

TO: CHAIR AND MEMBERS
AUDIT COMMITTEE

DATE: 2015 April 01

FROM: DIRECTOR FINANCE

FILE: 7600-20

SUBJECT: 2014 ANNUAL FINANCIAL REPORT

PURPOSE: To present the 2014 Annual Financial Report.

RECOMMENDATION:

1. **THAT** the Audit Committee recommend Council receive the City of Burnaby 2014 Annual Financial Report and audited consolidated financial statements for the year ended 2014 December 31.

REPORT

The purpose of the City of Burnaby's 2014 Annual Financial Report is to present to readers the financial results for the year ended 2014 December 31. This report includes the City's 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. Net Financial Assets, as found in the Consolidated Statement of Financial Position, are a key indicator of the City's financial strength and sustainability.

Net Financial Assets for 2014 increased by \$125.8 million which attests to the continued strong financial health of the City. These funds are held in Capital and Operating reserves and funds.

Capital reserves and funds are the funding source for the City's capital program and are used to fund asset replacement, capital acquisition and new construction. Operating reserves and funds provide Council with the ability to maintain taxation stability and are used to fund one-time operating expenditures. The interest earned annually on the operating funds is contributed as revenue to operations to reduce the burden on City taxpayers.

Council's strong support of prudent financial practices has produced a debt-free City with strong reserves. These reserves provide capital funding for City projects without incurring debt in the external markets.

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From: Director Finance
Re: 2014 Annual Financial Report
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RECOMMENDATION

It is recommended that Council receive the City of Burnaby 2014 Annual Financial Report and audited consolidated financial statements for the year ended 2014 December 31.



Denise Jorgenson
DIRECTOR FINANCE

DJ:NK/ml

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