
FINANCE AND CIVIC DEVELOPMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

SUBJECT: 2010 FINANCIAL REPORT

RECOMMENDATIONS:

1. THAT Council receive the City of Burnaby 2010 Financial Report and audited financial statements for the year ended December 31, 2010.
2. THAT Council authorize the use of stabilization funding of \$295,000 for community expenditures, as outlined in this report.

REPORT

The Finance and Civic Development Committee, at its meeting held on 2011 May 12, received and adopted the *attached* report presenting the 2010 Financial Report and audited financial statements for the year ended December 31, 2010.

The Committee recommend to Council that a portion of the remaining available surplus be used to fund items of community benefit, i.e. commercial lane repaving, surface patching for winter damaged roads, Chafer infested areas restoration, Riverway Clubhouse – bridge financing, Christmas lights – Edmonds/Kingsway/Hastings.

Respectfully submitted,

Councillor D. Johnston
Chair

Councillor N. Volkow
Vice Chair

Councillor C. Jordan
Member

Copied to:	City Manager Deputy City Managers (2) Director Finance Director Planning & Building Director Human Resources Director Parks, Recr. & Cultt. Services Director Engineering
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TO: CHAIR AND MEMBERS
FINANCE AND CIVIC DEVELOPMENT
COMMITTEE

DATE: 2011 May 12

FROM: DIRECTOR FINANCE

FILE: 7600 - 20

SUBJECT: 2010 FINANCIAL REPORT

PURPOSE: To present the 2010 Financial Statements

RECOMMENDATION:

1. **THAT** the Finance and Civic Development Committee receive the City of Burnaby 2010 Financial Report and audited financial statements for the year ended December 31, 2010.
2. **THAT** the Finance and Civic Development Committee recommend that Council authorize the use of stabilization funding of \$295,000 for community expenditures as outlined in this report.

REPORT

The purpose of the City of Burnaby's 2010 Annual Financial Report is to present to readers the financial results for the year ended December 31, 2010. This report includes the City's 2010 audited Consolidated Financial Statements that reflect the accounts of all funds of the City on a consolidated basis. The presentation emphasizes the City's ability to meet its current commitments and finance its future liabilities as reflected in Net Financial Assets (see page 26). Net Financial Assets are equal to the City's total fund balances and land inventory valued at historic cost.

Net Financial Assets for 2010 increased by over \$13 million (2.2 %) which attests to the continued strong financial health of the City. This increase arose mainly from new development fees, investment income on reserve funds, gaming fund receipts and an increase in land sales.

Council's strong support of prudent financial practices have produced a debt-free City with strong reserves to support the replacement of the City's capital infrastructure. These reserves afford Council the ongoing ability to maintain taxation stability and to provide capital funding for city projects without incurring debt on the external markets.

To: Finance and Civic Development Committee
 From: Director Finance
 Re: 2010 Financial Report
 2011 May 12..... Page 2

The City budgets on a fund basis. The following summarizes the net fund surpluses from operations for 2010.

<u>Fund Surplus</u>	
General Municipal	\$2,395,988
Library	\$ 422,194
Waterworks Utility	\$1,914,143
Sanitary Sewer	\$1,926,405

General Municipal Surplus of \$2,395,988, represents 0.92% of the 2010 Annual Operating budget, and is comprised of the following major items:

Planning & Building Revenue (increased construction activities)	\$3,416,488
Outside Legal Counsel	\$(400,787)
RCMP Contract	\$(895,034)
Outstanding Contract Settlement Provision	\$ 470,540
All Others Net	\$(195,219)
Total General Municipal Surplus	<u>\$2,395,988</u>

The Library Act requires the Library surplus of \$422,194 be carried forward to the credit of the Library Board in 2011. The Waterworks Utility surplus and the Sanitary Sewer surplus are required to be retained in their respective funds.

The General Municipal Surplus in the amount of \$2,395,988 will be transferred to Stabilization Fund and used for funding retroactive contract settlement provisions and committed items as shown below.

General Municipal Surplus	\$2,395,988
Less: 2010 Retroactive Contract Settlement Provision	\$(470,540)
Available Surplus	<u>\$1,925,448</u>
<u>Committed Items</u>	
Election Costs	\$ 770,275
Social/ Environmental Sustainability Project	\$ 35,000
Free Admission at Burnaby Village Museum	\$ 385,000
Prior Years' Assessment Appeal Board Decisions	\$ 300,000
Subtotal Committed Items	<u>\$1,490,275</u>
Remaining Available Surplus	<u>\$ 435,173</u>

To: Finance and Civic Development Committee
From: Director Finance
Re: 2010 Financial Report
2011 May 12 Page 3

Recommendation:

Staff recommended that a portion of the remaining available surplus be used to fund items of community benefit as shown below.

Commercial Lane Repaving	\$ 50,000
Surface Patching for Winter Damaged Roads	\$100,000
Chafer Infested Areas Restoration	\$ 60,000
Riverway Clubhouse (Bridge Financing for 2011)	\$ 25,000
Christmas Lights – Edmonds/ Kingsway/ Hastings	\$ 55,000
Requested Funding	<u><u>\$290,000</u></u>

Denise Jorgenson
DIRECTOR FINANCE

RT/DJ :ml

Copied to: City Manager
Deputy City Managers (2)
Director Planning and Building
Director Human Resources
Director Parks, Recreation and Cultural Services
Director Engineering