

# School District 41(Burnaby) Audited Financial Statements

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Year Ended June 30, 2015

**Board Presentation – September 22, 2015**

# Audit Overview

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- ▶ The Financial Statements are prepared under Canadian Public Sector Accounting standards supplemented by Regulations issued by the Province of BC Treasury Board
- ▶ PricewaterhouseCoopers has issued an unqualified audit report
- ▶ Results of the audit continue to reinforce the district's strong financial controls with no significant deficiencies in internal controls over financial reporting and fiscal management

# Financial Highlights – 2014/2015

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Year End Financial Statements reflect Teacher Job Action that had the following impact:

- ▶ Ministry Operating Grant recovery \$7.5 million represents salaries and benefits savings
- ▶ Summer School cancellation – no revenues (\$2.5 million) or expenditures (\$2.1 million)
- ▶ Reduced level of spending – Pro D, supplies and services \$500k

# Financial Highlights – 2014/2015

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## Operating Revenues

- ▶ Labour Settlement funding \$4.4 million
- ▶ Operating Grant holdback release \$2.3 million; increase of \$500k over budget
- ▶ International Student Education fees \$16.3 million; \$1.1 million increase over budget
- ▶ Rental revenues and Investment income \$2 million an increase of \$185k over budget

# Financial Highlights – 2014/2015

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## Operating Expenses

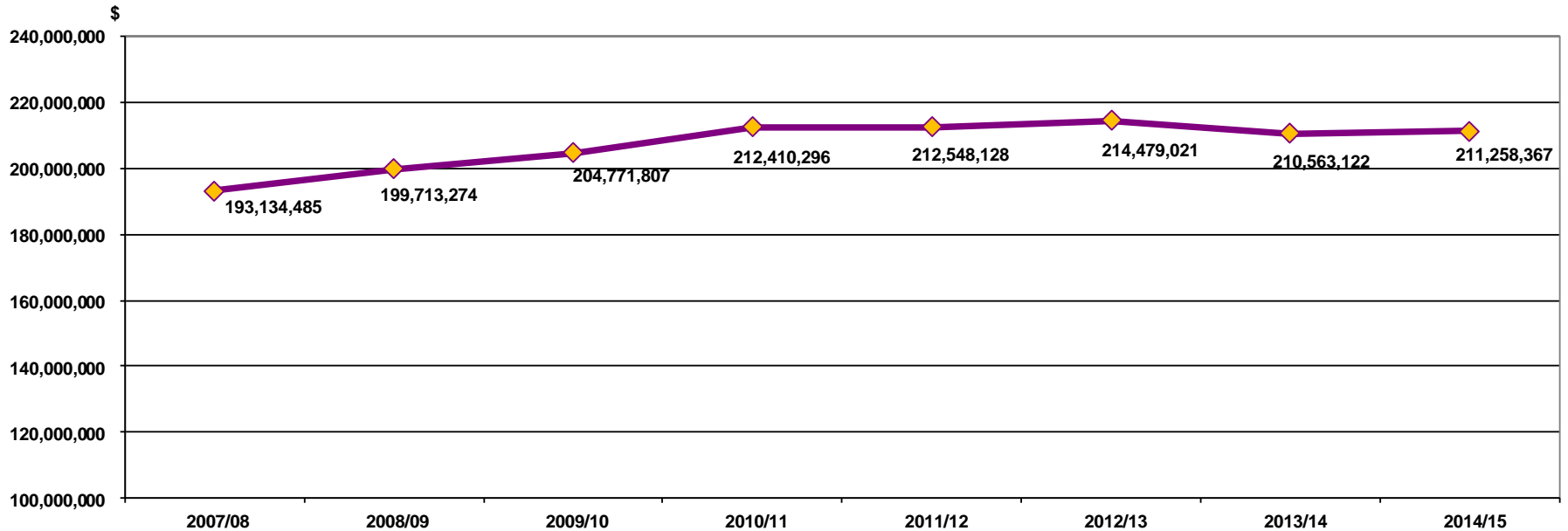
Expenditures lower than budget primarily due to:

- ▶ Energy savings due to continued energy management program and mild winter \$500k
- ▶ Salary & benefit savings \$800k
- ▶ Unspent commitments (restricted surplus) \$1.9 million

# Enrolment – 2014 /2015

	<b>Actual (FTE)</b>	<b>Budget (FTE)</b>	<b>Variance (FTE)</b>
<b>Elementary</b>	13,176.0	13,167.0	9.0
<b>Secondary</b>	9,814.0	9,803.4	10.6
<b>Continuing Education</b>	37.9	52.5	(14.6)
	<b>23,027.9</b>	<b>23,022.9</b>	<b>5.0</b>
<b>Distributed Learning</b>	230.2	188.2	42.0
<b>Total - School Age</b>	<b>23,258.1</b>	<b>23,211.1</b>	<b>47.0</b>
<b>ELL</b>	4,452.0	4,431.0	21.0
<b>Aboriginal Education</b>	714.0	714.0	-
<b>Special Ed - Level 1</b>	31.0	30.0	1.0
<b>Special Ed - Level 2</b>	734.0	720.0	14.0
<b>Special Ed - Level 3</b>	113.0	103.0	10.0
<b>Adults</b>	321.6	364.9	(43.3)
<b>Total - Unique Student Needs</b>	<b>6,365.6</b>	<b>6,362.9</b>	<b>2.7</b>
<b>International Education</b>	<b>1,052.0</b>	<b>988.0</b>	<b>64.0</b>

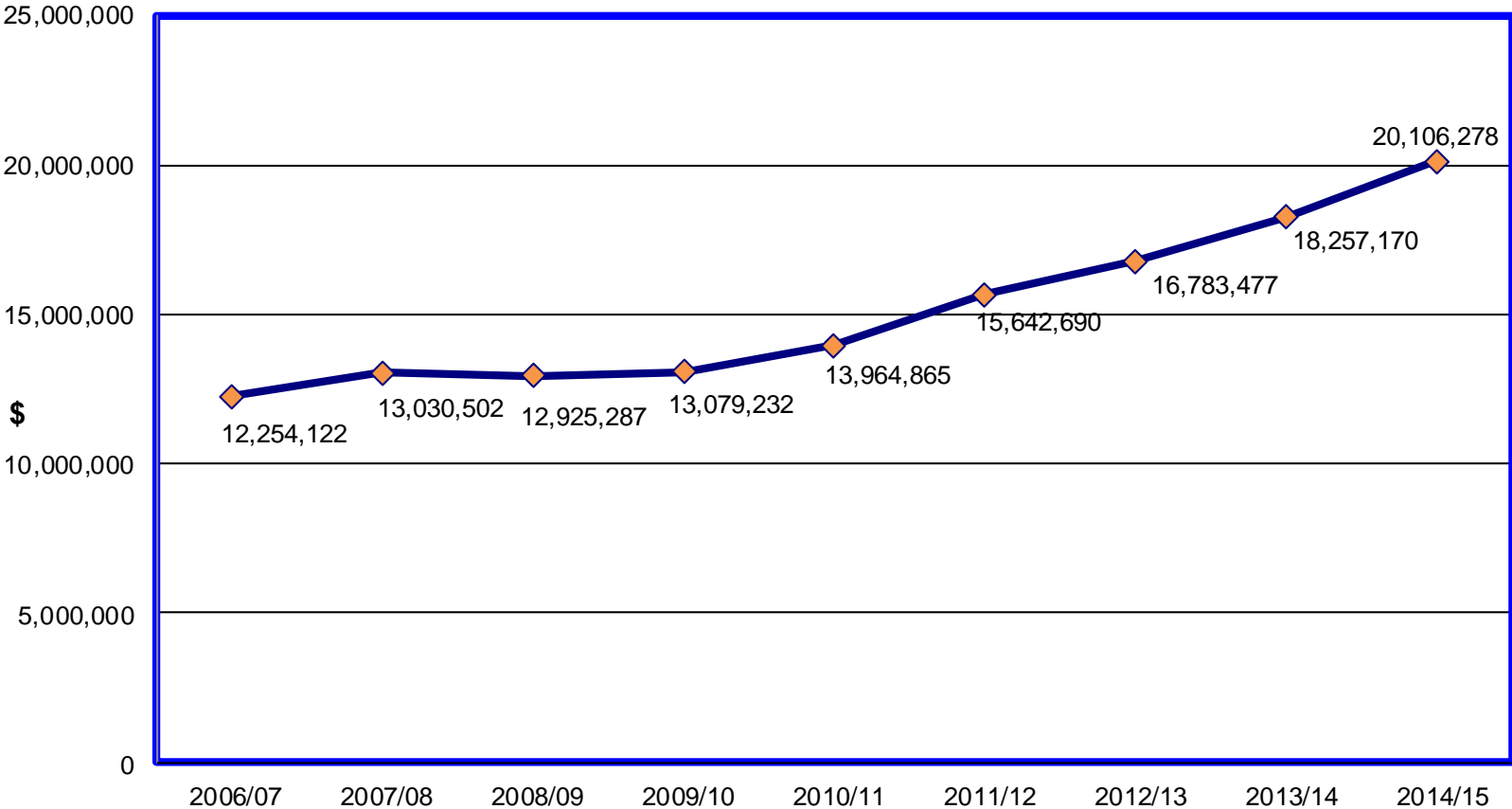
# Total Operating Revenues



Notes:

- Source: Audited Financial Statements Schedule 2
- Operating Budget revenues include \$9.3 million (2006/07), \$14.5 million (2007/08), \$19.4 million (2008/09), \$23.8 million (2009/10), \$4.3 million (2014/15) Ministry of Education grant for labour settlement
- 2011/2012 and 2012/2013 Operating Revenues are restated due to the adoption of the new Accounting Framework. Revenues of \$1.5 million reclassified to the Special Purpose Fund
- Operating revenues reflect \$5.5 million (2013/14) and \$7.5 million (2014/15) in Ministry of Education grant clawback for strike savings

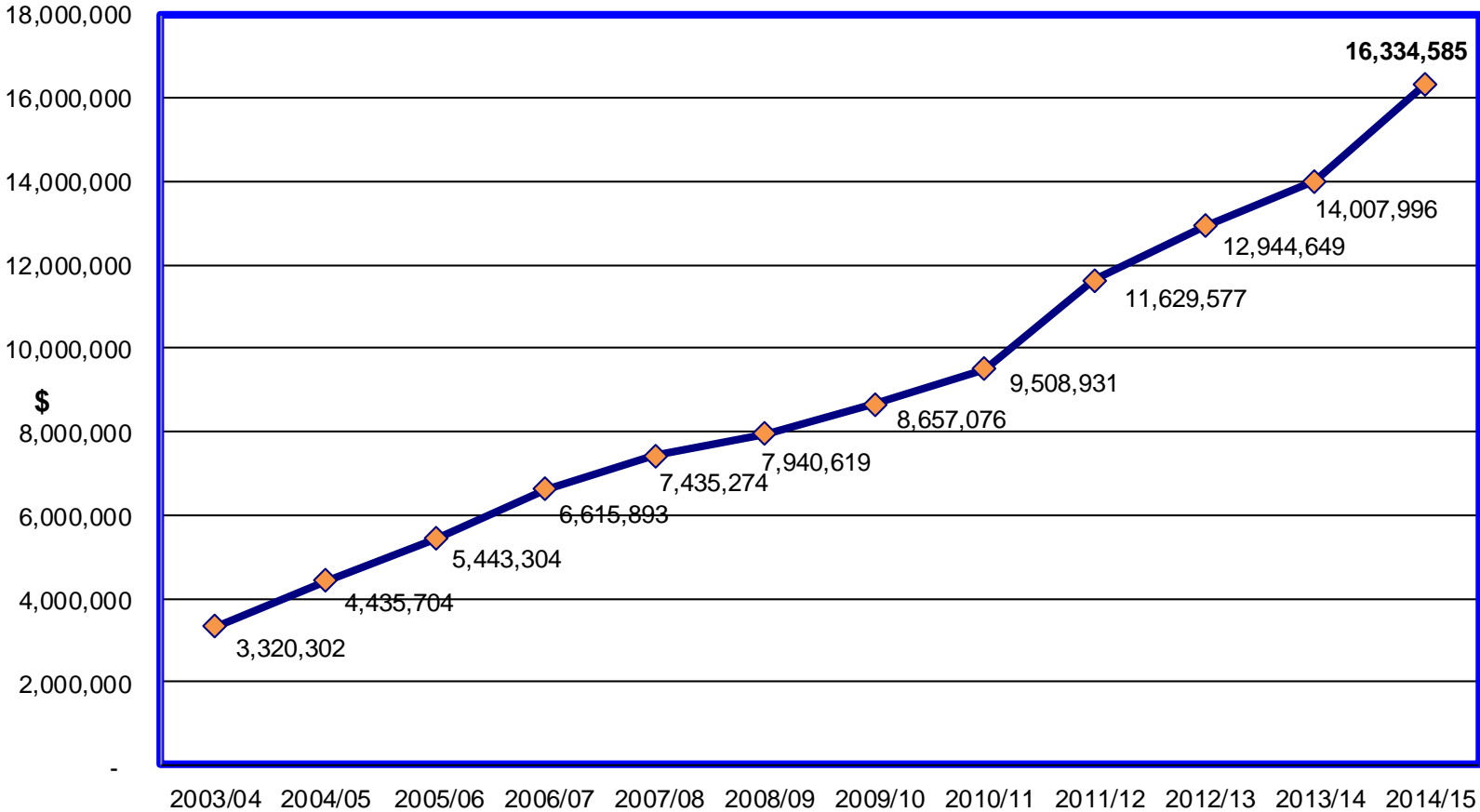
# Revenue from Other Sources



Source: School District 41 (Burnaby) Audited Financial Statements Schedule 2A



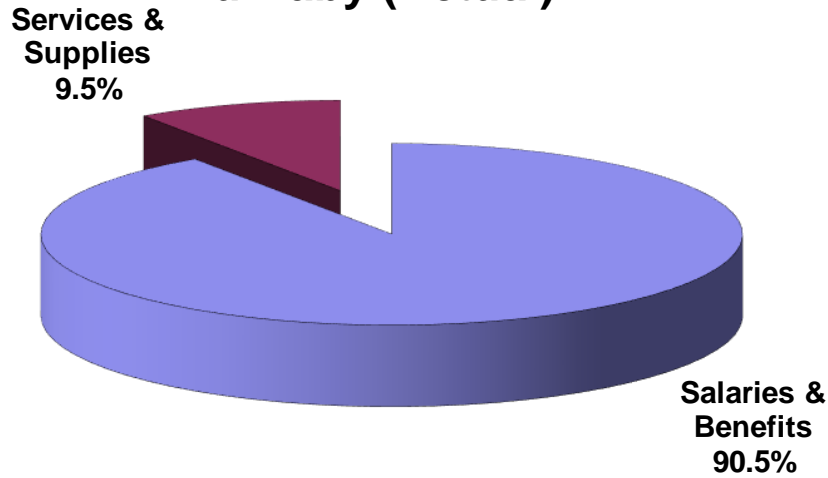
# Revenue from International Student Education



Source: School District 41 (Burnaby) Audited Financial Statements Schedule 2A

# Operating Expenses

## Burnaby (Actual)



## Provincial (Budget)

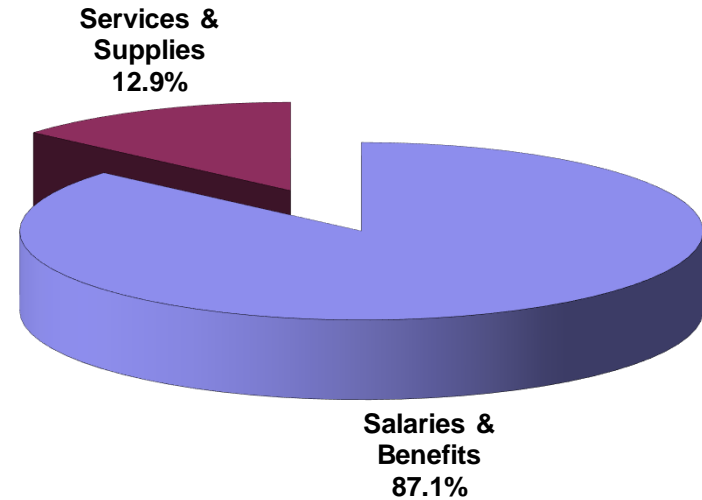


Table 16 Provincial Summary of 2014/15 Amended Annual Budgeted Operating Expenditures by Object

# Ministry Function/Program

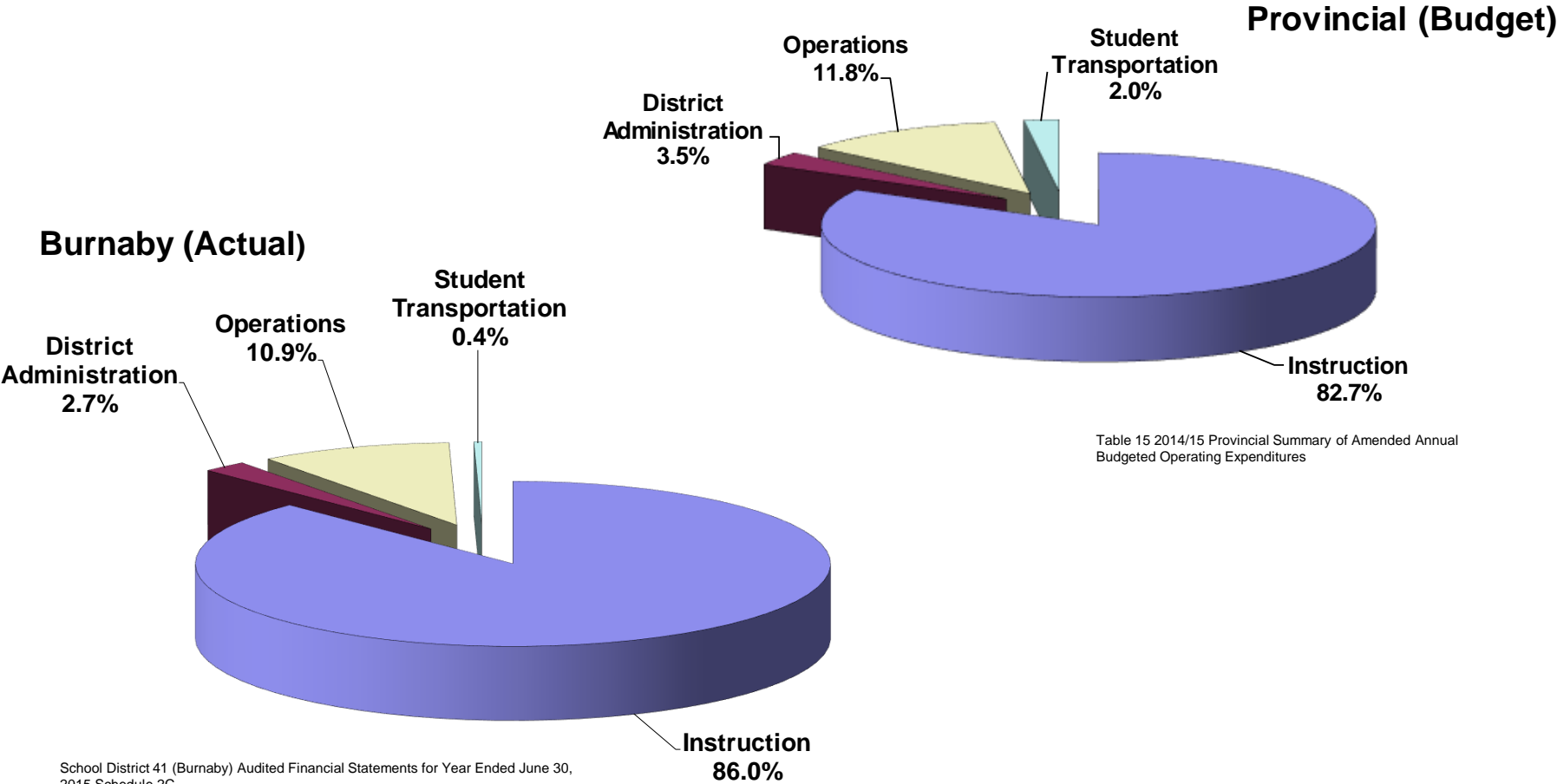


Table 15 2014/15 Provincial Summary of Amended Annual Budgeted Operating Expenditures

School District 41 (Burnaby) Audited Financial Statements for Year Ended June 30, 2015 Schedule 2C

# Provincial Grants – Ministry of Education

	2014/2015 Actual	2014/2015 Budget	Variance
Operating Grant Ministry of Education	\$ 191,181,280	\$ 190,400,461	\$ 780,819
Less: Strike Savings Recovery	(7,482,470)	(7,582,770)	100,300
<b>Net Operating Grant Ministry of Education</b>	<b>\$ 183,698,810</b>	<b>\$ 182,817,691</b>	<b>\$ 881,119</b>
<b>Other Ministry of Education Grants</b>			
Labour Settlement Funding	4,350,731	4,350,731	-
Pay Equity	1,441,995	1,441,995	-
Funding for Graduated Adults	1,137,541	1,173,950	(36,409)
Misc. Grants	345,232	193,988	151,244
<b>Total Other Grants</b>	<b>7,275,499</b>	<b>7,160,664</b>	<b>114,835</b>
<b>Total Provincial Grants - Ministry of Ed.</b>	<b>\$ 190,974,309</b>	<b>\$ 189,978,355</b>	<b>\$ 995,954</b>

# Provincial Grants - Other

	<b>2014/2015</b>	<b>2014/2015</b>	
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
ICT Training Grants	\$ 162,800	\$ 188,000	\$ (25,200)
Teachers Benefit Plan Funding - note 1	-	163,876	(163,876)
	<b>\$ 162,800</b>	<b>\$ 351,876</b>	<b>\$ (189,076)</b>
note 1 - Funding for the Teacher Benefit Plan improvements \$163,876 were received in 2014/2015 from the Ministry of Education and included in Other Ministry of Education Grants			

# Other Revenues

	<b>Actual 2014/2015</b>	<b>Budget 2014/2015</b>	<b>Variance</b>
<b>International Education Program</b>	\$ 16,334,585	\$ 15,255,450	\$ 1,079,135
<b>Continuing Education</b>	1,234,210	1,262,400	(28,190)
<b>Rentals and Leases</b>	1,105,251	992,000	113,251
<b>Investment Income</b>	922,033	850,000	72,033
<b>ACE-IT and Career Program Fees</b>	143,987	83,000	60,987
<b>City of Burnaby Crossing Guards</b>	205,000	205,000	-
<b>Miscellaneous</b>	161,212	191,705	(30,493)
	<b>\$ 20,106,278</b>	<b>\$ 18,839,555</b>	<b>\$ 1,266,723</b>

# Services & Supplies

	2014/2015	2014/2015	
	Actual	Budget	Variance
Supplies	\$ 6,724,291	\$ 8,168,351	\$ (1,444,060)
Services	8,093,880	8,589,471	(495,591)
Utilities	2,719,020	3,226,306	(507,286)
Professional Development and Travel	817,363	901,472	(84,109)
Student Transportation	706,798	672,779	34,019
Rentals and Leases	333,282	284,288	48,994
Insurance	446,964	473,716	(26,752)
Dues and Fees	74,022	75,500	(1,478)
	<b>\$ 19,915,620</b>	<b>\$ 22,391,883</b>	<b>\$ (2,476,263)</b>

# Statement of Operating Revenue and Expenses

		2014/2015	2014/2015	
		ACTUAL	BUDGET	Variance
<b>REVENUE</b>				
	Provincial Grants - Ministry Of Education	\$ 190,974,309	\$ 189,978,355	\$ 995,954
	Provincial / Federal Grants - Other	177,780	366,856	(189,076)
	Tuition and Other Revenue	18,078,994	16,997,555	1,081,439
	Rentals and Leases	1,105,251	992,000	113,251
	Investment Income	922,033	850,000	72,033
		<b>\$ 211,258,367</b>	<b>\$ 209,184,766</b>	<b>\$ 2,073,601</b>
<b>EXPENSE</b>				
	Salaries			
	Teachers	\$ 102,018,015	\$ 102,491,148	\$ (473,133)
	Principals and Vice-Principals	8,441,189	8,461,157	(19,968)
	Educational Assistants	14,261,787	14,255,872	5,915
	Support Staff	18,595,785	18,570,309	25,476
	Other Professionals	3,867,522	3,836,230	31,292
	Substitutes	5,950,940	6,225,947	(275,007)
		<b>\$ 153,135,238</b>	<b>\$ 153,840,663</b>	<b>\$ (705,425)</b>
	Employee Benefits	37,686,909	37,807,651	(120,742)
	Services And Supplies	19,915,620	22,391,883	(2,476,263)
		<b>\$ 210,737,767</b>	<b>\$ 214,040,197</b>	<b>\$ (3,302,430)</b>
<b>NET REVENUE (EXPENSE) FOR THE YEAR</b>		<b>\$ 520,600</b>	<b>\$ (4,855,431)</b>	<b>\$ 5,376,031</b>



# Operating Budget Fund Balance

	2014/2015	2014/2015	
	Actual	Budget	Variance
<b>Net Revenue (Expense) for The Year</b>	\$ 520,600	\$ (4,855,431)	\$5,376,031
<b>Less:</b>			
Interfund Transfers - Local Capital	(859,378)	(742,000)	(117,378)
<b>Net Surplus (Deficit) For The Year</b>	(338,778)	(5,597,431)	5,258,653
<b>Balance Begining of Year (restated)</b>	10,315,727	10,315,727	-
<b>Balance End of Year</b>	<u>\$ 9,976,949</u>	<u>\$ 4,718,296</u>	<u>\$5,258,653</u>
<b>Restricted</b>	\$ 6,280,941	\$ 3,999,028	\$2,281,913
<b>Unrestricted (restated)</b>	3,696,008	719,268	2,976,740
<b>Balance End of Year</b>	<u>\$ 9,976,949</u>	<u>\$ 4,718,296</u>	<u>\$5,258,653</u>

# Operating Budget Fund Balance

	2014/2015	2013/2014
<b>Internally Restricted:</b>		
To balance 2015/2016 Operating Budget	\$ 4,391,457	\$ 3,405,709
School Funds, Learning Resources and Prog Development	1,589,484	1,408,426
Other District Committed Expenditures	300,000	-
<b>Operating Fund Balance, Internally Restricted</b>	<b>\$ 6,280,941</b>	<b>\$ 4,814,135</b>
<b>Operating Fund Balance Unrestricted - Current Year</b>	<b>2,976,740</b>	<b>4,782,324</b>
Prior Period Adjustment	719,268	719,268
<b>Operating Fund Balance Unrestricted (restated)</b>	<b>3,696,008</b>	<b>5,501,592</b>
<b>Operating Fund Balance, End of Year</b>	<b>\$ 9,976,949</b>	<b>\$ 10,315,727</b>

# Financial Highlights – 2014/2015

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## Schedule 3 – Special Purpose Fund Operations

- ▶ Total Revenues of \$26.3 million
  - ▶ Annual Facilites Grant - \$1.0 million (net of Capital portion of \$3.7 million)
  - ▶ Learning Improvement Fund - \$3.9 million
    - ▶ Teacher Education Fund \$3,098,500
    - ▶ Support Staff Fund \$774,525
  - ▶ School Generated Funds - \$5.9 million
  - ▶ Strong Start / Ready Set Learn - \$527k
  - ▶ French Language Program (OLEP) - \$285k
  - ▶ CommunityLINK programs - \$3.3 million
  - ▶ Provincial Resource Programs - \$7.8 million
  - ▶ CIC LINC and Settlement Services - \$3.1 million

## Capital Fund

- ▶ AFG Capital expenditures \$3.7 million