studies	5,000	1 year	Straight-line
Furniture and fixtures	5,000	5 years	Straight-line
Granular source	All	Indefinite	NA
Infrastructure - water and sewer	10,000	30 years	Straight-line
Infrastructure - sewage treatment	10,000	30 years	Straight-line
Infrastructure - waste	10,000	30 years	Straight-line
Land	All	Indefinite	NA
Assets under construction	All	NA	NA
Machinery and equipment - office	10,000	5 years	Straight-line
Machinery and equipment - heavy equipment	10,000	18 years	Straight-line
Playgrounds - recreation	10,000	18 years	Straight-line
Roads	All	30 years	Straight-line
Vehicles	All	7 years	Straight-line

**(k) Interest Capitalization**

Interest expenses incurred relating to the building under construction are capitalized until the point that the construction is complete and the building is ready for use.

**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(l) Post Employment Benefits**

Under the terms and conditions of employment, City employees may earn benefits for retirement, vested sick leave, severance and removal costs upon termination of employment. The estimated liability for these benefits is recorded as the benefits are earned by the employees. Severance liabilities are also recorded when employees are identified for lay-off.

**(m) Pension Expenditures**

Currently, employees contribute to a privately managed registered retirement savings plan. The plan is a defined contribution plan to which the City contributes bi-weekly, based on various employment agreements, and therefore has no liability.

**(n) Reserves**

Reserves are established at the discretion of Council to set aside funds for future expenditures. Transfers to and/or from reserves are reflected as an adjustment to the respective fund and not as revenues or expenditures in the consolidated statement of operations.

The reserves as established by Council and their purposes are as follows:

- Vehicle reserves were established to accumulate funds for purchasing new vehicles.
- Building project reserves were established to accumulate funds for purchasing or constructing new buildings.
- Sewage project reserve was established to accumulate funds for future construction and repair of the sewage system.
- Election expense reserve was established to accumulate funds for future election costs.
- Quarry restoration reserve was established to accumulate funds for future costs to restore the existing quarry.
- Quarry development reserve was established to accumulate funds for future quarry development.
- The reserve for estimated future interest expense on debenture no. 14 was established to accumulate funds to offset the anticipated interest expense pertaining to debenture no. 14.
- The ambulance personnel training reserve was established to accumulate funds for the training of ambulance personnel.
- Financial information system reserve was established to accumulate funds for the purchase and maintenance of the City's computer systems.
- Parking lot and Parking lot maintenance reserves were established to accumulate funds for the development and maintenance of new municipal parking lot facilities.

**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(n) Reserves (continued)**

- The Annenburg Foundation future donations reserve was established to accumulate funds for future donations.
- Emergency services equipment replacement reserve was established to accumulate funds for purchasing new emergency equipment.
- Dog pound reserve was established to accumulate funds for the creation of a new dog pound.
- Alarm system reserve was established to accumulate funds for purchasing new equipment.
- Booster station equipment reserve was established to accumulate funds for purchasing and repairing booster station equipment.
- Review and by-law revisions reserve was established to accumulate funds for the future review and revision of the City's by-laws.
- Aerial photo reserve was established to accumulate funds to update aerial photographs of the City.
- Outdoor hard surface reserve was established to accumulate funds for the future construction of an outdoor hard surface for recreational activities.
- Post employment benefit reserves were established to accumulate funds for the payout of retirement, vested sick leave, severance and removal costs earned by current employees upon termination of employment.
- BMX bicycle park reserve was established to accumulate funds for the future construction of a BMX style bicycle park.
- The major infrastructure maintenance reserve was established to accumulate funds for major repairs and maintenance to City owned staff housing units.
- Walkway trail phase 1 and 2 reserve was established to accumulate funds for the future construction of walking trails.
- GIS update reserve was established to accumulate funds for the purchase of new geographic information survey equipment.
- The improvements to the Industrial subdivision reserve was established to accumulate funds for future costs related to the Industrial subdivision.
- Pedestrian walkway reserve was established to accumulate funds for the construction of a future pedestrian walkway.
- Election equipment reserve was established to accumulate funds for the purchase of election equipment.
- Emergency generator reserve was established to accumulate funds for the purchase of an emergency generator.

**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(n) Reserves (continued)**

- Marine infrastructure reserve was established to accumulated funds for development of the City's marine infrastructure.
- Street lighting reserve was established to accumulate funds for major repairs to existing street lighting or for the purchase of new street lighting.
- Road paving and maintenance reserves were established to accumulate funds for future road paving or maintenance.
- Landfill reserve was established to accumulate funds for closure and post-closure costs related to the solid waste facility
- Vacation travel allowance reserve was established to accumulate funds for future vacation travel allowance costs.
- New youth centre reserve was established to accumulate funds for the future construction of a youth centre.
- New aquatic centre reserve was established to accumulate funds for the construction of the aquatic centre.
- Lagoon reserve was established to accumulate funds for closure and post-closure costs related to the sewage lagoon.
- Emergency services risk assessment reserve was established to accumulate funds for risk assessment of emergency services.
- Recreation equipment reserves were established to accumulate funds for the replacement of recreation equipment.
- Garage equipment reserve was established to accumulate funds for replacement of garage equipment.
- Gas boy reserve was established to accumulate funds for the replacement of the fuel dispensing system.
- R.E.A.C.H. reserve was established to accumulate sponsorship and donated funds for future R.E.A.C.H. program expenditures.

**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**2. CASH AND CASH EQUIVALENTS**

General Operating Fund maintains the cash and cash equivalents for other funds not fully funded on their own. The actual cash and cash equivalents position is as follows:

	<u>2015</u>	<u>2014</u>
General operating fund	\$ (7,088,774)	\$ (7,778,874)
Aquatic centre funds	5,459,429	0
Capital projects funds	20,930,894	17,909,085
Land development funds	1,945,355	1,744,728
Reserve funds	<u>8,737,964</u>	<u>8,841,411</u>
	<u>\$ 29,984,868</u>	<u>\$ 20,716,350</u>

Cash and cash equivalents consist of current and savings accounts with the Royal Bank of Canada and the Bank of Montreal. Cash invested in savings accounts earns interest at variable rates.

Included in the aquatic centre fund cash and cash equivalents is \$4,000,000 (2014 - \$nil) of project cash reserves as required by the construction credit facility loan with the Bank of Montreal (Note 8).

Included in the land development fund cash and cash equivalents is \$ nil (2014 - \$59,321) of performance bonds held in trust. The interest earned on these funds is added to the trust balance to the benefit of the developer.

Included in the capital projects fund is \$12,529,801 (2014 - \$9,824,691) relating to Gas Tax Funding and \$8,401,093 (2014 - \$8,084,394) related to funding for other capital projects. The interest earned on these funds is added to the funding for the capital projects for which the funds were originally received. The use of this cash and cash equivalent is restricted to approved projects under various capital project agreements.



**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**3. ACCOUNTS RECEIVABLE**

**Taxes and grants in lieu**

	<u>2015</u>	<u>2014</u>
Total municipal taxes receivable	\$ 3,631,963	\$ 3,082,625
Allowance for doubtful collection	<u>(1,363,171)</u>	<u>(1,408,145)</u>
	2,268,792	1,674,480
Grants in lieu receivable	<u>809,160</u>	<u>764,355</u>
	<u>\$ 3,077,952</u>	<u>\$ 2,438,835</u>

**Trade and other**

	<u>2015</u>	<u>2014</u>
Water and sewer service	\$ 2,017,005	\$ 1,993,805
General accounts receivable	1,967,284	2,316,529
GST refundable	856,723	361,978
Contracts	138,288	443,512
Capital projects accounts receivable	222,215	254,796
Allowance for doubtful accounts	<u>(975,000)</u>	<u>(948,000)</u>
	<u>\$ 4,226,515</u>	<u>\$ 4,422,620</u>

Included in Capital projects accounts receivable is \$138,880 (2014 - \$171,460) due from specified ratepayers relating to the lower base hook-up capital project.

**4. LAND HELD FOR RESALE**

Land held for resale represents the following balances.

	<u>Number of</u> <u>Lots for</u> <u>Resale</u>	<u>2015</u>	<u>Number of</u> <u>Lots for</u> <u>Resale</u>	<u>2014</u>
Apex infill	3	\$ 11,450	2	\$ 11,450
Lake subdivision	1	4,316	2	4,316
Plateau subdivision 2	1	0	1	0
Other	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>6</u>	<u>\$ 15,766</u>	<u>5</u>	<u>\$ 15,766</u>

**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**5. LAND LEASES RECEIVABLE**

	<u>2015</u>	<u>2014</u>
Land leases receivable	\$ 3,897,478	\$ 4,821,945
Land leases receivable - in arrears	<u>1,275,453</u>	<u>1,378,007</u>
	5,172,931	6,199,952
Allowance for doubtful collection	<u>(777,000)</u>	<u>(777,000)</u>
	<u>\$ 4,395,931</u>	<u>\$ 5,422,952</u>

Land leases receivable bear various interest rates from 10% to 12%, are due in various periods from 1 years to 14 years and are secured by a leasehold interest in land.

**6. DUE TO GOVERNMENT OF NUNAVUT**

	<u>2015</u>	<u>2014</u>
Gravel royalties payable	<u>\$ 0</u>	<u>\$ 38,689</u>

**7. DEFERRED REVENUE**

	<u>2015</u>	<u>2014</u>
Gas tax program	\$ 9,691,224	\$ 11,414,409
GN other	882,298	793,655
GN capital contribution	6,731,886	4,179,641
Government of Canada	64,961	0
Other	46,432	38,229
Contracts	<u>155,577</u>	<u>59,338</u>
	<u>\$ 17,572,378</u>	<u>\$ 16,485,272</u>

**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**8. LONG TERM DEBT**

	<u>2015</u>	<u>2014</u>
Pacific & Western Bank of Canada, secured by a general debenture related to the Plateau subdivision, repayable in monthly installments of \$38,067 principal plus interest at PWB prime rate less 0.06%, maturing November 2015. The City may remit excess payments if funds received from the related land development exceed the required monthly payment.	\$ 0	\$ 418,733
Royal Bank of Canada, secured by a general debenture related to the Plateau subdivision phase 2, repayable in blended monthly installments of \$38,090 with interest at 2.70%, maturing November 2017.	2,403,143	2,789,689
Pacific & Western Bank of Canada, secured by a general debenture related to the Lake subdivision, repayable in monthly installments of \$8,378 principal plus interest at PWB prime rate less 0.06%, maturing November 2015. The City may remit excess payments if funds received from the related land development exceed the required monthly payment.	0	91,852
Pacific & Western Bank of Canada, secured by a general debenture on capital projects, repayable in blended monthly installments of \$7,942 with interest at 5.70%, maturing October 2025.	716,003	768,854
Royal Bank of Canada, secured by certain capital projects, repayable in blended bi-weekly payments of \$1,935 with interest at 3.75%, maturing December 2016.	451,289	485,319
Pacific & Western Bank of Canada, secured by a general debenture related to the lower base capital project, repayable in blended monthly installments of \$4,728 with interest at 5.72%, maturing September 2025.	422,694	454,266

**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**8. LONG TERM DEBT (continued)**

	<u>2015</u>	<u>2014</u>
Royal Bank of Canada, secured by certain capital projects, repayable in blended monthly payments of \$3,174 with interest at 2.70%, maturing November 2017.	307,390	336,749
Royal Bank of Canada, secured by a general debenture related to the Plateau subdivision phase 3, repayable in blended monthly installments of \$39,550 with variable interest at Royal Bank of Canada prime less 0.5% maturing December 2016.	4,171,664	4,544,970
Royal Bank of Canada, secured by a general debenture related to the Plateau subdivision phase 4, repayable in blended monthly installments of \$23,838 with interest at 2.76%, maturing October 2017.	2,884,760	3,088,157
Bank of Montreal, non-revolving construction credit facility, to a maximum of \$29,000,000, secured by the Aquatic Centre capital project and cash reserve requirement (Note 2). Interest only payments until completion of construction phase. Interest at Bank of Montreal prime plus 0.75%, due on demand.	17,107,611	0
Federation of Canadian Municipalities debenture, unsecured, repayable in blended semi-annual installments commencing February 2016 of \$70,060 with interest at 4.25%, maturing July 2035.	<u>1,875,000</u>	<u>0</u>
	<u>\$ 30,339,554</u>	<u>\$ 12,978,589</u>

Long term debt is estimated to be repayable as follows:

2016	\$ 22,517,223
2017	5,117,342
2018	166,563
2019	175,283
2020	184,407
2021 and thereafter	<u>2,178,736</u>
	<u>\$ 30,339,554</u>

The Bank of Montreal has approved a term facility to repay the construction financing upon the completion of the Aquatic Centre up to a maximum of \$26,500,000 bearing interest at prime plus 0.5% and has approved a hedging facility to mitigate against interest rate fluctuations to a maximum of \$1,000,000. Neither of these facilities has been accessed in 2015.

**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**9. OBLIGATIONS UNDER CAPITAL LEASE**

	<u>Expiry</u>	<u>Interest</u> <u>rate</u>	<u>2015</u>	<u>2014</u>
Metso Mineral sand screener	Dec/15	4.23%	\$ <u>0</u>	\$ <u>34,461</u>

**10. EXPENDITURES BY OBJECT**

The following is a summary of the expenditures reported on the Consolidated Statement of Operations by the object of expenditures:

	<u>2015</u>	<u>2014</u>
Salaries and benefits	\$ 18,356,994	\$ 17,219,076
Legal fees	333,608	247,236
Professional fees	204,648	166,072
Contracted services	2,124,434	2,299,292
Rental	173,782	165,648
Telecommunications	207,216	229,050
Materials and supplies	1,361,936	1,449,555
Advertising	92,682	92,486
Interest and service charges	99,104	100,372
Interest on long term debt	357,426	415,442
Bad debts (recovery)	(17,974)	45,759
Professional development and training	205,859	233,006
Electricity	2,123,961	1,704,291
Heating fuel	1,639,055	1,590,592
Repairs and maintenance	625,314	665,901
Vehicle fuel	528,437	515,459
Vehicle repairs and maintenance	519,995	591,602
Travel and accommodation	57,357	79,731
Promotion	16,827	37,216
Sponsorships, memberships and fees	83,004	89,728
Insurance	492,960	516,501
Recruitment	63,710	114,316
Other expenditures	<u>234,373</u>	<u>236,349</u>
	29,884,708	28,804,680
Cost of lot sales	129,326	20,042
Dump fire	157,584	3,346,678
Environmental expenses	(542,362)	1,293,904
Depreciation	<u>4,873,075</u>	<u>4,805,445</u>
	<u>\$ 34,502,331</u>	<u>\$ 38,270,749</u>

**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**11. OTHER INFORMATION**

**Change in Allowance for Doubtful Accounts Receivable and related Bad Debts Expense (Recovery)**

The following amounts owed to the City have been considered doubtful of collection during the year and have been recorded as a bad debts expense (recovery) in their respective funds:

	<u>2015</u>	<u>2014</u>
Municipal taxes receivable	\$ (44,974)	\$ (147,241)
General accounts receivable	96,000	135,000
Municipal services receivable	<u>(69,000)</u>	<u>58,000</u>
	<u>\$ (17,974)</u>	<u>\$ 45,759</u>

**12. FINANCIAL ASSETS AND LIABILITIES**

The significant financial risks to which the City is exposed are credit risk and interest rate risk.

a) Credit risk

Credit risk is the risk that one party to the financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The City is exposed to credit risk in the event of non-performance by counterparties in connection with its accounts receivable. The City does not obtain collateral or other security to support general accounts receivable subject to credit risk. Municipal taxes and services receivable mitigate credit risk by ultimate collection upon sale of property.

b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The bank loans payable bear interest at varying rates. Changes in the bank's prime lending rate can cause fluctuations in interest payments and cash flows. The City has mitigated this risk by entering into loans at fixed interest rates.

**13. STATUTORY INFORMATION**

**Elimination of Deficit**

Section 97 (2) of the *Cities, Towns and Villages Act* requires that every municipal corporation shall eliminate any deficit at the end of a fiscal year by the end of the next fiscal year. At December 31, 2014 the City had deficits in the General Operating, Water and Sewer, Sanitation Program, Land Development and Gravel Funds. At December 31, 2015 the City has not eliminated the deficits as required on the Water and Sewer, Sanitation Program, Land Development and Gravel Funds.

**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**14. CONTINGENT LIABILITIES**

**Environmental**

The City of Iqaluit has identified various environmentally hazardous sites within the municipal boundaries of the City. Environmental problems include contaminated soil and groundwater and a sewage treatment facility in need of upgrades. Responsible government authorities have been notified of these environmental risks for remedial action. As the outcome of these environmental hazards is not presently determinable, no provision for a loss has been accrued in these consolidated financial statements.

**Vendor Payable**

A vendor of the City has requested additional payment for amounts which they state were incorrectly billed to the City over the past several years. Management has accrued a provision to the vendor, consistent with management expectations of the settlement amount. The amount of an additional expense, if any, will be recorded in the period known.

A vendor of the City has provided an invoice for billing adjustments of \$574,734 which has been accrued in these financial statements. Management is disputing this claim and looks to resolve the issue with the vendor in the coming year. Since the invoice was originally issued, \$271,552 of interest has accumulated which is not included in these financial statements. The amount of any additional expense or reduction to the original billing will be recorded in the period it becomes known.

**Statement of Claim**

The City was served with a fire-related statement of claim filed against several defendants, seeking damages for general negligence, punitive damages and aggravated damages. The total amount being sought is \$14,500,000, the likelihood of the outcome is unknown. The amount of any contingent loss has not been recorded in these financial statements.

**Quarry Site Restoration**

Upon termination of the Quarry Administration Agreement between the City and the Government of Nunavut, the City is required to deliver up possession of the quarry site restored to the satisfaction of the Government of Nunavut. To date the City does not have complete information required to estimate restoration costs. As such these costs have not been recorded in these consolidated financial statements.

**Insurance**

The City participates in the Nunavut Association of Municipalities insurance programs. Under these programs the City is insured for property, automotive and liability. Under the terms of membership, the City could become liable for its proportionate share of any claim losses in excess of the funds available. Any liability incurred would be accounted for in the year the losses are determined.

**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**14. CONTINGENT LIABILITIES (continued)**

**Wastewater Treatment Plant**

Aboriginal Affairs and Northern Development Canada (AANDC) has ordered the City to update its secondary treatment process by December 31, 2018, at an estimated cost of \$26.5 million. The overall plan to achieve effluent compliance at the wastewater treatment plant is a multi-phase process. At December 31, 2015 the City has met the project schedules and milestones as set out in the quarterly report to AANDC. The City's current capital plan has funds allocated for this project totaling \$16.8 million. Requests have been submitted to the Government of Nunavut and the Government of Canada to fund the estimated \$9.7 million shortfall.

**Closure / Post-closure Costs - Solid Waste Landfill, Sewage Lagoon and Trail Deposit**

Included in the City's operations are a solid waste landfill site, sewage lagoon and trail deposit. Closure / post-closure costs are recognized at their estimated present value when information is available to estimate the liability. The actual closure / post-closure costs may differ from these estimates. The amount of additional loss, if any, will be recorded in the period it becomes known.

	<u>Opening Balance</u>	<u>Change</u>	<u>Closing Balance</u>
Solid waste landfill	\$ 2,840,200	\$ (553,576)	\$ 2,286,624
Sewage lagoon	466,550	11,214	477,764
Trail deposit	637,099	0	637,099
Water treatment (dump fire)	<u>487,825</u>	<u>108,628</u>	<u>596,453</u>
	<u>\$ 4,431,674</u>	<u>\$ (433,734)</u>	<u>\$ 3,997,940</u>



**CITY OF IQALUIT**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**15. COMMITMENTS**

The City rents premises for two buildings under lease agreements that expire in 2016 and 2019. Annual minimum lease payments under the terms of the leases are as follows:

2016	\$ 195,900
2017	153,900
2018	153,900
2019	<u>153,900</u>
	<u>\$ 657,600</u>

**16. COMPARATIVE AMOUNTS**

Certain 2014 financial statement amounts have been reclassified to conform to the financial statement presentation adopted in the current year.

**CITY OF IQALUIT**  
**CONSOLIDATED SCHEDULE OF CHANGES IN ACCUMULATED FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	(Schedule 20) General Operating Fund	Water Sewer Fund	Sanitation Program Fund	Land Development Fund	Gravel Fund	Reserve Fund	Equity in Tangible Capital Assets	2015 Municipal Position Total	2014 Municipal Position Total
<b>EXCESS REVENUES (EXPENSES)</b>	<u>\$ 3,854,697</u>	<u>\$ (1,264,872)</u>	<u>\$ 2,083,658</u>	<u>\$ 633,715</u>	<u>\$ 43,897</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,351,095</u>	<u>\$ (5,948,081)</u>
<b>Net interfund transfers</b>									
To (from) reserves	102,249	(13,926)	(259,500)	(2,500)	(25,000)	198,677	0	0	0
Tangible capital assets purchased	(18,464,812)	(1,529,354)	(1,384,471)	0	0	0	21,378,637	0	0
Tangible capital asset adjustment	84,081	0	0	0	0	0	(84,081)	0	0
Capital leases repaid	(34,463)	0	0	0	0	0	34,463	0	0
Long term debt proceeds	18,982,611	0	0	0	0	0	(18,982,611)	0	0
Long term debt repaid	(44,303)	(103,509)	0	0	0	0	147,812	0	0
Depreciation	<u>2,332,161</u>	<u>2,295,619</u>	<u>245,295</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(4,873,075)</u>	<u>0</u>	<u>0</u>
	<u>2,957,524</u>	<u>648,830</u>	<u>(1,398,676)</u>	<u>(2,500)</u>	<u>(25,000)</u>	<u>198,677</u>	<u>(2,378,855)</u>	<u>0</u>	<u>0</u>
<b>CHANGE IN FUND BALANCES</b>	6,812,221	(616,042)	684,982	631,215	18,897	198,677	(2,378,855)	5,351,095	(5,948,081)
<b>BALANCES, OPENING</b>	<u>(3,099,147)</u>	<u>(5,526,093)</u>	<u>(2,848,587)</u>	<u>(1,266,460)</u>	<u>(779,240)</u>	<u>9,032,218</u>	<u>101,020,597</u>	<u>96,533,288</u>	<u>102,481,369</u>
<b>BALANCES, CLOSING</b>	<u>\$ 3,713,074</u>	<u>\$ (6,142,135)</u>	<u>\$ (2,163,605)</u>	<u>\$ (635,245)</u>	<u>\$ (760,343)</u>	<u>\$ 9,230,895</u>	<u>\$ 98,641,742</u>	<u>\$101,884,383</u>	<u>\$ 96,533,288</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CITY OF IQALUIT**  
**GENERAL OPERATING FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>2015</u> <u>Budget</u>	<u>2015</u> <u>Actual</u>	<u>2014</u> <u>Actual</u>
<b>Revenues</b>			
User charges			
Taxes	\$ 12,187,315	\$ 12,157,097	\$ 10,210,542
Grants in lieu (Schedule 8)	<u>5,368,815</u>	<u>5,366,373</u>	<u>4,209,579</u>
	17,556,130	17,523,470	14,420,121
Other revenue from own sources (Schedule 8)	<u>3,305,000</u>	<u>3,538,260</u>	<u>2,961,954</u>
	20,861,130	21,061,730	17,382,075
Government transfers			
Equalization contribution	2,031,181	2,117,997	1,915,426
Economic development (Schedule 15)	190,000	182,017	247,133
Government operating transfers (Schedule 8)	155,800	131,550	245,816
Contract services (Schedule 16)	<u>702,300</u>	<u>993,222</u>	<u>1,197,726</u>
	<u>23,940,411</u>	<u>24,486,516</u>	<u>20,988,176</u>
<b>Expenses</b>			
General government (Schedule 9)	5,234,140	4,364,789	4,304,937
Emergency services (Schedule 10)	4,296,750	4,327,001	4,034,681
By-law enforcement (Schedule 11)	1,322,200	1,243,980	1,075,021
Public works and transportation (Schedule 12)	4,146,850	3,559,853	3,238,095
Recreational and cultural (Schedule 13)	3,710,400	3,574,013	3,378,531
Engineering services (Schedule 14)	1,146,700	981,682	924,483
Economic development (Schedule 15)	197,800	184,947	247,133
Contract services (Schedule 16)	<u>701,800</u>	<u>1,007,484</u>	<u>1,216,224</u>
	20,756,640	19,243,749	18,419,105
Depreciation	<u>2,290,200</u>	<u>2,332,161</u>	<u>2,315,385</u>
	<u>23,046,840</u>	<u>21,575,910</u>	<u>20,734,490</u>
<b>Excess Revenues before Other</b>	893,571	2,910,606	253,686
<b>Other</b>			
Capital contributions	<u>0</u>	<u>944,091</u>	<u>905,025</u>
<b>Excess Revenues</b>	<u>\$ 893,571</u>	<u>\$ 3,854,697</u>	<u>\$ 1,158,711</u>

**CITY OF IQALUIT**  
**WATER AND SEWER FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>2015</u> <u>Budget</u>	<u>2015</u> <u>Actual</u>	<u>2014</u> <u>Actual</u>
<b>Revenues</b>			
User charges			
Residential	\$ 2,820,900	\$ 2,896,399	\$ 2,739,009
Residential subsidy	<u>(1,175,000)</u>	<u>(1,369,495)</u>	<u>(1,406,713)</u>
	1,645,900	1,526,904	1,332,296
Commercial	1,307,800	1,042,438	1,130,324
Government and industrial	2,485,600	2,866,385	2,700,698
Other fees	<u>146,800</u>	<u>160,486</u>	<u>122,019</u>
	5,586,100	5,596,213	5,285,337
Government transfers			
Government of Nunavut subsidies	<u>1,234,597</u>	<u>1,234,597</u>	<u>1,234,597</u>
	<u>6,820,697</u>	<u>6,830,810</u>	<u>6,519,934</u>
<b>Expenses</b>			
Salaries and wages	3,370,200	3,415,551	3,175,752
Transmission and distribution (utilidor)	2,395,400	2,941,555	2,640,229
Vehicle fuel	153,700	192,111	190,672
Vehicle operations and maintenance	150,000	158,100	170,007
Provision for closure/post-closure sewage lagoon (Note 14)	<u>0</u>	<u>11,214</u>	<u>11,214</u>
	6,069,300	6,718,531	6,187,874
Administration and maintenance costs			
General government	97,800	99,984	375,024
Emergency services	37,000	37,000	55,900
By-law	18,300	18,300	33,700
Public works and transportation	<u>214,900</u>	<u>455,602</u>	<u>447,106</u>
	6,437,300	7,329,417	7,099,604
Depreciation	<u>2,244,100</u>	<u>2,295,619</u>	<u>2,242,706</u>
	<u>8,681,400</u>	<u>9,625,036</u>	<u>9,342,310</u>
<b>Excess Expenses before Other</b>	(1,860,703)	(2,794,226)	(2,822,376)
<b>Other</b>			
Capital contributions	<u>0</u>	<u>1,529,354</u>	<u>313,580</u>
<b>Excess Expenses</b>	<u>\$ (1,860,703)</u>	<u>\$ (1,264,872)</u>	<u>\$ (2,508,796)</u>

**CITY OF IQALUIT**  
**SANITATION PROGRAM FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>2015</u> <u>Budget</u>	<u>2015</u> <u>Actual</u>	<u>2014</u> <u>Actual</u>
<b>Revenues</b>			
User charges			
Sanitation services	\$ 2,161,000	\$ 2,246,882	\$ 2,041,453
Solid waste tipping fees	650,000	369,360	395,515
Other	<u>57,500</u>	<u>60,000</u>	<u>5,146</u>
	2,868,500	2,676,242	2,442,114
Government transfers			
Other	<u>0</u>	<u>0</u>	<u>2,925</u>
	<u>2,868,500</u>	<u>2,676,242</u>	<u>2,445,039</u>
<b>Expenses</b>			
Salaries and benefits	1,567,500	1,467,175	1,040,598
Vehicle fuel	70,000	106,618	93,512
Vehicle operations and maintenance	100,000	117,283	111,687
Materials and supplies	46,400	15,423	66,250
Interest on capital leases	0	0	1,283
Contracted costs	53,000	33,155	39,390
Electricity	25,600	22,854	22,986
Heating fuel	15,900	17,123	15,705
Provision for closure/post-closure solid waste landfill (Note 14)	0	(553,576)	740,781
Dump fire	<u>0</u>	<u>157,584</u>	<u>3,346,678</u>
	1,878,400	1,383,639	5,478,870
Administration and maintenance costs			
General government	83,200	84,382	150,070
Public works and transportation	<u>161,000</u>	<u>263,739</u>	<u>274,990</u>
	2,122,600	1,731,760	5,903,930
Depreciation	<u>246,500</u>	<u>245,295</u>	<u>247,053</u>
	<u>2,369,100</u>	<u>1,977,055</u>	<u>6,150,983</u>
<b>Excess Revenues (Expenses) before Other</b>	499,400	699,187	(3,705,944)
<b>Other</b>			
Capital contributions	<u>0</u>	<u>1,384,471</u>	<u>89</u>
<b>Excess Revenues (Expenses)</b>	<u>\$ 499,400</u>	<u>\$ 2,083,658</u>	<u>\$ (3,705,855)</u>

**CITY OF IQALUIT**  
**LAND DEVELOPMENT FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>2015</u> <u>Budget</u>	<u>2015</u> <u>Actual</u>	<u>2014</u> <u>Actual</u>
<b>Revenues</b>			
User charges			
Land sales	\$ 1,300,000	\$ 1,029,342	\$ 92,997
Interest on land leases	1,000,000	573,693	712,131
Lot leases revenue	30,000	9,380	10,862
Other	0	95,026	0
Fees	<u>75,700</u>	<u>122,788</u>	<u>205,832</u>
	2,405,700	1,830,229	1,021,822
Government transfers			
Land administration contribution	<u>77,000</u>	<u>83,409</u>	<u>82,593</u>
	<u>2,482,700</u>	<u>1,913,638</u>	<u>1,104,415</u>
<b>Expenses</b>			
Cost of land sold	0	83,235	0
Interest on debentures	273,000	261,833	311,317
Salaries and benefits	573,200	468,350	475,108
Office and miscellaneous	64,800	11,369	12,321
Planning, reviews and studies	1,456,000	189,445	218,558
Professional fees	50,000	11,550	43,409
Rent	56,100	65,050	59,344
Survey, appraisal and title search fees	21,000	18,453	2,981
Training	8,000	6,851	6,301
Electricity	6,200	5,318	5,787
Heating fuel	5,850	5,662	5,447
Vehicle fuel	0	443	0
Vehicle operations, maintenance and rental	<u>0</u>	<u>756</u>	<u>100</u>
	2,514,150	1,128,315	1,140,673
Administration and maintenance costs			
General government	136,900	127,618	259,854
Engineering services	4,600	4,600	9,200
By-law	3,200	3,200	3,200
Public works and transportation	<u>15,500</u>	<u>16,190</u>	<u>20,136</u>
	2,674,350	1,279,923	1,433,063
Depreciation	<u>1,000</u>	<u>0</u>	<u>301</u>
	<u>2,675,350</u>	<u>1,279,923</u>	<u>1,433,364</u>
<b>Excess Revenues (Expenses)</b>	<u>\$ (192,650)</u>	<u>\$ 633,715</u>	<u>\$ (328,949)</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CITY OF IQALUIT**  
**GRAVEL FUND**  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>2015</u> <u>Budget</u>	<u>2015</u> <u>Actual</u>	<u>2014</u> <u>Actual</u>
<b>Revenues</b>			
User charges			
Gravel royalties	\$ <u>0</u>	\$ <u>88,304</u>	\$ <u>46,410</u>
<b>Expenses</b>			
Provision for closure/post-closure trail area deposit (Note 14)	0	0	541,909
Administration and maintenance costs			
General government	18,200	18,574	32,491
Public works and transportation	<u>22,400</u>	<u>25,833</u>	<u>35,202</u>
	<u>40,600</u>	<u>44,407</u>	<u>609,602</u>
<b>Excess Revenues (Expenses)</b>	<u>\$ (40,600)</u>	<u>\$ 43,897</u>	<u>\$ (563,192)</u>

**CITY OF IQALUIT**  
**RESERVE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>2015</u>	<u>2014</u>
	<u>Actual</u>	<u>Actual</u>
<b>The reserve fund is allocated as follows:</b>		
<b>General Operating Fund</b>		
Election expense reserve	\$ 24,349	\$ 31,210
Financial information system reserve	26,494	71,755
Administration building project reserve	7,949	681,959
Recreation building project reserve	57,711	416,382
Administration vehicle reserve	2,658	2,823
By-law vehicle reserve	18,019	14,009
Emergency services vehicle reserve	88,838	128,190
Public works vehicle reserve	(1,384)	6,966
Emergency services equipment replacement reserve	34,668	70,799
Dog pound reserve	10,866	27,853
Alarm monitoring system reserve	6,995	15,869
Recreation vehicle reserve	8,715	12,426
Ambulance vehicle reserve	26,139	27,222
Post employment benefits	413,618	361,246
Outdoor hard surface reserve	7,500	7,500
BMX bicycle park reserve	5,000	5,000
City hall/recreation building reserve	300,888	177,137
Annenburg Foundation future donations reserve	37	58,175
Ambulance personnel training reserve	62,967	62,393
Fire hall replacement reserve	48,421	86,696
Major infrastructure maintenance reserve	818,395	748,562
Future recreation building reserve	117	185,208
Sustainability and economic development reserve	269,999	266,398
Emergency management operations reserve	59,855	56,825
Animal control vehicle reserve	15,168	4,573
Ambulance building reserve	45,138	74,722
Translation equipment reserve	4,942	10,656
Emergency radio equipment reserve	16,424	31,956
Ambulance equipment reserve	10,954	21,318
Election equipment reserve	5,300	17,728
Marine infrastructure reserve	42,434	100,118
Emergency generator reserve	24,500	22,250
Street lighting reserve	21,988	31,737
Paving maintenance reserve	22,765	33,864
Emergency services risk assessment reserve	3,642	5,418
Building inspector vehicle reserve	9,783	9,774

The accompanying notes are an integral part of these consolidated financial statements.



**CITY OF IQALUIT**  
**RESERVE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>2015</u> <u>Actual</u>	<u>2014</u> <u>Actual</u>
<b>The reserve fund is allocated as follows: (continued)</b>		
<b>General Operating Fund</b>		
Playground equipment reserve	6,313	12,597
Administration photocopier reserve	3,021	6,679
Finance office furniture reserve	1,200	4,007
Garage equipment reserve	3,419	5,343
Gas pump equipment reserve	4,274	6,678
Soccer equipment reserve	9,832	24,243
New road paving reserve	35,194	116,465
Roads heavy equipment reserve	171,637	96,458
Purchasing warehouse reserve	9,283	14,132
Purchasing vehicle reserve	7,008	4,709
Safety and training vehicle reserve	5,587	3,780
Vacation travel allowance reserve	8,594	28,692
Youth council reserve	44,562	44,170
Engineering vehicle reserve	2,651	2,178
Cemetery development reserve	19,803	24,060
Aquatic centre reserve	191	304,887
R.E.A.C.H. sponsorships reserve	93,333	23,333
R.E.A.C.H. donations reserve	72,200	22,050
General reserve	1,483,542	0
<b>Water and Sewer Fund</b>		
Sewage project reserve	221,307	194,452
Water truck replacement reserve	26,762	51,235
Booster station equipment reserve	19,234	47,606
Sewer truck reserve	35,791	81,117
Future closure of sewage lagoon	118,423	107,408
Post employment benefit reserve	121,750	107,250
Water and sewer capital projects	33,250	0
Water and sewer capital lease	30,000	0

**CITY OF IQALUIT**  
**RESERVE FUND**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	2015 <u>Actual</u>	2014 <u>Actual</u>
<b>The reserve fund is allocated as follows: (continued)</b>		
<b>Land Development Fund</b>		
Reserve for estimated future interest expense on debenture no. 14	625,391	619,594
Review and by-law revisions reserve	202,500	202,500
Aerial photo reserve	126,000	126,000
Parking lot maintenance reserve	139,980	139,980
GIS update reserve	50,000	50,000
Pedestrian walkway reserve	31,500	31,500
Parking lot reserve	40,000	40,000
Improvement to Industrial subdivision reserve	175,444	173,843
Walking trails, phase 1 and 2 reserve	212,000	212,000
Snow fence reserve	76,523	75,825
Post employment benefits	17,500	15,000
Lands and planning vehicle reserve	12,461	12,438
<b>Sanitation Fund</b>		
Sanitation vehicle replacement reserve	68,510	46,010
Landfill equipment and vehicle reserve	139,316	115,693
Landfill equipment reserve	845,454	763,232
Future closure landfill	202,126	143,210
Post employment benefits reserve	42,500	35,500
Sanitation capital lease	50,000	0
Sanitation capital purchases	25,000	0
<b>Gravel Fund</b>		
Quarry restoration reserve	441,648	437,618
Quarry development reserve	<u>597,029</u>	<u>572,029</u>
	<u>\$ 9,230,895</u>	<u>\$ 9,032,218</u>

**CITY OF IQALUIT**  
**GRANTS IN LIEU AND OTHER REVENUE FROM OWN SOURCES**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	2015 <u>Budget</u>	2015 <u>Actual</u>	2014 <u>Actual</u>
<b>Grants in Lieu</b>			
Federal government	\$ 1,102,997	\$ 1,102,997	\$ 877,412
Government of Nunavut	4,035,242	4,032,800	3,143,512
Nunavut Power Corporation	181,243	181,243	150,546
Canadian Broadcasting Corporation	<u>49,333</u>	<u>49,333</u>	<u>38,109</u>
	<u>\$ 5,368,815</u>	<u>\$ 5,366,373</u>	<u>\$ 4,209,579</u>
<b>Government Operating Transfers</b>			
Federal government	\$ 68,000	\$ 0	\$ 91,798
Government of Nunavut	<u>87,800</u>	<u>131,550</u>	<u>154,018</u>
	<u>\$ 155,800</u>	<u>\$ 131,550</u>	<u>\$ 245,816</u>
<b>Other Revenue from Own Sources</b>			
Emergency services	\$ 1,437,000	\$ 1,679,079	\$ 1,482,112
Recreational and cultural	770,700	595,976	496,486
By-law enforcement	148,100	99,858	96,385
Interest earned	170,000	106,949	143,812
Penalties and interest	350,000	461,155	401,349
Tax certificates	15,000	16,200	15,150
Training subsidies	11,000	4,780	11,013
Business licences	100,000	118,650	102,150
Rent recovery	64,000	63,323	77,822
Administration fees on land development	0	83,235	0
Other licences and permits	44,500	665	250
Property rental	90,000	33,699	27,354
Insurance recoveries	5,000	12,364	3,275
Other income	<u>99,700</u>	<u>262,327</u>	<u>104,796</u>
	<u>\$ 3,305,000</u>	<u>\$ 3,538,260</u>	<u>\$ 2,961,954</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CITY OF IQALUIT**  
**GENERAL GOVERNMENT**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	2015	2015	2014
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Expenses</b>			
Mayor's and councillors' salaries	\$ 299,200	\$ 260,026	\$ 274,040
Salaries	2,497,100	2,430,089	2,449,189
Employee benefits	662,900	603,717	443,611
Staff housing costs	5,000	7,084	7,218
Staff training	604,700	116,766	238,666
Utilities	122,300	124,867	111,289
Telecommunications	269,200	257,350	290,775
Stationery, supplies and postage	120,900	96,306	97,281
Council initiated programs	41,000	34,045	30,492
Advertising and promotion	135,000	82,324	86,348
Business travel and education	87,000	54,758	59,860
Minor capital	5,000	0	360
Maintenance and repairs	88,500	82,591	91,656
Election and plebiscites	90,000	82,566	3,709
Insurance	520,000	466,556	472,410
Membership and dues	8,800	4,767	7,886
Fiscal expenses	215,200	150,131	88,132
Professional fees	287,000	407,001	451,958
Contracted services	132,000	66,946	25,680
Labour relations	90,000	42,187	9,364
Contracted translation	200,000	132,086	91,705
Rent	16,200	18,541	16,970
Vehicle fuel	2,500	1,432	2,403
Vehicle operations and maintenance	4,000	5,353	4,944
Computers and software	111,200	120,991	93,536
	<u>6,614,700</u>	<u>5,648,480</u>	<u>5,449,482</u>
Net allocations (to) from:			
Emergency services	(224,150)	(202,437)	(103,149)
By-law enforcement	6,400	6,832	6,993
Public works and transportation	(332,500)	(213,315)	(53,444)
Recreational and cultural	(277,300)	(241,086)	(59,987)
Engineering	(134,900)	(138,538)	(117,519)
Water and sewer fund	(180,250)	(261,646)	(375,024)
Sanitation fund	(83,200)	(87,309)	(150,070)
Land development fund	(136,900)	(127,618)	(259,854)
Gravel fund	(17,760)	(18,574)	(32,491)
	<u>5,234,140</u>	<u>4,364,789</u>	<u>4,304,937</u>
Depreciation	<u>188,671</u>	<u>242,411</u>	<u>209,567</u>
	<u>\$ 5,422,811</u>	<u>\$ 4,607,200</u>	<u>\$ 4,514,504</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CITY OF IQALUIT**  
**EMERGENCY SERVICES**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>2015</u> <u>Budget</u>	<u>2015</u> <u>Actual</u>	<u>2014</u> <u>Actual</u>
<b>Revenues</b>			
User charges			
Ambulance services	\$ 1,214,500	\$ 1,408,526	\$ 1,229,600
Alarm monitoring services	212,000	233,858	193,649
Other recoveries	<u>10,500</u>	<u>36,695</u>	<u>58,863</u>
	<u>1,437,000</u>	<u>1,679,079</u>	<u>1,482,112</u>
<b>Expenses</b>			
Salaries and benefits	3,699,800	3,777,894	3,651,638
Vehicle fuel	22,750	19,298	23,187
Vehicle operations and maintenance	74,500	104,658	94,536
Fire fighters' association	50,000	50,000	50,000
Office and miscellaneous	88,790	69,123	47,151
Dispatch expenses	7,000	8,798	2,919
Professional fees	9,000	7,939	1,867
Supplies	65,210	52,011	55,341
Rent	5,300	6,180	5,657
Utilities	103,850	102,129	99,898
Building repairs and maintenance	20,000	21,359	12,069
Minor capital	<u>44,600</u>	<u>23,375</u>	<u>24,369</u>
	4,190,800	4,242,764	4,068,632
Net allocations (to) from:			
General government	224,150	202,437	103,149
Engineering services	9,200	9,200	9,200
By-law	(99,000)	(99,000)	(99,000)
Public works and transportation	8,600	8,600	8,600
Water and sewer fund	<u>(37,000)</u>	<u>(37,000)</u>	<u>(55,900)</u>
	4,296,750	4,327,001	4,034,681
Depreciation	<u>174,240</u>	<u>171,309</u>	<u>162,295</u>
	<u>4,470,990</u>	<u>4,498,310</u>	<u>4,196,976</u>
<b>Excess Expenses</b>	<u>\$ (3,033,990)</u>	<u>\$ (2,819,231)</u>	<u>\$ (2,714,864)</u>

**CITY OF IQALUIT**  
**BY-LAW ENFORCEMENT**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>2015</u> <u>Budget</u>	<u>2015</u> <u>Actual</u>	<u>2014</u> <u>Actual</u>
<b>Revenues</b>			
User charges			
Fines	\$ 103,700	\$ 59,062	\$ 61,522
Licences and permits	39,400	40,796	34,863
Other	<u>5,000</u>	<u>0</u>	<u>0</u>
	<u>148,100</u>	<u>99,858</u>	<u>96,385</u>
<b>Expenses</b>			
Salaries and benefits	982,800	889,002	771,036
Vehicle fuel	20,000	18,122	19,036
Vehicle repairs and maintenance	18,800	40,949	34,402
Office and miscellaneous	118,400	97,406	79,066
Professional fees	2,000	6,096	1,590
Rent	70,300	82,406	75,424
Repairs and maintenance	12,100	6,138	5,383
Dog pound expenses	<u>21,000</u>	<u>27,493</u>	<u>28,277</u>
	1,245,400	1,167,612	1,014,214
Administration and maintenance costs			
General government	(6,400)	(6,832)	(6,993)
Emergency services	99,000	99,000	99,000
Engineering services	32,300	32,300	32,300
Public works and transportation	(26,600)	(26,600)	(26,600)
Water and sewer fund	(18,300)	(18,300)	(33,700)
Land development fund	<u>(3,200)</u>	<u>(3,200)</u>	<u>(3,200)</u>
	1,322,200	1,243,980	1,075,021
Depreciation	<u>34,866</u>	<u>28,072</u>	<u>41,871</u>
	<u>1,357,066</u>	<u>1,272,052</u>	<u>1,116,892</u>
<b>Excess Expenses</b>	<u>\$ (1,208,966)</u>	<u>\$ (1,172,194)</u>	<u>\$ (1,020,507)</u>

**CITY OF IQALUIT**  
**PUBLIC WORKS AND TRANSPORTATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>2015</u> <u>Budget</u>	<u>2015</u> <u>Actual</u>	<u>2014</u> <u>Actual</u>
<b>Expenses</b>			
Salaries and benefits	\$ 2,471,000	\$ 2,424,647	\$ 2,339,016
Vehicle fuel	120,000	151,002	152,957
Vehicle operations and maintenance	222,700	125,206	245,320
Building maintenance	439,400	471,776	475,064
Materials and supplies	186,100	243,729	200,806
Street lighting	286,000	266,870	260,684
Traffic services	40,000	51,626	49,493
Contracted costs	35,000	73,863	13,076
Interest on capital leases	700	1,032	2,276
Interest on loan financing	35,000	26,851	28,596
Cemetery operations and maintenance	20,000	5,120	0
Road repairs and maintenance	<u>320,000</u>	<u>161,091</u>	<u>218,501</u>
	4,175,900	4,002,813	3,985,789
Net allocations (to) from:			
General government	332,500	299,478	53,444
By-law	128,050	105,026	26,600
Emergency services	(8,600)	(8,600)	(8,600)
Recreational and cultural	0	0	11,100
Engineering services	(67,200)	(77,500)	(52,804)
Water and sewer fund	(214,900)	(455,602)	(447,106)
Sanitation fund	(161,000)	(263,739)	(274,990)
Gravel fund	(22,400)	(25,833)	(35,202)
Land development fund	<u>(15,500)</u>	<u>(16,190)</u>	<u>(20,136)</u>
	4,146,850	3,559,853	3,238,095
Depreciation	<u>1,380,456</u>	<u>1,397,976</u>	<u>1,393,074</u>
	<u>\$ 5,527,306</u>	<u>\$ 4,957,829</u>	<u>\$ 4,631,169</u>

**CITY OF IQALUIT**  
**RECREATIONAL AND CULTURAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	2015 <u>Budget</u>	2015 <u>Actual</u>	2014 <u>Actual</u>
<b>Revenues</b>			
User charges			
Abe Okpik Community Centre	\$ 4,000	\$ 5,128	\$ 4,791
Arctic Winter Games Complex	113,200	99,359	58,057
Arnaituq Arena	81,200	72,269	74,203
Curling rink	8,000	10,033	7,000
Recreation fundraising	288,300	124,511	149,842
Iqaluit skateboard park	4,000	9,424	3,090
Programs and special events	129,500	161,525	138,019
Soccer	35,000	30,213	40,319
Aquatic centre	70,000	46,190	0
Youth centre	37,500	37,324	21,165
	<u>770,700</u>	<u>595,976</u>	<u>496,486</u>
<b>Expenses</b>			
Administration			
Salaries and benefits	398,900	354,730	350,547
Other administration expenses	28,300	26,639	32,507
Vehicle fuel	9,500	15,458	13,302
Vehicle operations and maintenance	6,000	26,631	21,970
	<u>442,700</u>	<u>423,458</u>	<u>418,326</u>
Fundraising expenses	48,000	53,917	50,815
Facilities			
Abe Okpik Community Centre	95,300	87,371	120,989
Aquatic centre	70,000	77,683	0
Arctic Winter Games Complex	707,450	708,821	731,931
Arnaituq Arena	434,300	440,136	370,012
Curling rink	224,100	255,916	239,728
Elders' facility	127,800	135,936	136,149
Iqaluit skateboard park	92,000	70,472	92,996
Parks, playgrounds and ballfields	112,900	102,814	106,953
Programs and special events	485,400	461,969	474,396
Soccer program	166,650	138,562	181,997
Swimming pool	2,000	0	0
Youth centre	424,500	375,872	405,352
	<u>3,433,100</u>	<u>3,332,927</u>	<u>3,329,644</u>
Net allocations (to) from:			
General government	277,300	241,086	59,987
Public works and transportation	0	0	(11,100)
	<u>3,710,400</u>	<u>3,574,013</u>	<u>3,378,531</u>
Depreciation	503,542	483,971	500,156
	<u>4,213,942</u>	<u>4,057,984</u>	<u>3,878,687</u>
<b>Excess Expenses</b>	<u>\$ (3,443,242)</u>	<u>\$ (3,462,008)</u>	<u>\$ (3,382,201)</u>

The accompanying notes are an integral part of these consolidated financial statements.



**CITY OF IQALUIT**  
**ENGINEERING SERVICES**  
FOR THE YEAR ENDED DECEMBER 31, 2015

	2015 <u>Budget</u>	2015 <u>Actual</u>	2014 <u>Actual</u>
<b>Expenses</b>			
Salaries and benefits	\$ 573,400	\$ 489,395	\$ 410,937
Vehicle fuel	1,500	935	1,377
Vehicle repairs and maintenance	2,000	1,150	2,146
Office and miscellaneous	22,000	16,272	16,611
Rent	48,300	47,341	43,008
Heating	3,500	4,044	3,891
Materials and supplies	257,200	187,254	204,376
Contracted services	<u>92,000</u>	<u>74,553</u>	<u>131,714</u>
	999,900	820,944	814,060
Administration and maintenance costs			
General government	134,900	138,538	117,519
Economic development	(9,200)	(9,200)	(9,200)
Emergency services	(9,200)	(9,200)	(9,200)
By-law enforcement	(32,300)	(32,300)	(32,300)
Public works and transportation	67,200	77,500	52,804
Land development fund	<u>(4,600)</u>	<u>(4,600)</u>	<u>(9,200)</u>
	1,146,700	981,682	924,483
Depreciation	<u>8,425</u>	<u>8,422</u>	<u>8,422</u>
	<u>\$ 1,155,125</u>	<u>\$ 990,104</u>	<u>\$ 932,905</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CITY OF IQALUIT**  
**ECONOMIC DEVELOPMENT**  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>2015</u> <u>Budget</u>	<u>2015</u> <u>Actual</u>	<u>2014</u> <u>Actual</u>
<b>Revenues</b>			
Government transfers			
Economic development	\$ <u>190,000</u>	\$ <u>182,017</u>	\$ <u>247,133</u>
<b>Expenses</b>			
Salaries and benefits	166,400	158,918	156,805
Advertising and promotion	15,000	6,543	27,792
Staff training and travel	5,000	2,599	8,219
Materials and supplies	2,200	1,947	2,382
Contracted services	<u>0</u>	<u>5,740</u>	<u>42,735</u>
	188,600	175,747	237,933
Administration and maintenance costs			
Engineering services	<u>9,200</u>	<u>9,200</u>	<u>9,200</u>
	<u>197,800</u>	<u>184,947</u>	<u>247,133</u>
<b>Excess Expenses</b>	<u>\$ (7,800)</u>	<u>\$ (2,930)</u>	<u>\$ 0</u>

**CITY OF IQALUIT**  
**CONTRACT SERVICES**  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	Community <u>Wellness</u>	Community <u>Health</u>	<u>Other</u>	2015 <u>Total</u>	2014 <u>Total</u>
<b>Revenues</b>					
Government transfers					
Government of Nunavut	\$ 589,085	\$ 0	\$ 500	\$ 589,585	\$ 747,093
Government of Canada	<u>0</u>	<u>403,637</u>	<u>0</u>	<u>403,637</u>	<u>450,633</u>
	<u>589,085</u>	<u>403,637</u>	<u>500</u>	<u>993,222</u>	<u>1,197,726</u>
<b>Expenses</b>					
Contracted costs	506,345	333,664	0	840,009	1,033,705
Materials and supplies	0	8,020	0	8,020	13,279
Administration	52,740	11,250	0	63,990	63,990
Salaries and benefits	<u>30,000</u>	<u>65,465</u>	<u>0</u>	<u>95,465</u>	<u>105,250</u>
	<u>589,085</u>	<u>418,399</u>	<u>0</u>	<u>1,007,484</u>	<u>1,216,224</u>
<b>Excess Revenues (Expenses)</b>	<u>\$ 0</u>	<u>\$ (14,762)</u>	<u>\$ 500</u>	<u>\$ (14,262)</u>	<u>\$ (18,498)</u>

**CITY OF IQALUIT**  
**TANGIBLE CAPITAL ASSETS AND ACCUMULATED DEPRECIATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Cost			Accumulated Depreciation			Net Book Value		
	Balance Opening	Additions	Disposals	Balance Closing	Balance Opening	Depreciation		Disposals	Balance Closing
Buildings	\$ 19,810,975	\$ 0	\$ 0	\$ 19,810,975	\$ 10,221,313	\$ 492,459	\$ 0	\$ 10,713,772	\$ 9,097,203
Cemetery development	80,426	892,182	0	972,608	0	0	0	0	972,608
Computer hardware	620,580	10,713	0	631,293	462,409	97,317	0	559,726	71,567
Computer software	665,041	114,590	0	779,631	589,319	50,264	0	639,583	140,048
Feasibility studies	603,931	0	0	603,931	603,931	0	0	603,931	0
Furniture and fixtures	148,579	0	0	148,579	106,704	11,342	0	118,046	30,533
Granular source	821,641	0	0	821,641	311,707	27,388	0	339,095	482,546
Infrastructure - water and sewer	55,505,966	863,587	0	56,369,553	25,786,784	1,584,769	0	27,371,553	28,998,000
Infrastructure - sewage treatment	16,781,466	0	0	16,781,466	5,789,734	558,882	0	6,348,616	10,432,850
Infrastructure - waste	4,731,046	0	0	4,731,046	1,246,116	158,083	0	1,404,199	3,326,847
Land	10,084,972	28,050	0	10,113,022	0	0	0	0	10,113,022
Machinery and equipment - office	451,690	0	0	451,690	375,371	27,300	0	402,671	49,019
Machinery and equipment - heavy	7,553,177	802,705	0	8,355,882	3,939,077	465,619	0	4,404,696	3,951,186
Machinery and equipment - residential	26,692	0	0	26,692	14,426	2,284	0	16,710	9,982
Playgrounds	274,628	0	0	274,628	152,818	14,980	0	167,798	106,830
Roads	31,651,037	84,971	0	31,736,008	7,131,714	1,059,212	0	8,190,926	23,545,082
Vehicles	<u>7,336,902</u>	<u>0</u>	<u>(219,840)</u>	<u>7,117,062</u>	<u>5,791,309</u>	<u>323,176</u>	<u>(219,840)</u>	<u>5,894,645</u>	<u>1,222,417</u>
	157,148,749	2,796,798	(219,840)	159,725,707	62,522,732	4,873,075	(219,840)	67,175,967	92,549,740
Assets under construction	<u>8,474,228</u>	<u>18,581,839</u>	<u>(84,081)</u>	<u>26,971,986</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>26,971,986</u>
<b>Total</b>	<b><u>\$165,622,977</u></b>	<b><u>\$ 21,378,637</u></b>	<b><u>\$ (303,921)</u></b>	<b><u>\$186,697,693</u></b>	<b><u>\$ 62,522,732</u></b>	<b><u>\$ 4,873,075</u></b>	<b><u>\$ (219,840)</u></b>	<b><u>\$ 67,175,967</u></b>	<b><u>\$119,521,726</u></b>

The accompanying notes are an integral part of these consolidated financial statements.

**CITY OF IQALUIT**  
**TANGIBLE CAPITAL ASSET ADDITIONS BY FUNDING SOURCE**  
 FOR THE YEAR ENDED DECEMBER 31, 2015

**Government of Nunavut**

Gas Tax Contribution Agreement	
Water booster station	\$ 19,022
Supplementary water source infrastructure	298,950
New solid waste management facility	30,362
Creekside water line	383,185
Water supplementary infrastructure	24,822
West 40 landfill run-off treatment plant	558,584
Decommissioning of west 40 landfill	183,280
Happy valley sewer line	795,525
Water and sewer upgrade	634,567
	<u>2,928,297</u>

## Capital Contribution Agreement

New cemetery design and construction	3,600
MAGS pilot project	109,460
Bus turnaround for Plateau	84,971
Northwest aggregate deposit	696,549
	<u>894,580</u>

Total Government of Nunavut capital funding 3,822,877

**Government of Canada**

Budget software	30,000
AWG solar project	5,039

Total Government of Canada capital funding 35,039

**Total Government transfers relating to capital** 3,857,916

**City of Iqaluit**

Computer hardware	10,713
Computer software	13,655
Aquatic centre	17,374,849
Machinery and equipment - heavy	121,504

Total City of Iqaluit capital funding 17,520,721

\$ 21,378,637

**CITY OF IQALUIT  
TANGIBLE CAPITAL ASSET DISPOSALS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

<u>Description</u>	<u>Identification</u>	Proceeds of <u>Disposal</u>
Ford L800		\$ 0
Ford LTS8000		<u>0</u>
		<u>\$ 0</u>

**CITY OF IQALUIT**  
**GENERAL OPERATING FUND ANALYSIS**  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	General Operating <u>Fund</u>	Aquatic Centre <u>Operations</u>	(Schedule 1) Total General <u>Operating Fund</u>
<b>EXCESS REVENUES (EXPENSES)</b>	\$ <u>3,886,190</u>	\$ <u>(31,493)</u>	\$ <u>3,854,697</u>
<b>Net interfund transfers</b>			
To (from) reserves	(4,380,661)	4,482,910	102,249
Tangible capital assets purchased	(1,089,964)	(17,374,848)	(18,464,812)
Tangible capital assets adjustment	84,081	0	84,081
Capital leases repaid	(34,463)	0	(34,463)
Long term debt proceeds	0	18,982,611	18,982,611
Long term debt repaid	(44,303)	0	(44,303)
Depreciation	<u>2,332,161</u>	<u>0</u>	<u>2,332,161</u>
	<u>(3,133,149)</u>	<u>6,090,673</u>	<u>2,957,524</u>
<b>CHANGE IN FUND BALANCES</b>	753,041	6,059,180	6,812,221
<b>BALANCES, OPENING</b>	<u>743,038</u>	<u>(3,842,185)</u>	<u>(3,099,147)</u>
<b>BALANCES, CLOSING</b>	<u>\$ 1,496,079</u>	<u>\$ 2,216,995</u>	<u>\$ 3,713,074</u>