



**To:** Finance Committee **Date:** 27 April 2006  
**From:** Jerry Chong **File:**  
 Acting Director of Finance  
**Re:** 2005 City of Richmond Audited Consolidated Financial Statements

**Staff Recommendation**

That the City's audited consolidated financial statements for the year end December 31, 2005 be approved.

Jerry Chong  
Acting Director of Finance  
(4064)

Attach.

<b>FOR ORIGINATING DIVISION USE ONLY</b>		
<b>CONCURRENCE OF GENERAL MANAGER</b>		
<b>REVIEWED BY TAG</b>	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
<b>REVIEWED BY CAO</b>	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

## Staff Report

### Origin

The purpose of this report is to present to Council the City's audited consolidated financial statements for the year ended December 31, 2005. In accordance with Section 167 (2) of the Community Charter, the financial statements have been prepared in accordance with generally accepted accounting principles for local governments. In addition, under subsection 167(1)(b) the financial statements must be presented to Council for its acceptance and under subsection 167(4) submitted to the Province by May 15<sup>th</sup>.

### Analysis

The primary purpose of the City's financial statements is to provide relevant information to meet the interests of taxpayers, donors, members of Council and other users as well as to satisfy any external reporting requirements. The external users of financial statements interests include assessing (a) the services the City provides and its ability to continue to provide those services, and (b) how the City discharges their stewardship responsibilities and other aspects of their performance.

More specifically, the purpose of the financial statements, including accompanying notes, is to provide information about:

- a. The amount and nature of the City's assets, liabilities, and net assets,
- b. The effects of transactions and other events and circumstances that change the amount and nature of net assets,
- c. The amount and kinds of inflows and outflows of economic resources during a period and the relation between the inflows and outflows,
- d. How the City obtains and spends cash, its borrowing and repayment of borrowing, and other factors that may affect its liquidity.
- e. The service efforts of the City.

The City's financial statements are prepared in accordance with Canadian generally accepted accounting principles as prescribed by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The consolidated financial statements include a combination of the City's General Revenue, General Capital and Loan, Waterworks, Sewerworks and Reserve funds and the Richmond Public Library.

### Financial Impact

The City's cash and investments increased to \$387.7 million from \$314.0 million in 2005. The City ended the year with a consolidated surplus of \$6.04 million. This is approximately 1.9% of the total budget. Statutory reserves increased by \$23.2 million to \$162.7 million, largely due to transfers back to the reserves of committed but unspent capital funds at December 31, 2005. In total, \$44.6 million in capital expenditures was spent from the capital budget of \$115.6 million.

The \$6.04 million in surplus is due mainly to the following;

- Favourable revenues from building permits and development applications due to an active housing market of approximately \$3.0 million,
- RCMP contract costs lower than budget due to delayed replacements therefore billings being less than approved strength of approximately \$0.8 million
- Lower than expected purchases of water from the GVRD, operating efficiencies and favourable revenues from metered billing totalling approximately \$1.2 million
- Other items such as vacant positions, supplies, maintenance, etc.

### **Conclusion**

Overall, the financial results for 2005 were favourable and the City continues to maintain its strong financial position.



Jerry Chong  
Acting Director of Finance

Consolidated Financial Statements of

**CITY OF RICHMOND**

Years ended December 31, 2005 and 2004

## AUDITORS' REPORT

To the Mayor and Council  
City of Richmond

We have audited the consolidated statement of financial position of the City of Richmond (the "City") as at December 31, 2005 and the consolidated statements of financial activities and changes in financial position for the year then ended. These consolidated financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2005 and the results of its financial activities and its changes in financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Burnaby, Canada

March 28, 2006

# CITY OF RICHMOND

Consolidated Statements of Financial Position  
(Expressed in thousands of dollars)

December 31, 2005 and 2004

	2005	2004
<b>Financial Assets</b>		
Cash and cash equivalents	\$ 18,296	\$ -
Investments	369,424	315,541
Accrued interest receivable	7,373	4,330
Accounts receivable	13,317	12,655
Taxes receivable	4,486	5,172
Development fees receivable	12,591	8,272
Debt reserve fund - deposits (note 2)	561	561
	<u>426,048</u>	<u>346,531</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (note 3)	57,105	48,593
Bank indebtedness	-	1,541
Deposits and holdbacks	13,406	7,208
Deferred revenue	43,040	14,052
Development cost levies (note 4)	51,049	41,810
Obligations under capital leases (note 5)	3,206	4,639
Long-term debt, net of MFA sinking fund deposits (note 6)	31,073	34,188
	<u>198,879</u>	<u>152,031</u>
Net financial assets	227,169	194,500
Capital assets (note 7)	1,047,150	1,006,670
Inventory of materials and supplies	1,945	2,287
	<u>\$ 1,276,264</u>	<u>\$ 1,203,457</u>
<b>Financial Equity</b>		
Reserves (note 9)	\$ 162,669	\$ 139,500
Appropriated surplus (note 10)	57,321	48,155
Surplus	45,970	49,850
Obligations to be funded from future revenue	(4,512)	(4,178)
	<u>261,448</u>	<u>233,327</u>
Capital equity (note 8)	1,012,871	967,843
Other equity	1,945	2,287
	<u>\$ 1,276,264</u>	<u>\$ 1,203,457</u>

Commitments and contingencies (note 12)

See accompanying notes to consolidated financial statements.

General Manager Finance

# CITY OF RICHMOND

Consolidated Statements of Financial Activities  
(Expressed in thousands of dollars)

Years ended December 31, 2005 and 2004

	Budget 2005 (note 1(c))	Actual 2005	Actual 2004
Revenue:			
Taxation and levies	\$ 119,009	\$ 119,772	\$ 115,047
User fees	40,728	39,118	37,794
Sales of services	23,958	27,943	26,316
Provincial and federal grants	15,147	15,747	11,592
Investment income	9,000	12,433	10,000
Other capital funding sources	3,842	11,285	7,270
Payments-in-lieu of taxes	9,888	10,431	10,018
Licenses and permits	5,898	8,631	7,085
Development cost charges	16,886	8,068	8,942
Other (note 16)	6,291	8,469	21,253
	250,647	261,897	255,317
Expenditures:			
Community safety	52,851	50,781	49,393
Parks, recreation and cultural services	28,964	29,324	28,028
General government	29,862	24,440	22,153
Engineering and public works	19,831	19,228	18,042
Urban development	9,265	8,602	8,425
Richmond Public Library	7,069	6,938	7,221
Utilities:			
Water	16,292	15,665	14,403
Sewerage	12,028	14,232	13,502
Sanitation and recycling services	6,950	6,759	6,537
Interest and finance	9,337	8,612	7,491
Capital and infrastructure investments	115,558	44,647	29,124
	308,007	229,228	204,319
Excess (deficiency) of revenue over expenditures	(57,360)	32,669	50,998
Repayment of debt and capital lease obligations	(3,455)	(4,548)	(4,693)
Increase (decrease) in financial equity	\$ (60,815)	28,121	46,305
Financial equity, beginning of year		233,327	187,022
Financial equity, end of year		\$ 261,448	\$ 233,327

See accompanying notes to consolidated financial statements.

# CITY OF RICHMOND

Consolidated Statements of Changes in Financial Position  
(Expressed in thousands of dollars)

Years ended December 31, 2005 and 2004

	2005	2004
Cash provided by (used in):		
Operations:		
Excess of revenue over expenditures	\$ 32,669	\$ 50,998
Revenue recognized from development cost charges, an item not involving cash	(8,068)	(8,942)
Working capital items:		
Accrued interest receivable	(3,043)	793
Accounts and taxes receivable	24	4,496
Development fees receivable	(4,319)	(732)
Accounts payable and accrued liabilities	8,512	(8,005)
Deposits and holdbacks	6,198	553
Deferred revenue	28,988	1,513
	60,961	40,674
Investments:		
Acquisition of short-term investments, net	(53,883)	(55,329)
Financing:		
Increase (decrease) in bank indebtedness	(1,541)	1,541
Development cost levies and interest received (note 4)	17,307	13,602
Repayment of debt and capital lease obligations	(4,548)	(4,693)
	11,218	10,450
Increase (decrease) in cash and cash equivalents	18,296	(4,205)
Cash and cash equivalents, beginning of year	-	4,205
Cash and cash equivalents, end of year	\$ 18,296	\$ -

See accompanying notes to consolidated financial statements.



# CITY OF RICHMOND

Notes to Consolidated Financial Statements  
(Tabular amounts expressed in thousands of dollars)

Years ended December 31, 2005 and 2004

---

## 1. Significant accounting policies:

### (a) Basis of accounting:

The consolidated financial statements of the City of Richmond (the "City") are the representation of management prepared in accordance with Canadian generally accepted accounting principles as prescribed by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants ("CICA"). The consolidated financial statements reflect a combination of the City's General Revenue, General Capital and Loan, Waterworks and Sewerworks and Reserve Funds consolidated with the Richmond Public Library Board. Interfund transactions, fund balances and activities have been eliminated on consolidation.

Management is required to make estimates and assumptions that affect the reported amounts in the financial statements and the disclosure of contingent liabilities. Significant areas requiring the use of management estimates relate to the determination of accrued sick benefits, the recoverability of accounts receivable and provision for contingencies. The consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below for the following funds:

#### (i) General Revenue Fund:

This fund is used to account for the current operations of the City as provided for in the Annual Budget, including collection of taxes, administering operations, provision of transportation services, policing, servicing general debt, etc.

#### (ii) General Capital and Loan Fund:

This fund is used to record the City's capital assets and work-in-progress, including engineering structures such as roads and bridges, and the related long-term debt.

#### (iii) Waterworks and Sewerworks Funds:

These funds have been established to cover the costs of operating these utilities, with related capital and loan funds to record the related capital assets and long-term debt.

#### (iv) Reserve Funds:

Certain funds are established by bylaws for specific purposes. They are funded primarily by budgeted contributions from the General Revenue Fund plus interest earned on fund balances.

### (b) Revenue:

Revenue is recorded on the accrual basis and recognized when earned. Amounts that have been received in advance of services being rendered are recorded as deferred revenue until the City discharges the obligations that led to the collection of funds.

# CITY OF RICHMOND

Notes to Consolidated Financial Statements  
(Tabular amounts expressed in thousands of dollars)

Years ended December 31, 2005 and 2004

---

## 1. Significant accounting policies (continued):

(c) Budget information:

Unaudited budget information, presented on a basis consistent with that used for actual results, was included in the City of Richmond's Five-Year Financial Plan and was adopted through Bylaw #7939 on May 9, 2005.

(d) Expenditures:

Expenditures are recorded in the period in which the goods or services are acquired or a liability is incurred.

(e) Cash and cash equivalents:

Cash and cash equivalents are comprised of cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(f) Investments:

Investments are recorded at cost. Investments include term deposits and short-term bonds which generally have their principal guaranteed at maturity. Provisions for losses are recorded when they are considered to be other than temporary. At various times during the term of each individual investment, market value may be less than cost. Such declines in value are considered temporary for investments with known maturity dates as they generally reverse as the investments mature and therefore an adjustment to market value for these market declines is not recorded.

(g) Accounts receivable:

Accounts receivable are net of an allowance for doubtful accounts and therefore represent amounts expected to be collected within the next year.

(h) Inventory:

Inventory is recorded at cost, net of an allowance for obsolete stock. Cost is determined on a weighted average basis.

(i) Capital assets:

Capital assets purchased or constructed and work-in-progress are reported as capital expenditures in the period they are acquired. Interest incurred on borrowed funds used during construction is capitalized. Donated assets are recorded at their estimated fair market value at the time they are received. The City does not provide for depreciation or replacement of capital assets in the accounts. Proceeds from disposal of capital assets are credited to the appropriate reserve account.

# CITY OF RICHMOND

Notes to Consolidated Financial Statements  
(Tabular amounts expressed in thousands of dollars)

Years ended December 31, 2005 and 2004

## 1. Significant accounting policies (continued):

### (j) Development cost levies:

Development cost levies are restricted by legislation to expenditures on capital infrastructure. These amounts are recognized as revenue when the expenditures are incurred in accordance with the restrictions.

### (k) Employee future benefits:

The City and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred.

Sick leave and post-employment benefits also accrue to the City's employees. The liabilities related to these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefits plans are accrued based on projected benefits prorated as employees render services necessary to earn the future benefits.

### (l) Comparative figures:

Certain 2004 comparative figures have been reclassified to conform with the 2005 financial statement presentation.

## 2. Debt reserve fund deposits and demand notes:

The City obtains its debt instruments through the Municipal Finance Authority (the Authority). As a condition of these borrowings, a portion of the debenture proceeds is withheld by the Authority as a Debt Reserve Fund. The City also executes demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the Authority. These demand notes are contingent in nature and are not reflected in the accounts. The details of the cash deposits and contingent demand notes at December 31, 2005 are as follows:

	Cash deposits	Demand notes	Total
General Revenue Fund	\$ 546	\$ 2,582	\$ 3,128
Sewerworks Revenue Fund	15	75	90
Total	\$ 561	\$ 2,657	\$ 3,218

## 3. Accounts payable and accrued liabilities:

	2005	2004
Trade and other liabilities	\$ 38,803	\$ 30,310
Employee future benefits (note 11)	18,302	18,283
	\$ 57,105	\$ 48,593

# CITY OF RICHMOND

Notes to Consolidated Financial Statements  
(Tabular amounts expressed in thousands of dollars)

Years ended December 31, 2005 and 2004

## 4. Development cost levies:

	2005	2004
Balance, beginning of year	\$ 41,810	\$ 37,150
Contributions	16,417	12,769
Interest	890	833
Expenditures recognized as revenue	(8,068)	(8,942)
Balance, end of year	\$ 51,049	\$ 41,810

## 5. Obligations under capital leases:

During 2004, the City entered into an agreement for the sale and leaseback of equipment for proceeds of \$1,825,866. The City accounted for this transaction as a financing arrangement and no gain or loss was recognized. The City has an option at the end of the lease to repurchase each respective equipment for \$1 each.

Future minimum lease payments under these capital leases, which expire on various dates ranging from October 1, 2007 and July 1, 2009, are as follows:

Year ending December 31:	
2006	\$ 1,572
2007	1,324
2008	410
2009	224
Total future minimum lease payments	3,530
Less amount representing interest (3.88% - 4.61%)	(324)
Present value of capital lease payments	\$ 3,206

# CITY OF RICHMOND

Notes to Consolidated Financial Statements  
(Tabular amounts expressed in thousands of dollars)

Years ended December 31, 2005 and 2004

## 6. Long-term debt, net of MFA sinking fund deposits:

	2005	2004
Authority debentures	\$ 31,073	\$ 34,188

The rates of interest on the principal amount of the Authority debentures vary between 5.99% and 10.25% per annum. The average rate of interest for the year ended December 31, 2005 approximates 7.538%.

The City obtains debt instruments through the Authority pursuant to security issuing bylaws under authority of the community Charter to finance certain capital expenditures. Sinking fund balances managed by the Authority are netted against related long-term debt.

Gross amount for the debt and the amount for the sinking fund assets available to retire the debt are as follows:

	Gross debt	Sinking fund asset	Net debt 2005	Net debt 2004
General Fund	\$ 57,600	\$ 27,249	\$ 30,351	\$ 33,384
Water Fund	1,500	1,500	-	-
Sewer Fund	3,498	2,776	722	804
	\$ 62,598	\$ 31,525	\$ 31,073	\$ 34,188

Repayments of long-term debt required in the following five years and thereafter are as follows:

	General	Sewerworks	Total
2006	\$ 7,192	\$ 221	\$ 7,413
2007	7,351	225	7,576
2008	7,519	229	7,748
2009	7,694	234	7,928
2010	7,879	239	8,118
Thereafter	22,839	495	23,334
Principal and interest payments	60,474	1,643	62,117
Amount representing interest	(30,123)	(921)	(31,044)
Debt principal repayments	\$ 30,351	\$ 722	\$ 31,073

# CITY OF RICHMOND

Notes to Consolidated Financial Statements  
(Tabular amounts expressed in thousands of dollars)

Years ended December 31, 2005 and 2004

## 7. Capital assets:

	2005	2004
General government	\$ 169,587	\$ 166,932
Public works	510,278	497,103
Protection to persons and property	23,581	23,277
Sanitation and waste removal	17,819	16,796
Social welfare	4,979	2,981
Recreation services	130,814	126,934
Community services	93,334	92,918
Assets held under capital lease	6,433	7,044
Miscellaneous	46	46
Work-in-progress	90,279	72,639
	\$ 1,047,150	\$ 1,006,670

## 8. Capital equity:

	2005	2004
Balance, beginning of year	\$ 967,843	\$ 935,223
Capital additions (net)	40,480	27,927
Repayment of debt	3,115	4,563
Repayment to capital leases	1,433	130
Change in equity in capital assets	45,028	32,620
Balance, end of year	\$ 1,012,871	\$ 967,843

# CITY OF RICHMOND

Notes to Consolidated Financial Statements  
(Tabular amounts expressed in thousands of dollars)

Years ended December 31, 2005 and 2004

## 9. Reserves:

	2004	Change during year	2005
Reserve funds:			
Capital reserve	\$ 49,791	\$ 6,613	\$ 56,404
Steveston road ends	818	(2)	816
Equipment replacement	13,712	(627)	13,085
Affordable housing	5,701	1,980	7,681
Steveston off-street parking	83	58	141
Capital building and infrastructure	8,946	2,980	11,926
Neighbourhood improvement	3,757	675	4,432
Waterfront improvement	1,358	1,001	2,359
Child care development	89	72	161
Public art program	460	71	531
Local improvements	4,370	326	4,696
Watermain replacement	26,956	4,836	31,792
Drainage improvement	2,125	1,924	4,049
Sanitary sewer	14,667	239	14,906
Leisure facilities	129	574	703
	132,962	20,720	153,682
Reserves:			
Future elections	205	(164)	41
Appeal board decisions	1,059	899	1,958
Legal settlements	2,288	805	3,093
Major road networks rehabilitation reserve	2,986	909	3,895
	6,538	2,449	8,987
	\$ 139,500	\$ 23,169	\$ 162,669

# CITY OF RICHMOND

Notes to Consolidated Financial Statements  
(Tabular amounts expressed in thousands of dollars)

Years ended December 31, 2005 and 2004

## 10. Appropriated surplus:

	2005	2004
Appropriated surplus, beginning of the year	\$ 48,155	\$ 34,649
Addition in the year	31,910	26,968
Usage	(22,744)	(13,462)
Appropriated surplus, end of year	\$ 57,321	\$ 48,155

Surplus amounts are appropriated or reserved for certain types of expenditures that may be incurred in the future. Surplus appropriations to December 31, 2005 have been made in the General, Waterworks and Sewerworks Funds. These expenditures would be for such items as unexpected human resource issues, emergency or disaster recovery, debt requirements and future capital maintenance programs.

## 11. Post-employment benefits:

The City provides certain post-employment benefits, compensated absences and termination benefits to its employees. These benefits include accumulated non-vested sick leave and post-employment benefits.

	2005	2004
Accrued benefit liability:		
Balance, beginning of the year	\$ 18,283	\$ 19,736
Current service cost	1,162	1,045
Interest cost	951	1,089
Amortization of actuarial loss	65	-
Benefits paid	(2,159)	(3,587)
Balance, end of year	\$ 18,302	\$ 18,283

An actuarial valuation for these benefits was performed to determine the City's accrued benefit obligation as at December 31, 2005. The difference between the actuarially determined accrued benefit obligation of \$19.9 million and the accrued benefit liability of \$18.3 million as at December 31, 2005 is an actuarial loss of \$1.6 million. This actuarial loss is being amortized over a period equal to the employees' average remaining service lifetime.



# CITY OF RICHMOND

Notes to Consolidated Financial Statements  
(Tabular amounts expressed in thousands of dollars)

Years ended December 31, 2005 and 2004

## 11. Post-employment benefits (continued):

	2005	2004
Actuarial benefit obligation:		
Accrued benefit liability, end of year	\$ 18,302	\$ 18,283
Unamortized net actuarial loss	1,564	589
Balance, end of year	\$ 19,866	\$ 18,872

Actuarial assumptions used to determine the City's accrued benefit obligation are as follows:

	2005	2004
Discount rate	4.25%	5.00%
Expected future inflation rate	2.00%	2.00%
Expected wage and salary range increases	3.50%	3.50%

## 12. Commitments and contingencies:

### (a) Joint and several liabilities:

As a member of the following districts, the City is jointly and severally liable for each district's applicable portion of the net capital liability:

Greater Vancouver Regional District  
Greater Vancouver Water District  
Greater Vancouver Sewerage and Drainage District

### (b) Lease payments:

In addition to the obligations under capital leases, at December 31, 2005, the City was committed to lease payments for premises and equipment in the following approximate amounts:

2006	\$ 3,876
2007	3,764
2008	3,810
2009	3,772
2010	3,801
Thereafter	74,108

# CITY OF RICHMOND

Notes to Consolidated Financial Statements  
(Tabular amounts expressed in thousands of dollars)

Years ended December 31, 2005 and 2004

---

## 12. Commitments and contingencies (continued):

(c) Litigation:

As at December 31, 2005, there were a number of legal claims in various stages of litigation, primarily in relation to expropriations of properties. The City has made no specific provision for these where the outcome is presently indeterminable.

(d) Municipal Insurance Association of British Columbia:

The City is a participant in the Municipal Insurance Association of British Columbia (the Association). Should the Association pay out claims in excess of premiums received, it is possible that the City, along with other participants, would be required to contribute towards the deficit.

(e) Pensions:

The City and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including the investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The Plan has about 130,000 active members and approximately 48,000 retired members. Active members include approximately 30,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of plan funding. The most recent valuation as at December 31, 2003 indicated an unfunded liability of \$789 million for basic pension benefits. The next valuation will be as at December 31, 2006 with results available in 2007. The actuary does not attribute portions of the unfunded liability to individual employers. The City paid \$5,496,768 (2004 - \$4,807,167) for employer contributions to the Plan in fiscal 2005.

(f) Contractual obligation:

The City has entered into various contracts for services and construction with periods ranging beyond one year. These commitments are in accordance with budgets passed by Council. Included in these commitments is the commitment to contribute \$118.0 million toward the construction of the facility to house the Olympic Oval.

(g) E-Comm Emergency Communications for Southwest British Columbia ( E-Comm ):

The City is a shareholder and member of E-Comm whose services include: regional 9-1-1 call centre for the Greater Vancouver Regional District; Wide Area Radio network; dispatch operations; and records management. The City has 1 Class A share and 1 Class B share (of a total of 20 Class A and 27 Class B shares issued and outstanding at December 31, 2005). Class A shareholders are obligated to share in both funding the ongoing operations and any additional costs relating to capital assets (in accordance with a cost sharing formula) while Class B shareholders are not obligated to share in funding of the ongoing operating costs.

# CITY OF RICHMOND

Notes to Consolidated Financial Statements  
(Tabular amounts expressed in thousands of dollars)

Years ended December 31, 2005 and 2004

## 13. Trust funds:

Certain assets have been conveyed or assigned to the City to be administered as directed by agreement or statute. The City holds the assets for the benefit of and stands in fiduciary relationship to the beneficiary. The following trust funds are excluded from the City's financial statements.

	2005	2004
Richmond Community Associations	\$ 1,112	\$ 1,075

## 14. Collections for other governments:

The City is obligated to collect and transmit certain taxation revenue on behalf of other government bodies. These funds are excluded from the City's financial statements since they are not revenue of the City. Such taxes collected and remitted to the government bodies during the year are as follows:

	2005	2004
Province of British Columbia - Schools	\$ 101,460	\$ 98,179
Regional District and others	26,332	18,488
	\$ 127,792	\$ 116,667

## 15. Expenditures by object:

	2005	2004
Wages, salaries and benefits	\$ 78,634	\$ 84,846
Contract services	33,963	31,311
Supplies, materials and equipment	108,019	80,671
Debt charges	8,612	7,491
	\$ 229,228	\$ 204,319

## 16. Other revenue:

Other revenue in 2005 includes the proceeds from sale of properties in the amount of \$4,260,151. These proceeds were not budgeted for, and are not expected to recur in future periods.

## 17. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.