

TO: CITY MANAGER 1999 March 22

FROM: DIRECTOR FINANCE File: F20-3

SUBJECT: CITY OF BURNABY 1998 FINANCIAL REPORT

PURPOSE: To present the 1998 Financial Statements to Council.

RECOMMENDATION:

1. THAT this report be received for information purposes.

REPORT

Enclosed with Council's agenda is the 1998 Financial Report which includes the audited financial statements for the year ended 1998 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.

The consolidated financial statements show the following annual surpluses:

General Municipal	\$2,707,262
Library	469,071
Waterworks Utility	1,089,903
Sanitary Sewer	323,244

General Municipal Surplus

The General Municipal surplus of \$2,707,262 resulted from expenditure savings across several departments and a few large unanticipated revenues. Due to a favourable surplus position during 1998 the City took the opportunity to retire \$942,000 of outstanding external debt when it came

due for refinancing. The following are the major items contributing to the remaining surplus:

Investment Income	\$ 926,728
Building and Other Inspection Fees	913,442
Police Contract Savings & Revenue Recoveries	277,335
Reduction in Council Grants	179,328
Parks Revenue Surpluses Net of Expenditure Increases	169,028
Finance Expenditure Savings Net of Revenue Decreases	159,295
All Others Net:	<u>82,106</u>
Total General Revenue Operating Surplus	<u>\$2,707,262</u>

Allocation of General Revenue Operating Surplus

The Library Act requires the Library surplus of \$469,071 be carried forward to the credit of the Library Board in 1999. It is recommended that Council approve the allocation of the General Revenue Operating Surplus as follows:

Surplus available for allocation		\$2,707,262
Road Painting Vehicle	\$200,000	
Salt Bin Reconstruction - Service Centre	150,000	
Food Services Upgrade - Burnaby Village Museum	125,000	
Four Roof Replacements	123,000	
Hart House (Repair and Painting)	56,000	
Digital Orthophoto Processing - South Burnaby	50,000	
Two Snowplows	50,000	
SkyTrain Station Design - Brentwood	30,000	
Portable Radios (15) - Community Police Offices	27,000	
Crime Analysis Equipment	23,000	
Less: Total Surplus Allocated		<u>834,000</u>
Remaining Unallocated Surplus		<u>\$ 1,873,262</u>

It is recommended that the unallocated surplus balance of \$1,873,262 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 waterworks utility funds of \$1,089,903 and sewer funds of \$323,244 are required to be retained in their respective funds.

DJ:et


for Rick Earle
DIRECTOR FINANCE