

TO: CITY MANAGER 1998 March 16
FROM: DIRECTOR FINANCE File: F20-3
SUBJECT: CITY OF BURNABY 1997 FINANCIAL REPORT
PURPOSE: To present the 1997 Financial Statements to Council.

RECOMMENDATION:

1. THAT this report be received for information purposes.

REPORT

Enclosed with Council's agenda is the 1997 Financial Report which includes the audited financial statements for the year ended 1997 December 31.

The consolidated financial statements reflect 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 1997 a major change in City services occurred with the transfer of the Burnaby Health Department to the Simon Fraser Health Region. October 6th was the official day of the move marking the close of several years of transition discussions. The financial statements reflect actual Health Department expenditures to October 6th only.

The consolidated financial statements show the following annual surpluses:

General Municipal	\$ 3,683,335
Library	537,315
Waterworks Utility	1,913,356
Sanitary Sewer	430,680

General Municipal Surplus

The General Municipal surplus of \$3,683,335 resulted from expenditure savings across several departments and a few large unanticipated revenues. The following are the major items contributing to surplus:

Expenditures:	Police Contract Savings	\$ 1,564,321
	Engineering Solid Waste Savings	355,734
Revenues:	Building Permits and Fees	802,152
	Investment Income	784,140
All Others Net:		<u>176,988</u>
Total General Revenue Operating Surplus		<u>\$ 3,683,335</u>

Allocation of General Municipal Surplus

The Library Act requires the Library surplus of \$537,315 be carried forward to the credit of the Library Board in 1998. It is recommended that Council approve the allocation of surplus as follows:

Surplus available for allocation		\$ 3,683,335
	Snow Removal Reserve	155,015
	Engineering Equipment	150,000
	Roof Repairs - Park's Facilities	150,000
	Art Gallery Grant	105,000
	Additional Contingency Allocation	91,980
	Fire Equipment	55,000
	Edmonds Town Centre Banners	20,000
Less: Total Surplus Allocated		<u>726,995</u>
Remaining Unallocated Surplus		<u>\$ 2,956,340</u>

It is recommended that the unallocated surplus balance of \$2,956,340 be transferred to the Stabilization Reserve to be available to fund one time expenditures and unforeseen variances in revenues and expenditures.

Sanitary Sewer and Waterworks Utility Surplus

The surplus sanitary sewer funds of \$430,680 and waterworks utility funds of \$1,913,356 are required to be retained in their respective funds.

for 
Rick Earle
DIRECTOR FINANCE