

RE: 1983 FINANCIAL STATEMENTS

MUNICIPAL MANAGER'S RECOMMENDATION:

1. *THAT the recommendation of the Director Finance be adopted.*

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ITEM	13
MANAGER'S REPORT NO.	27
COUNCIL MEETING	1984 04 09

TO: MUNICIPAL MANAGER

1984 April 04

FROM: DIRECTOR FINANCE

File: F20

RE: 1983 FINANCIAL STATEMENTS

XRef: '84 Budg. Gen.

RECOMMENDATION:

1. THAT this report be received for information purposes.

SUMMARY

This report presents the audited financial statements for the year 1983. It reports that the surplus for 1983 was \$2,100,160 which includes \$66,668 of surplus from the operation of the Burnaby Public Library Board. The surplus of \$2,100,160 compares to \$1,017,656 shown as operating contingency in the recast budget and includes the \$1 million budgetted for contingency in the 1983 annual budget. The report also explains the major variances from budget which have occurred since the recast budget was presented to Council last Fall.

REPORT

FINANCIAL STATEMENTS

Attached for the information of Council are the audited financial statements for the year ended 1983 December 31. At this time, copies of the report are only available for Council (a copy is available in the Municipal Clerk's office for anyone who may be interested in reading the content). A formal printed copy of the statements, together with additional statistical tables, will be available to the general public at a later date.

MAJOR VARIANCES

1983 ended with an operating surplus of \$2,100,160. This includes \$1 million budgetted for contingency in the 1983 annual budget. The surplus is \$1,082,504 more than was anticipated when the 1983 recast budget was prepared last Fall. While many accounts within each area of responsibility have variances that offset each other in total, the most significant budget variances are:

	Budgetted Revenue Increase <u>(Decrease)</u> \$	Budgetted Expenditure Decrease <u>(Increase)</u> \$
Building inspection fees - increased volume in latter part of year particularly in single family dwelling construction	241,049	
Firefighter services - salaries and benefits savings due to sickness and less overtime		164,396
Engineering inspection fees - fewer subdivision and rezoning inspections than anticipated	(144,757)	
Residential/Commercial refuse collection - major vehicle maintenance cost in latter part of year not fully recognized in the recast budget		(107,564)
Rinks and aquatics - primarily due to significant salary savings at outdoor pools and beaches because of poor weather		128,507
Plant maintenance - primarily due to fewer custodial hours required at recreation centres and savings on heat and light costs		112,040
Assessment appeal board decisions applicable to prior years - the assessment reductions for general purposes were not as anticipated		103,579
Property taxes general - additions to 1983 general taxes resulting from supplementary assessment rolls.	<u>53,423</u>	
	149,715	400,958
		<u>149,715</u>
All other variances combined-all under \$50,000 and primarily attributable to reductions in budgetted expenditures		550,673
		<u>531,831</u>
Increase in surplus over recast budget		1,082,504
Recast budget operating contingency (including \$1 million contingency provided for in the annual budget)		<u>1,017,656</u>
Operating surplus for 1983		<u>2,100,160</u>

The 1983 operating surplus will be carried forward and shown as revenue in the 1984 annual budget.

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WATERWORKS UTILITY

The waterworks utility ended the year with a surplus of \$172,782. This surplus remains with the waterworks utility and will be brought forward to 1984 as needed. The surplus is due to additional revenue, and savings in the transmission, distribution and cost of water purchased from the Greater Vancouver Water District.

SANITARY SEWER SYSTEM

The sanitary sewer system surplus for the year was \$622,594. This remains with the sanitary sewer system and will be brought forward to 1984 as needed.

At annual budget we anticipated the surplus to be \$449,686. The increase in surplus to \$622,594 results primarily from a reduction in our debt servicing costs. During the year we were not required to make full payment on a portion of our long term debt because sufficient funds existed in sinking funds to retire the debt.



DIRECTOR FINANCE

