

ITEM 1  
MANAGER'S REPORT NO. 27  
COUNCIL MEETING 88/04/11

RE: 1987 FINANCIAL STATEMENTS

ACTING MUNICIPAL MANAGER'S RECOMMENDATION:

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

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TO: MUNICIPAL MANAGER

1988 April 05

FROM: DIRECTOR FINANCE

File: F20-3

Xref: 88 Budg.

RE: 1987 FINANCIAL STATEMENTS

RECOMMENDATION

1. THAT this report be received for information purposes.

SUMMARY

This report presents the audited financial statements for the year 1987. The statements show that the surplus for the year was \$1,549,825, which compares to the \$1,290,284 shown as operating contingency in the 1987 recast budget. The Burnaby Public Library Board's share of the year-end surplus is \$56,542. \$1,056,542 of the surplus is being carried forward into revenue for 1988. It is intended that the remaining \$493,283 be used to finance the removal of asbestos in the Municipal Hall.

The major variances which have occurred since the 1987 recast budget are also explained in the report.

REPORT

FINANCIAL STATEMENTS

The audited financial statements for the year ended 1987 December 31 are attached for Council's information. At this time, copies of the report are only available for Council; a copy is available in the Municipal Clerk's office for anyone else interested. A formal printed copy of the statements, including additional statistical tables, will be available to the general public at a later date.

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MAJOR VARIANCES

The total 1987 operating surplus of \$1,549,825 is \$259,541 greater than the surplus anticipated when the recast budget was prepared last Fall. The most significant variances from the budget are:

	Revenue Increase Over <u>Budget</u> \$	Expenditure Decrease From <u>Budget</u> \$
Administrative and Community Services R.C.M.P. contract - credit for change in billing to actual manpower strength Information Services - maintenance cost savings	252,000	65,000
Engineering Garage - recovery on shop work orders and revenue greater than anticipated The expenditures on the maintenance of both storm sewers and rental properties were less than anticipated	106,000	100,000
Solid waste system - expenditures less than anticipated	184,000	
Planning and Building Inspection Inspection fees - major project not undertaken by year-end 1987 Policy and research revenue - grant not claimable in 1987	(868,000) (50,000)	
Recreation and Cultural Services Golf course revenue higher than budgeted Bonsor pool complex - expenditures postponed to a later date	57,000	189,000
Fiscal items Investment income - cash flow less than anticipated Penalties and interest on taxes - collections better than expected Business licence revenue - less than anticipated	(121,000) (50,000) (88,000)	
	<u>(1,120,000)</u>	<u>896,000</u>
All other variances combined - all under \$50,000 and primarily attributable to reductions in budgeted expenditures	(224,000)	483,541
Increase in surplus over recast budget Recast budget operating contingency	259,541 1,290,284	
Total operating surplus for 1987	1,549,825	=====
This surplus is broken down as follows:		
General municipal operation	1,493,283	
Library Board	<u>56,542</u>	
	1,549,825	=====

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The Municipal Manager and the Management Committee have reviewed the 1987 operating surplus and are recommending certain specific uses of that surplus, which will be reflected in the 1988 annual operating budget. These are:

Surplus brought forward into 1988 to be used as general revenue - as per 1988 provisional budget \$1,000,000

Burnaby Public Library Board 1987 surplus to be taken into 1988 general revenue - \$55,000 was allowed in the 1988 provisional budget 56,542

Allocation to capital for the removal of asbestos in the Municipal Hall 493,283

\$1,549,825  
=====

The \$493,283 for asbestos removal will be combined with \$937,402 now in capital funds to make a total of \$1,430,685 available for asbestos removal in the Municipal Hall.

*for*   
Howard Karras  
DIRECTOR FINANCE

RAE:gw  
Attach.

cc: All Directors

