

School District 41(Burnaby) Audited Financial Statements

Year Ended June 30, 2016

September 26, 2016

Audit Overview

- ▶ The Financial Statements are prepared under Canadian Public Sector Accounting standards supplemented by Regulations issued by the Province of BC Treasury Board
- ▶ Price Waterhouse Coopers (PwC) 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 – 2015/2016

Year End Financial Statements reflect first full year following a year that had Teacher Job Action:

- ▶ School-age enrolment increase 179 fte over preliminary budget
- ▶ Newcomer refugee students 98.7 fte
- ▶ International Student enrolment growth up 164 fte from prior year
- ▶ MyEd BC implementation / Next Generation Network (NGN)
- ▶ \$42 million in Capital projects in progress

Financial Highlights – 2015/2016

Operating Grant

- ▶ Labour Settlement funding \$5.6 million
- ▶ No Operating Grant holdback released
- ▶ Additional funding for Feb/May counts \$428k
- ▶ Administrative Savings \$1.2 million
- ▶ Newcomer Refugees student funding \$327k
- ▶ Summer school \$2.1 million

Other Revenues

- ▶ International Student Education fees of \$18.8 million; \$116k increase over budget; \$2.4 million
- ▶ Other Program Fees \$263k; \$181k increase over budget due primarily to Grad Adult fees for upgrading courses

Financial Highlights – 2015/2016

Operating Expenses

- ▶ Energy savings from continued energy management program and mild winter \$260k
- ▶ Salary savings \$765k
- ▶ Transfers from operating to local capital for capitalized equipment higher \$155 k

Operating Fund Balance

- ▶ District ended the year with a \$1.25 million net unrestricted Operating Fund balance and a \$7.8 million restricted Operating Fund balance

Financial Highlights – 2015/2016

Special Purpose Fund Operations

- ▶ Total Revenues of \$29 million
 - ▶ Annual Facilities Grant - \$1.0 million (net of Capital portion of \$3.8 million)
 - ▶ Learning Improvement Fund - \$4.1 million
 - ▶ Teacher Education Fund \$3.3 million
 - ▶ Support Staff Fund \$0.8 million
 - ▶ School Generated Funds - \$6.8 million
 - ▶ Strong Start / Ready Set Learn - \$484k
 - ▶ French Language Program (OLEP) - \$303k
 - ▶ CommunityLINK programs - \$3.7 million
 - ▶ Provincial Resource Programs - \$8.7 million
 - ▶ CIC LINC and Settlement Services - \$3.1 million

Capital Fund

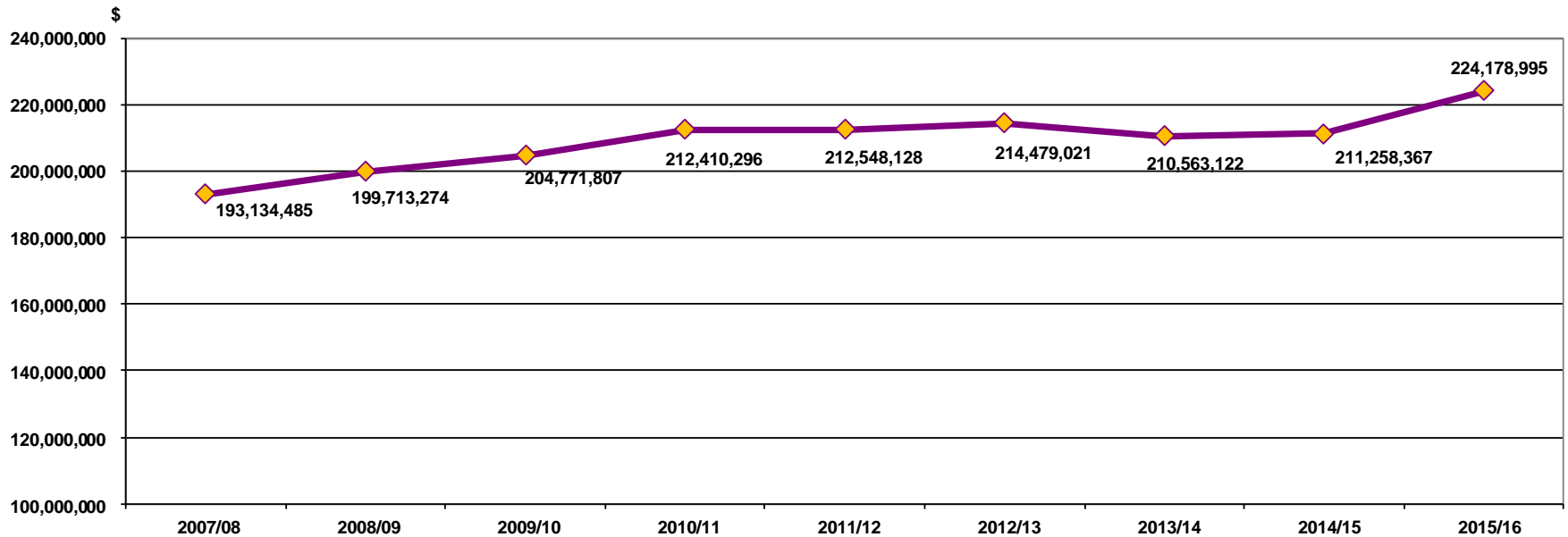
- ▶ AFG Capital expenditures \$3.7 million
- ▶ Alpha Secondary seismic project expenditures \$1.5 million

Enrolment – 2015 /2016

	Actual Total	Budget Total	Variance Total
	(FTE)	(FTE)	(FTE)
Elementary	13,217.0	13,217.0	-
Secondary	9,744.9	9,743.0	1.9
Newcomer Refugees	98.8	22.0	76.8
Continuing Ed - School Age	37.6	35.3	2.3
	23,098.3	23,017.3	80.9
Distributed Learning	277.0	273.8	3.2
Total - School Age	23,375.3	23,291.1	84.1
ELL	4,597.0	4,496.0	101.0
Aboriginal Education	690.0	690.0	-
Special Ed - Level 1	24.0	24.0	-
Special Ed - Level 2	791.0	770.0	21.0
Special Ed - Level 3	132.0	125.0	7.0
Adults	204.8	239.8	(35.0)
Total - Unique Student Needs	6,438.8	6,344.8	94.0
Total - Summer Learning	7,225.0	7,225.0	-
International Education	1,216.0	1,201.0	15.0

note: Adults include both Grad and Non-Grad Adults

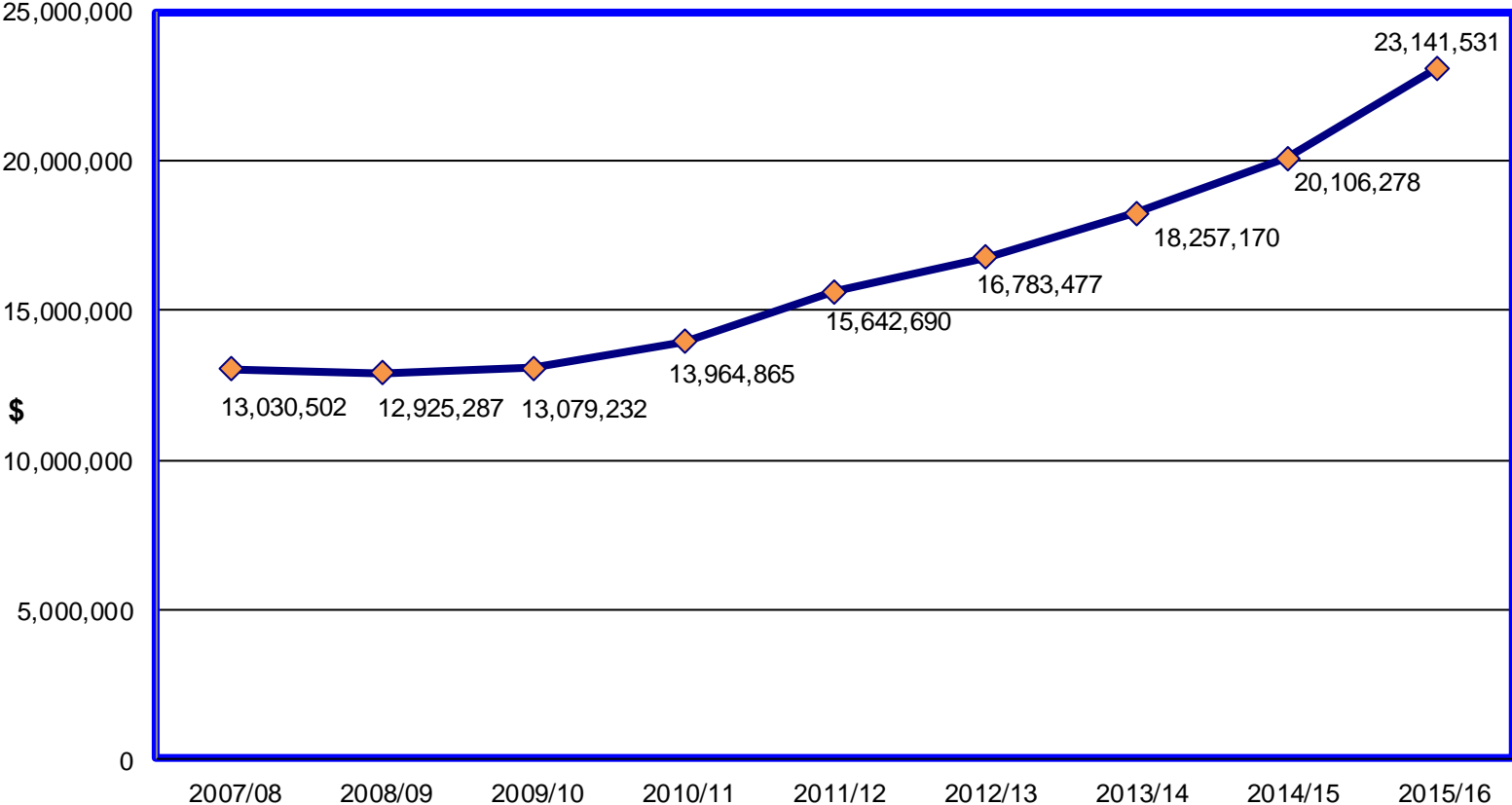
Total Operating Revenues



Notes:

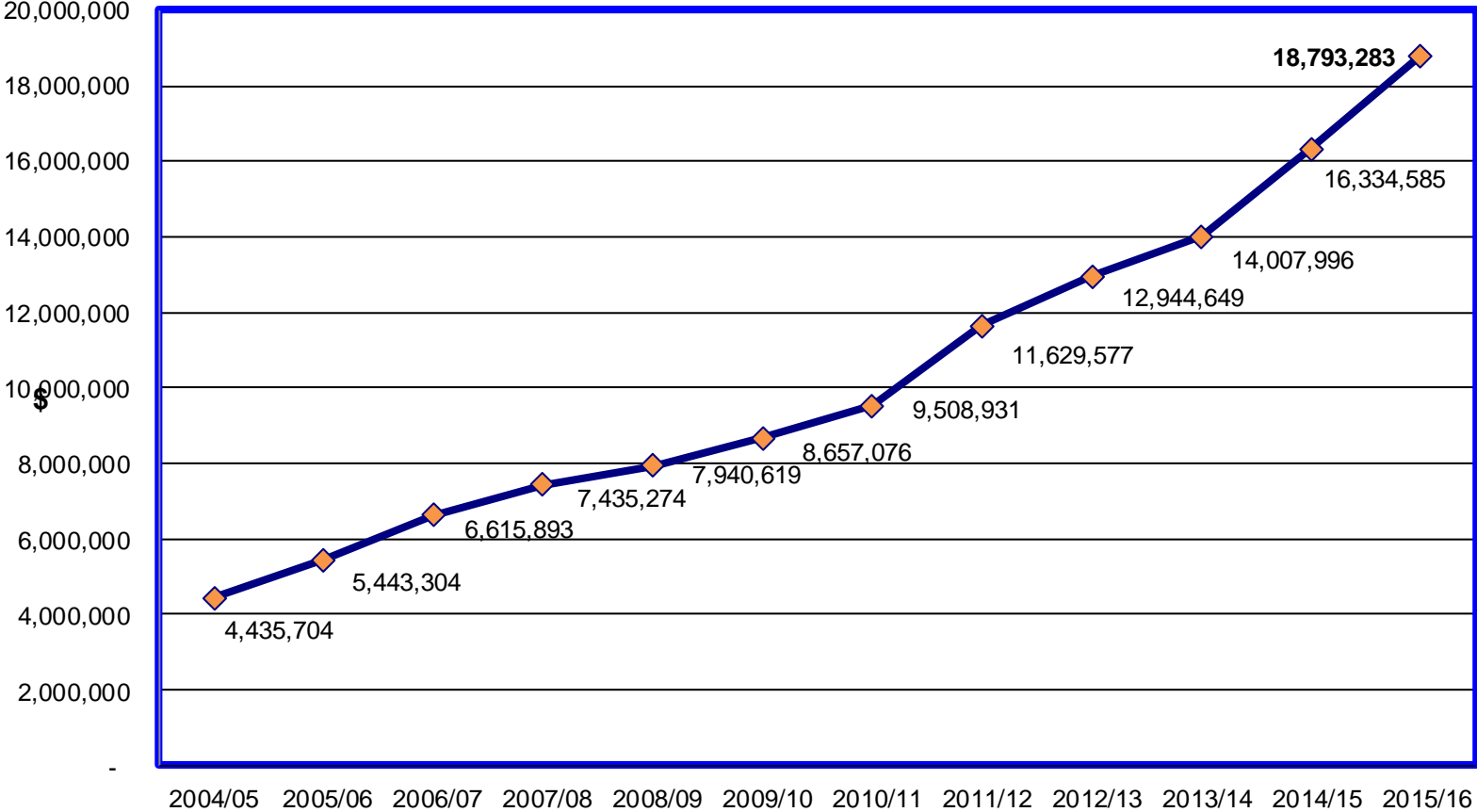
- Source: Audited Financial Statements Schedule 2
- Operating Budget revenues include \$9.3 million (2006/07), \$14.5 million (2007/08), \$19.4 million (2008/09), \$23.8 million (2009/10), \$4.3 million (2014/15), \$5.6 million (2015/16), Ministry of Education grant for labour settlement
- 2011/2012 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

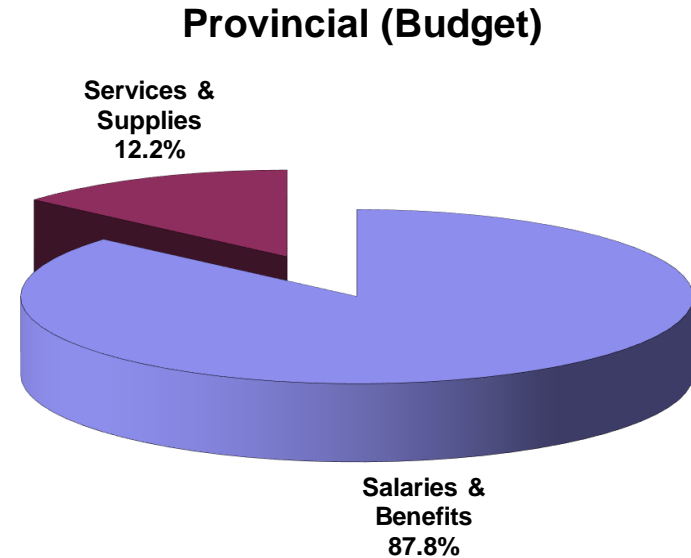
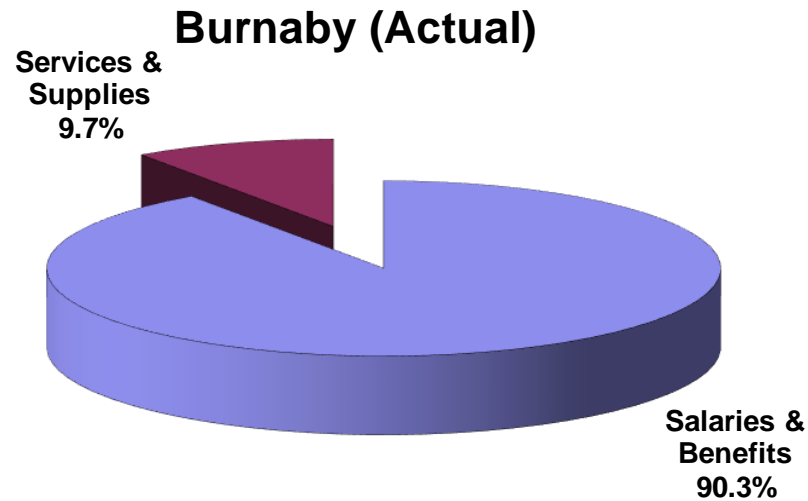


Table 16 Provincial Summary of 2015/16 Amended Annual Budgeted Operating Expenditures by Object

Ministry Function/Program

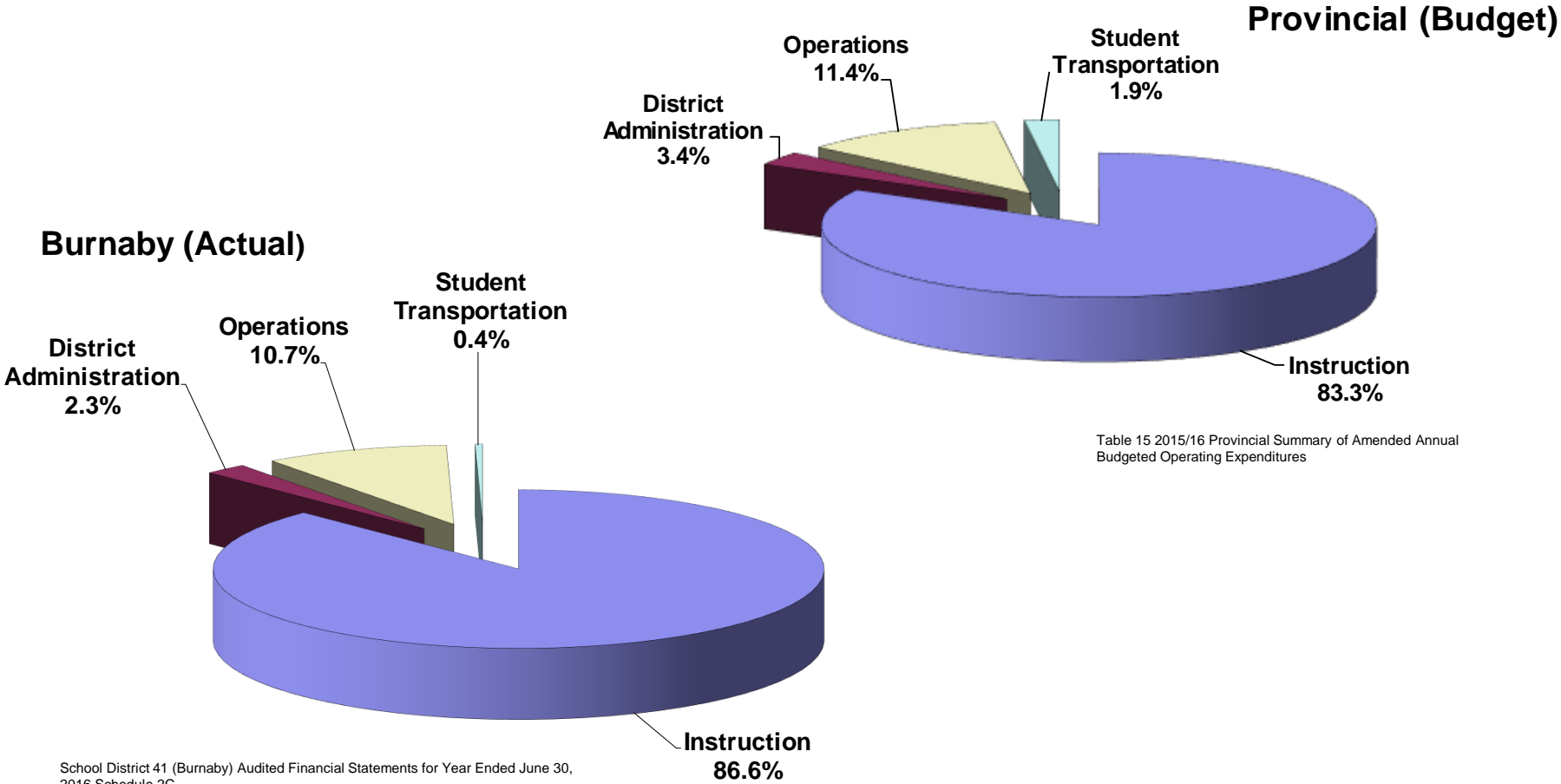


Table 15 2015/16 Provincial Summary of Amended Annual Budgeted Operating Expenditures

School District 41 (Burnaby) Audited Financial Statements for Year Ended June 30, 2016 Schedule 2C

Provincial Grants – Ministry of Education

	2015/2016 Actual	2015/2016 Budget	Variance
Operating Grant Ministry of Education	\$ 198,301,849	\$ 197,924,666	\$ 377,183
Other Ministry of Education Grants			
Pay Equity	1,441,995	1,441,995	-
Funding for Graduated Adults	596,610	776,050	(179,440)
Economic Stability Dividend	179,028	156,000	23,028
Misc. Grants	328,182	370,214	(42,032)
Total Other Grants	2,545,815	2,744,259	(198,444)
Total Provincial Grants - Ministry of Ed.	\$ 200,847,664	\$ 200,668,925	\$ 178,739

Provincial Grants - Other

	2015/2016	2015/2016	
	Actual	Budget	Variance
ICT Training Grants	\$ 189,800	\$ 188,000	\$ 1,800

Other Revenues

	Actual	Budget	
	2015/2016	2015/2016	Variance
International Education Program	\$ 18,793,283	\$ 18,677,218	\$ 116,065
Continuing Education	1,347,134	1,383,200	(36,066)
Summer School Fees	352,915	348,478	4,437
Other Program Fees	263,752	83,000	180,752
City of Burnaby Crossing Guards	205,000	205,000	-
Miscellaneous	184,944	166,705	18,239
Rentals and Leases	1,247,717	1,187,000	60,717
Investment Income	746,786	850,000	(103,214)
	\$ 23,141,531	\$ 22,900,601	\$ 240,930

Services & Supplies

	2015/2016	2015/2016	
	Actual	Budget	Variance
Supplies	\$ 7,572,568	\$ 7,690,547	\$ (117,979)
Services	9,134,010	9,484,785	(350,775)
Utilities	2,727,476	2,985,410	(257,934)
Professional Development and Travel	843,360	903,757	(60,397)
Student Transportation	725,625	631,235	94,390
Rentals and Leases	151,928	172,288	(20,360)
Insurance	436,691	457,610	(20,919)
Dues and Fees	78,391	76,500	1,891
	\$ 21,670,049	\$ 22,402,132	\$ (732,083)

Statement of Operating Revenue and Expenses

		2015/2016	2015/2016	
		ACTUAL	BUDGET	Variance
REVENUE				
	Provincial Grants - Ministry Of Education	\$ 200,847,664	\$ 200,668,925	\$ 178,739
	Provincial / Federal Grants - Other	189,800	188,000	1,800
	Tuition and Other Revenue	21,147,028	20,863,601	283,427
	Rentals and Leases	1,247,717	1,187,000	60,717
	Investment Income	746,786	850,000	(103,214)
		\$ 224,178,995	\$ 223,757,526	\$ 421,469
EXPENSE				
	Salaries			
	Teachers	\$ 111,593,272	\$ 111,962,940	\$ (369,668)
	Principals and Vice-Principals	8,473,295	8,479,188	(5,893)
	Educational Assistants	14,721,137	14,851,375	(130,238)
	Support Staff	18,724,900	18,813,741	(88,841)
	Other Professionals	3,763,169	3,710,357	52,812
	Substitutes	5,854,606	6,193,107	(338,501)
		\$ 163,130,379	\$ 164,010,708	\$ (880,329)
	Employee Benefits	39,391,460	39,276,654	114,806
	Services And Supplies	21,670,049	22,402,132	(732,083)
		\$ 224,191,888	\$ 225,689,494	\$ (1,497,606)
NET REVENUE (EXPENSE) FOR THE YEAR		\$ (12,893)	\$ (1,931,968)	\$ 1,919,075

Operating Budget Fund Balance

	2015/2016	2015/2016	
	Actual	Budget	Variance
Net Revenue (Expense) for The Year	\$ (12,893)	\$ (1,931,968)	\$1,919,075
Less:			
Interfund Transfers - Local Capital	(897,653)	(742,000)	(155,653)
Net Surplus (Deficit) For The Year	(910,546)	(2,673,968)	1,763,422
Balance Beginning of Year	9,976,949	9,976,949	-
Balance End of Year	<u>\$ 9,066,403</u>	<u>\$ 7,302,981</u>	<u>\$1,763,422</u>
Restricted	\$ 7,817,646	\$ 6,280,941	\$ 1,536,705
Unrestricted	1,248,757	1,022,040	226,717
Balance End of Year	<u>\$ 9,066,403</u>	<u>\$ 7,302,981</u>	<u>\$1,763,422</u>

Operating Budget Fund Balance

	2015/2016	2014/2015
Internally Restricted:		
To balance 2016/2017 Operating Budget	\$ 6,400,000	\$ 4,391,457
School Funds, Learning Resources and Prog Development	1,337,646	1,589,484
Other District Committed Expenditures	80,000	300,000
Operating Fund Balance, Internally Restricted	\$ 7,817,646	\$ 6,280,941
Operating Fund Balance Unrestricted - Current Year	1,248,757	3,696,008
Operating Fund Balance, End of Year	\$ 9,066,403	\$ 9,976,949