
AUDIT COMMITTEE OF COUNCIL

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

SUBJECT: 2012 FINANCIAL REPORT

RECOMMENDATIONS:

1. THAT Council receive the City of Burnaby 2012 Financial Report and audited financial statements for the year ended 2012 December 31.
2. THAT Council authorize transfer of the 2012 General Municipal Surplus in the amount of \$1,808,884 to the Stabilization Fund.

REPORT

The Audit Committee of Council, at its meeting held on 2013 April 04, received and adopted the attached report presenting the 2012 Financial Statements.

Respectfully submitted,

Councillor D. Johnston
Chair

Councillor C. Jordan
Vice Chair

His Worship, Mayor D. Corrigan
Member

Councillor P. McDonell
Member

Copied to:	City Manager Deputy City Managers (2) Director Finance Director Planning & Building Director Parks, Recr. & Cult. Services Acting Director Engineering
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TO: AUDIT COMMITTEE **DATE:** 2013 March 28
FROM: DIRECTOR FINANCE **FILE:** 7600 - 20
SUBJECT: 2012 FINANCIAL REPORT
PURPOSE: To present the 2012 Financial Statements.

RECOMMENDATIONS:

1. **THAT** the Audit Committee recommend that Council receive the City of Burnaby 2012 Financial Report and audited financial statements for the year ended December 31, 2012.
2. **THAT** the Audit Committee recommend that Council authorize the 2012 General Municipal Surplus in the amount of \$1,808,884 be transferred to the Stabilization Fund.

REPORT

The purpose of the City of Burnaby's 2012 Annual Financial Report is to present to readers the financial results for the year ended December 31, 2012. This report includes the City's 2012 audited Consolidated Financial Statements that reflect the accounts of all funds of the City on a consolidated basis. This presentation emphasizes the City's ability to meet its current commitments and finance its future liabilities as reflected in the City's Net Financial Assets.

Net Financial Assets for 2012 increased by nearly \$51 million which attests to the continued strong financial health of the City. This increase arose mainly from an increase in land sales, contributed infrastructure assets provide to the City as part of new development, investment income on reserve funds, development permit fees, and increased participation at City recreational facilities.

Council's strong support of prudent financial practices has 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.

The City budgets on a fund basis. The following summarizes the net fund surpluses from operations for 2012.

Fund Surplus

General Municipal	\$ 1,808,884
Library	506,581

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The General Municipal Surplus of \$1,808,884 is comprised of the following major items:

General Municipal Surplus: Major Items

Planning & Building revenue (increased construction activities)	\$ 1,477,400
RCMP Contract and Integrated Teams	(317,242)
Grants-In-Lieu of Taxes	412,542
Investment income	355,227
Other departmental variances	(119,043)
Total General Municipal Surplus	\$ 1,808,884

The Library Act requires the Library surplus of \$506,581 be carried forward to the credit of the Library Board in 2013.

The General Municipal Surplus in the amount of \$1,808,884 will be transferred to Stabilization Fund.

Stabilization funding is used to reduce the impact of one time expenditure requirements on the City's operating budget. The 2013 Provisional Plan includes Stabilization Funding of \$1,028,685. This funding provision will be reviewed by Council during the 2013 Annual Financial Plan review to finalize the appropriate 2013 provision, now that the yearend audit is completed and the 2012 surplus has been confirmed.

Recommendation

It is recommended that the 2012 General Municipal Surplus in the amount of \$1,808,884 be transferred to the Stabilization Fund and be use to fund one-time expenditures in the 2013 Annual Financial Plan.

Denise Jorgenson
DIRECTOR FINANCE

DJ

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