

TO: CITY MANAGER 2003 March 31
FROM: DIRECTOR FINANCE File: F20-3
SUBJECT: CITY OF BURNABY 2002 FINANCIAL REPORT
PURPOSE: To present the 2002 Financial Statements to Council.

RECOMMENDATION:

1. **THAT** the 2002 Financial Report be received for information purposes.

REPORT

Enclosed with Council's agenda is the 2002 Financial Report which includes the audited financial statements for the year ended 2002 December 31. These statements reflect the accounts of all funds of the City on a consolidated basis. Financial transactions in individual funds are combined and any inter-fund balances and transactions are eliminated. This presentation emphasizes the City's ability to meet its current commitments and finance its future liabilities as reflected in the Net Financial Assets. This number in turn is equal to the City's total reserve fund balances (which included land inventory valued at cost).

The City budgets on a fund basis. The following is the net fund surpluses from operations for 2002:

General Municipal	\$ 3,285,932
Library	473,025
Waterworks Utility	2,210,162
Sanitary Sewer	<u>805,840</u>
	\$6,774,959

General Municipal Surplus of \$3,285,932 is comprised of the following major items:

Police Services Savings	\$ 2,101,195
Engineering Savings	453,627
Parks Savings	302,142
Increased Investment Income	281,241
Increased Parking Revenue	271,376
Increased Benefit Costs	(424,014)
All Others Net	<u>300,365</u>
General Municipal Surplus	\$ 3,285,932

The Library Act requires the Library surplus of \$473,025 be carried forward to the credit of the Library Board in 2003. The Management Committee has reviewed the remaining year-end surpluses and recommends the following distribution.

General Municipal Surplus Available for Allocation **\$3,285,932**

Project Expenditures for 2003:

Parks and Recreation Facility Repairs and Security Upgrades	459,000
Brentwood Town Centre Stormwater Study	100,000
Erickson House Repairs and Upgrading	100,000
Fire Stations - Repairs and Renovation	73,500
Municipal facilities - Energy Audit (matching funds)	70,000
Planning - Economic Development Strategy Review	50,000
International Fire and Police Games	50,000
City Emergency Plan	40,300
BC Digital Collections - Burnaby Village (matching funds)	20,000
Planning - Alternative Housing Study	20,000
Parks & Recreation - Youth Centres - computer equipment	18,130
Fire Sarcoidosis Study - in partnership with UBC & VGH	<u>7,500</u>

Project Surplus Funding Provision for 2003 **1,008,430**

Fund/Reserve Allocations

Contribution to Snow Removal Stabilization Fund	60,000
Transfer to Stabilization Fund	1,043,910
Transfer to Capital Reserves	<u>1,173,592</u>

Fund/Reserve Surplus Funding Provision - 2003 **2,277,502**

Total Allocation from 2002 General Municipal Surplus **\$3,285,932**

The Waterworks Utility surplus and the Sanitary Sewer surplus are required to be retained in their respective funds.

Copies of annual financial statements are available from the Finance Department without charge.



Rick Earle
DIRECTOR FINANCE