

TO: CITY MANAGER

FROM: DIRECTOR FINANCE

SUBJECT: CITY OF BURNABY 1996 FINANCIAL REPORT

PURPOSE: To present the 1996 Financial Statements to Council.

1997 April 07

File: F20-3

RECOMMENDATION:

1. THAT this report be received for information purposes.

REPORT

Enclosed with Council's agenda is the 1996 Financial Report which includes the audited financial statements for the year ended 1996 December 31.

The consolidated financial statements include the accounts of all funds of the City. Individual fund statements may be obtained from the Finance Department upon request by anyone who requires more detailed information.

In 1996, to meet new Public Sector Accounting and Auditing reporting requirements, the City of Burnaby changed to accounting on a full accrual basis. This change reduced 1996 expenditures by the amount of purchase orders issued in 1996 for goods and services not received by year-end. Under the previous policy, the current year's General Municipal surplus would have been zero after taking into account \$655,655 for the accounting policy change and the Library Board surplus of \$132,046.

The consolidated financial statements show the following annual surpluses in each of the funds:

General Municipal		
General	\$	0
Accounting policy change		655,655
Library		<u>132,046</u>
Waterworks Utility	\$	787,701
Sanitary Sewer		1,815,743
		2,252,941

Recast budget expenditure savings were spread across several departments with Engineering solid waste savings of \$655,223 being the largest. The expenditure savings were offset by major development related revenue shortfalls of \$1,385,186 and a reduction of \$436,033 in tax revenue due to current year assessment board appeals.

Allocation of General Municipal Surplus

The Library Act requires the Library surplus of \$132,046 to be carried forward to 1997. The remaining surplus of \$655,655 will be carried forward to 1997 to fund the 1996 purchase order commitments.

Sanitary Sewer and Waterworks Utility Surplus

The surplus sanitary sewer funds of \$2,252,941 and waterworks utility funds of \$1,815,743 are required to be retained in their respective funds.



Rick Earle
DIRECTOR FINANCE

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