

School District 41(Burnaby) Audited Financial Statements

Year Ended June 30, 2014

Board Presentation – September 23, 2014

Overview

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

Financial Highlights – 2013/2014

- ▶ Total Operating Revenues lower than budget by \$5.2 million due primarily to clawback of MOE grants for job action savings
- ▶ Total Operating Expenses lower by approx. \$12.7 million due to:
 - ▶ Job action savings for teacher salaries and benefits \$7.7 million
 - ▶ Other job action savings in teacher salaries, replacement staff costs, employee benefits, services and supplies estimated to be approx. \$1.9 million
 - ▶ Unspent commitments (restricted surplus) \$1.4 million
 - ▶ Transfers from operating to local capital for capitalized equipment higher \$250 k
 - ▶ Other expenditure savings \$1.4 million (unrestricted surplus)
- ▶ District ended the year with a \$4.8 million net unrestricted Operating Fund balance and a \$4.8 million restricted Operating Fund balance

Financial Highlights – 2013/2014

Schedule 3 – Special Purpose Fund Operations

- ▶ Total Revenues of \$24.3 million
 - ▶ Annual Facilites Grant - \$1.3 million (net of Capital portion of \$3.3 million)
 - ▶ Learning Improvement Fund - \$2.4 million
 - ▶ School Generated Funds - \$6.9 million
 - ▶ Strong Start / Ready Set Learn - \$476k
 - ▶ French Language Program (OLEP) - \$285k
 - ▶ CommunityLINK programs - \$2.1 million
 - ▶ Provincial Resource Programs - \$7.8 million
 - ▶ CIC LINC and Settlement Services - \$1.4 million

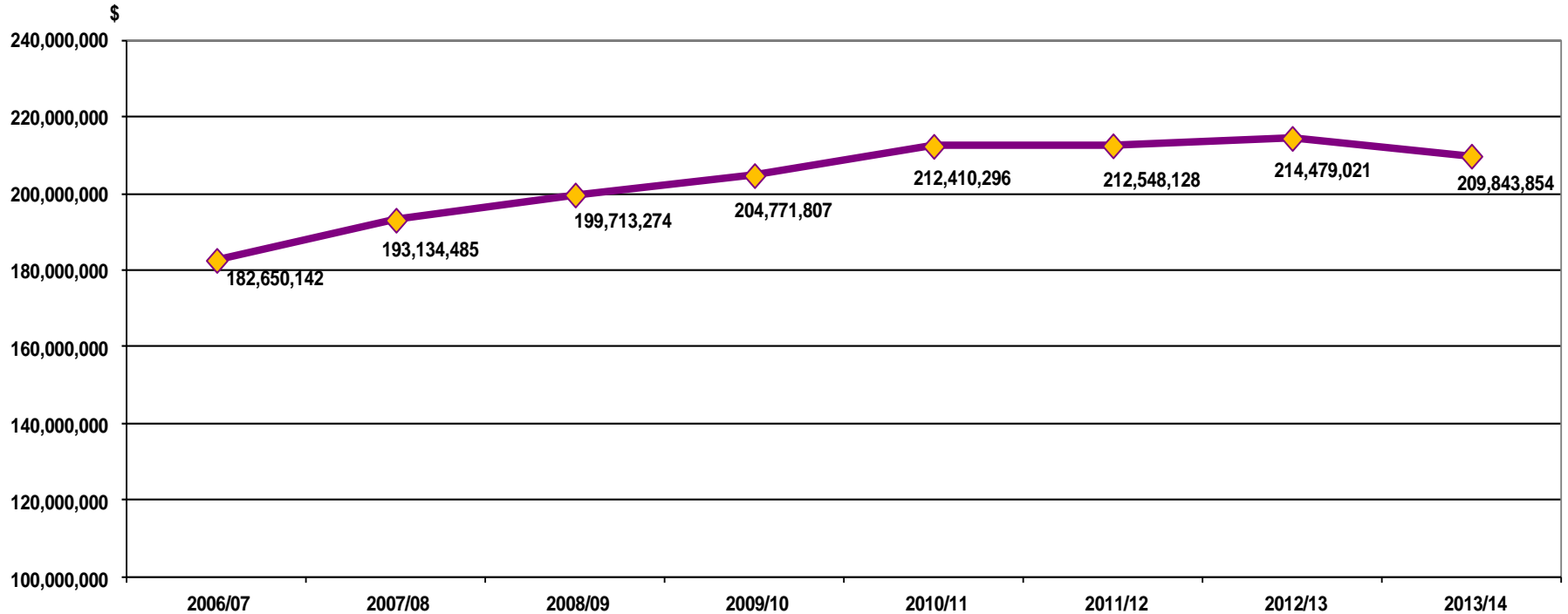
Capital Fund

- ▶ No new major capital projects in 2013/2014
- ▶ AFG Capital expenditures \$3.3 million

Enrolment – 2013 /2014

	Actual 2013/2014 Total	Amended 2013/2014 Total	Variance 2013/2014 Total
	(FTE)	(FTE)	(FTE)
Elementary	13,215.0	13,215.0	-
Secondary	9,897.3	9,897.3	-
Continuing Ed - School Age	42.9	52.0	(9.1)
	23,155.1	23,164.3	(9.1)
Distributed Learning	238.6	226.9	11.8
Total - School Age	23,393.8	23,391.1	2.6
Homeschoolers	4.0	4.0	-
ELL	4,585.0	4,569.0	16.0
Aboriginal Education	709.0	709.0	-
Special Ed - Level 1	30.0	31.0	(1.0)
Special Ed - Level 2	687.0	679.0	8.0
Special Ed - Level 3	128.0	130.0	(2.0)
Adults	307.8	450.6	(142.8)
Total - Unique Student Needs	6,450.8	6,572.6	(121.8)
Total - Summer Learning	7,466.0	7,466.0	-
International Education	918.0	880.0	38.0
note: Adults include both Grad and Non-Grad Adults			

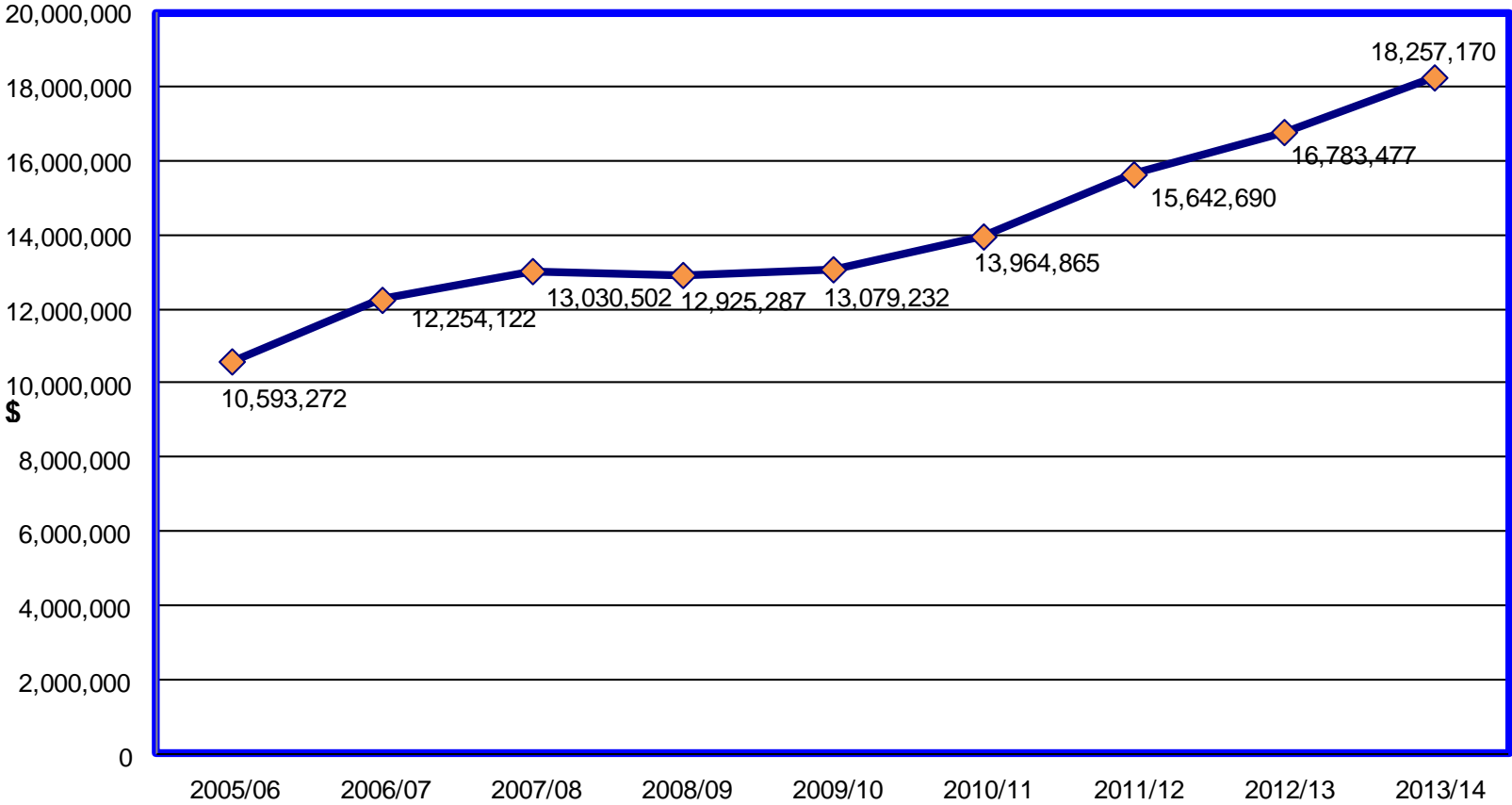
Total Operating Revenues



Notes:

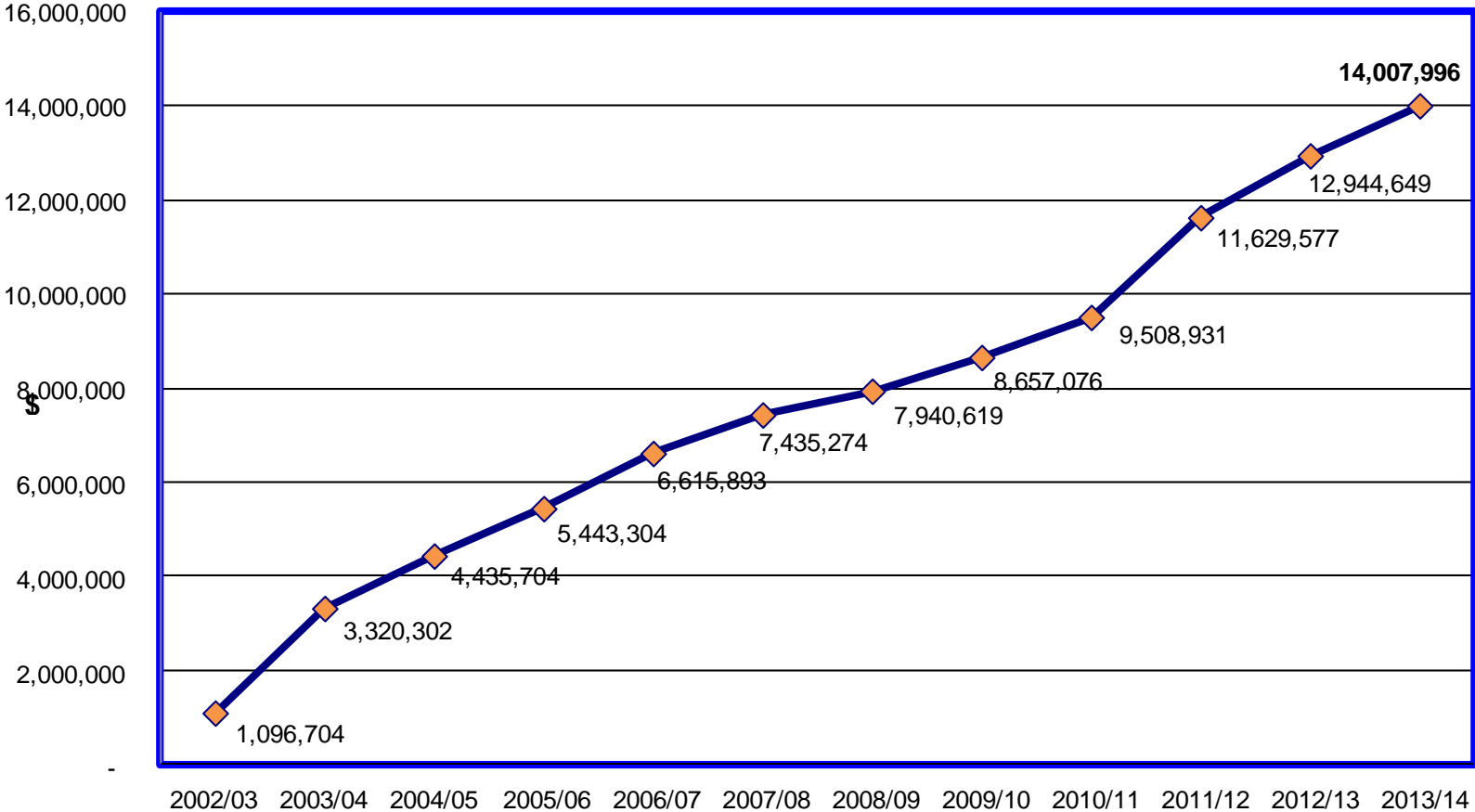
- Source: Audited Financial Statements Schedule 2
- Operating Budget revenues include \$9.3 million (2006/07), \$14.5 million (2007/08), \$19.4 million (2008/09), \$23.8 million (2009/10) Ministry of Education grant for labour settlement
- 2011/2012 and 2012/2013 Operating Revenues are restated due to the adoption of the new Accounting Framework. Revenues of \$1.5 million reclassified to the Special Purpose Fund
- 2013/2014 Operating revenues reflect \$6.2 million 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

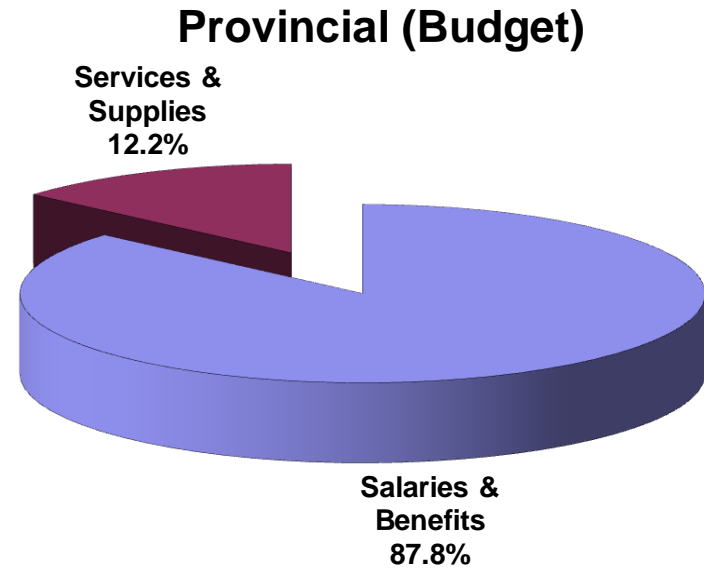
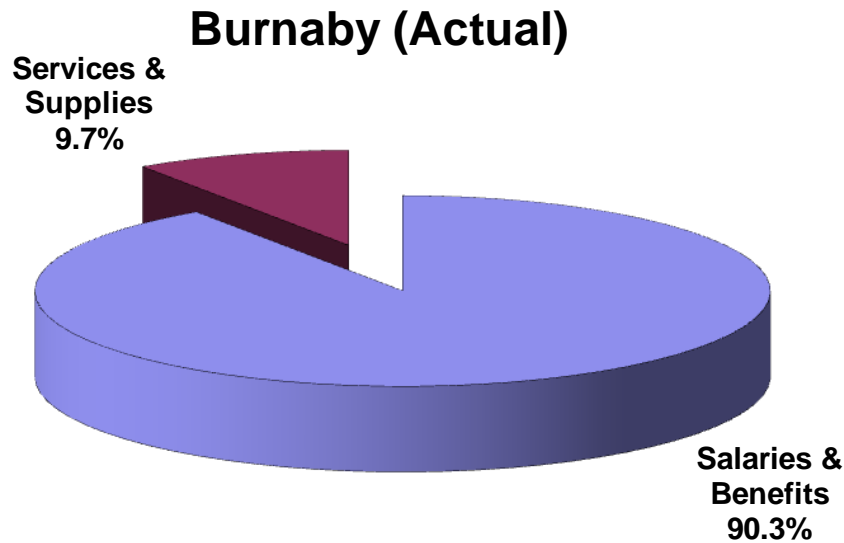


Table 16 Provincial Summary of 2013/14 Amended Annual Budgeted Operating Expenditures by Object

Salaries by Type

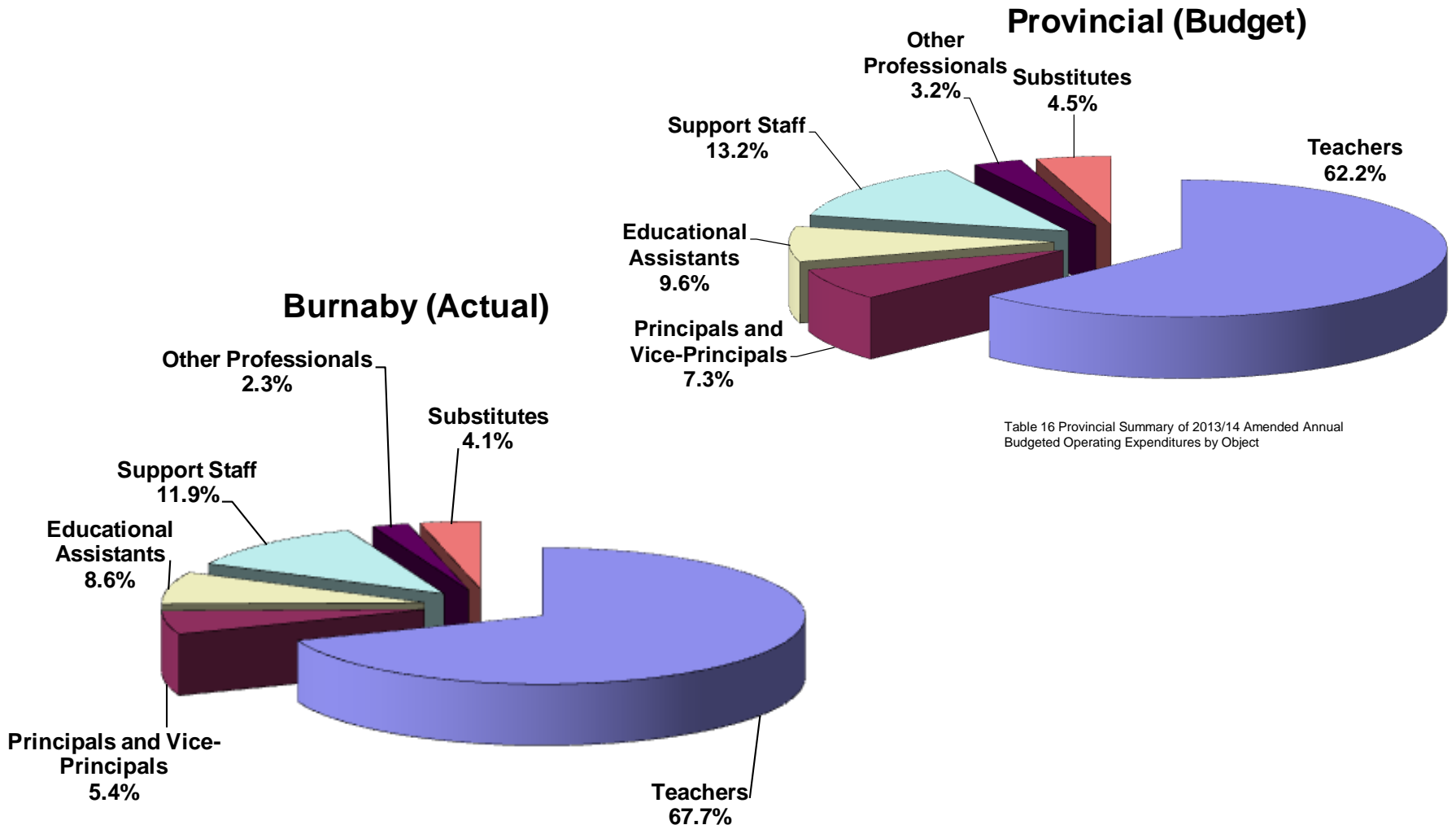


Table 16 Provincial Summary of 2013/14 Amended Annual Budgeted Operating Expenditures by Object

Ministry Function/Program

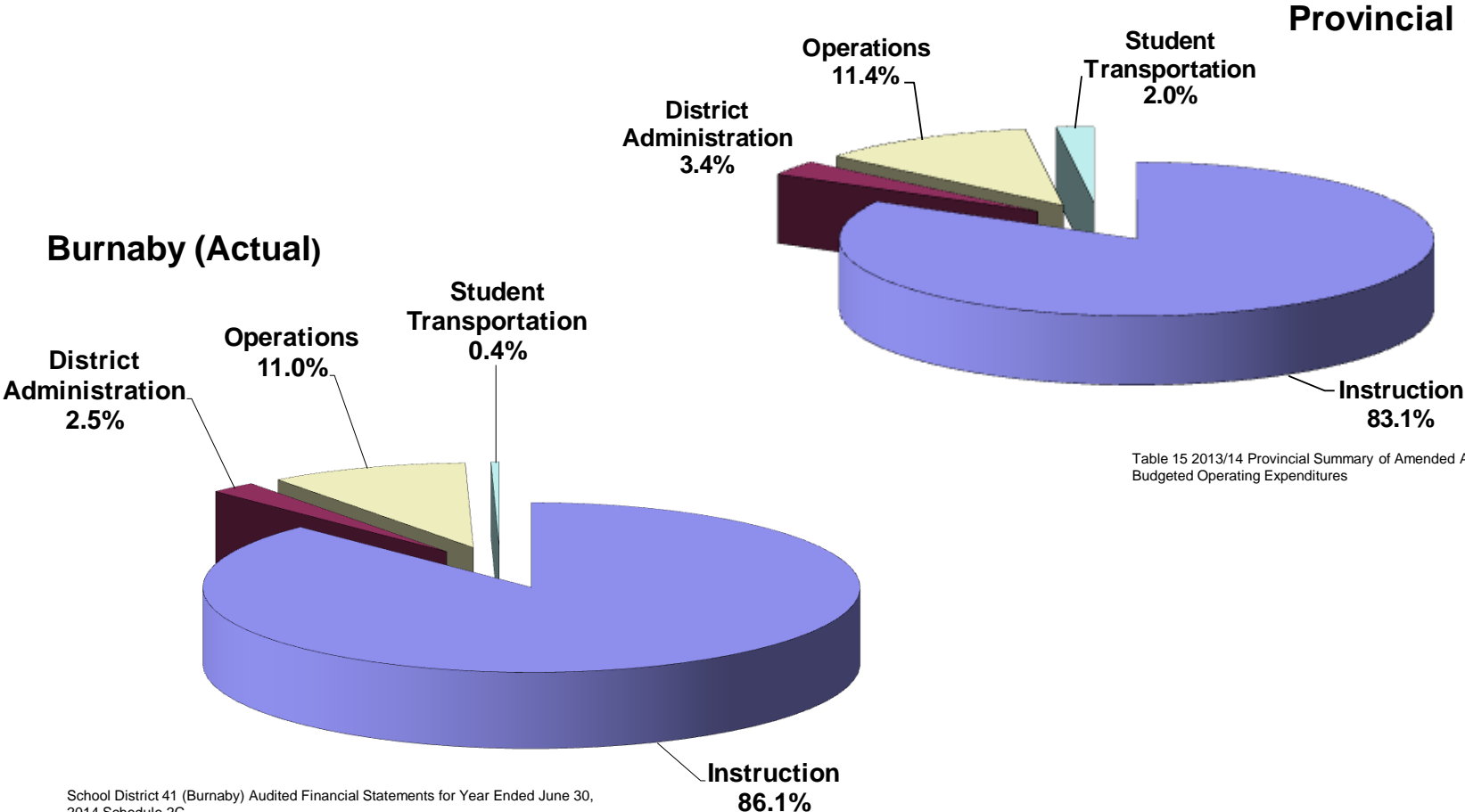


Table 15 2013/14 Provincial Summary of Amended Annual Budgeted Operating Expenditures

School District 41 (Burnaby) Audited Financial Statements for Year Ended June 30, 2014 Schedule 2C

Provincial Grants – Ministry of Education

	2013/2014	2013/2014	
	Actual	Budget	Variance
Operating Grant Ministry of Education	\$ 187,129,355	\$ 192,653,989	\$ (5,524,634)
Other Ministry of Education Grants			
Pay Equity	1,441,995	1,441,995	-
Education Guarantee note 1	965,788	1,470,760	(504,972)
Misc. Grants	209,810	56,031	153,779
Total Other Grants	2,617,593	2,968,786	(351,193)
Total Provincial Grants - Ministry of Ed.	\$ 189,746,948	\$ 195,622,775	\$ (5,875,827)
note 1 - adult students who have already graduated are funded through a grant as part of the Education Guarantee.			

Provincial Grants - Other

	2013/2014	2013/2014	
	Actual	Budget	Variance
ELSA Grant	\$ 1,630,136	\$ 1,630,136	\$ -
ICT Training Grants	203,600	202,750	850
	\$ 1,833,736	\$ 1,832,886	\$ 850

Other Revenues

	Actual 2013/2014	Budget 2013/2014	Variance
International Education Program	\$ 14,007,996	\$ 13,483,083	\$ 524,913
Continuing Education	1,509,029	1,248,600	260,429
Summer Session Fees	348,378	348,478	(100)
	15,865,403	15,080,161	785,242
Other Program Fees	91,198	91,700	(502)
City of Burnaby Crossing Guards	205,000	205,000	-
BCPSEA EHB Grant	163,876	163,876	-
Miscellaneous	148,545	177,000	(28,455)
	\$ 608,619	\$ 637,576	\$ (28,957)
Rentals and Leases	1,040,485	1,055,000	(14,515)
Investment Income	742,663	800,000	(57,337)
	\$ 18,257,170	\$ 17,572,737	\$ 684,433

Services & Supplies

	2013/2014	2013/2014	
	Actual	Budget	Variance
Supplies	\$ 6,569,694	\$ 8,121,821	\$ (1,552,127)
Services	8,106,895	8,756,658	(649,763)
Utilities	2,979,056	3,251,943	(272,887)
Professional Development and Travel	925,694	945,839	(20,145)
Student Transportation	677,431	747,779	(70,348)
Rentals and Leases	385,852	492,632	(106,780)
Insurance	444,406	473,716	(29,310)
Dues and Fees	75,088	75,000	88
	\$ 20,164,116	\$ 22,865,388	\$ (2,701,272)

Statement of Operating Revenue and Expenses

		2013/2014	2013/2014	
		ACTUAL	BUDGET	Variance
REVENUE				
	Provincial Grants - Ministry Of Education	\$ 189,746,948	\$ 195,622,775	\$ (5,875,827)
	Provincial / Federal Grants - Other	1,836,736	1,853,866	(17,130)
	Tuition and Other Revenue	16,474,022	15,717,737	756,285
	Rentals And Leases	1,040,485	1,055,000	(14,515)
	Investment Income	742,663	800,000	(57,337)
		\$ 209,840,854	\$ 215,049,378	\$ (5,208,524)
EXPENSE				
	Salaries			
	Teachers	\$ 100,548,370	\$ 107,912,618	\$ (7,364,248)
	Principals and Vice-Principals	8,608,313	8,541,708	66,605
	Educational Assistants	13,621,856	13,641,742	(19,886)
	Support Staff	18,980,022	19,045,821	(65,799)
	Other Professionals	3,813,928	3,711,674	102,254
	Substitutes	5,359,328	6,497,122	(1,137,794)
		\$ 150,931,817	\$ 159,350,685	\$ (8,418,868)
	Employee Benefits	36,244,224	37,834,387	(1,590,163)
	Services And Supplies	20,164,116	22,865,388	(2,701,272)
		\$ 207,340,157	\$ 220,050,460	\$ (12,710,303)
NET REVENUE (EXPENSE) FOR THE YEAR		\$ 2,500,697	\$ (5,001,082)	\$ 7,501,779

Operating Budget Fund Balance

	2013/2014	2013/2014	
	Actual	Budget	Variance
Net Revenue (Expense) for The Year	\$ 2,503,697	\$ (5,001,082)	\$7,504,779
Less:			
Interfund Transfers - Local Capital	(995,783)	(742,000)	(253,783)
Net Surplus (Deficit) For The Year	1,507,914	(5,743,082)	7,250,996
Balance Begining of Year (restated)	8,088,545	8,088,545	-
Balance End of Year	<u>\$ 9,596,459</u>	<u>\$ 2,345,463</u>	<u>\$7,250,996</u>
Restricted	\$ 4,814,135	\$ 2,345,463	\$2,468,672
Unrestricted	4,782,324	-	4,782,324
Balance End of Year	<u>\$ 9,596,459</u>	<u>\$ 2,345,463</u>	<u>\$7,250,996</u>

Operating Budget Fund Balance

	2013/2014	2012/2013
Internally Restricted:		
To balance 2014/2015 Operating Budget	\$ 3,405,709	\$ 4,657,105
School Funds & Learning Resources	1,408,426	957,671
Other District Committed Expenditures	-	760,305
Operating Fund Balance, Internally Restricted	\$ 4,814,135	\$ 6,375,081
Operating Fund Balance Unrestricted	4,782,324	1,713,464
Total Operating Fund Balance, End of Year	\$ 9,596,459	\$ 8,088,545