

Audited Financial Statements of

School District No. 41 (Burnaby)

June 30, 2018

School District No. 41 (Burnaby)

June 30, 2018

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School District No. 41 (Burnaby)

MANAGEMENT REPORT

Version: 5276-4531-2548

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 41 (Burnaby) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 41 (Burnaby) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, PricewaterhouseCoopers LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 41 (Burnaby) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 41 (Burnaby)

Original signed

September 25, 2018

Signature of the Chairperson of the Board of Education

Date Signed

Original signed

September 25, 2018

Signature of the Superintendent

Date Signed

Original signed

September 25, 2018

Signature of the Secretary Treasurer

Date Signed



September 25, 2018

Independent Auditor's Report

To the Board of Education of School District No. 41

We have audited the accompanying financial statements of School District No. 41, which comprise the statement of financial position as at June 30, 2018 and the statements of operations, changes in net financial debt, and cash flows for the year then ended, comprising Statements 1 to 5, and the related notes, which comprise a summary of significant accounting policies and other explanatory information (financial statements).

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements in accordance with Section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers LLP
Central City Tower, 13450 102 Avenue, Suite 1400, Surrey, British Columbia, Canada V3T 5X3
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Opinion

In our opinion, the financial statements of School District No. 41 for the year ended June 30, 2018 are prepared, in all material respects, in accordance with Section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia.

Basis of accounting

Without modifying our opinion, we draw attention to note 2 of the financial statements, which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards. As a result, the financial statements may not be suitable for another purpose.

Other matter

The attached supplementary information included in Schedules 1 through 4D is presented for the purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information included in Schedules 1 to 4D has not been audited.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

School District No. 41 (Burnaby)

Statement 1

Statement of Financial Position

As at June 30, 2018

	2018 Actual \$	2017 Actual \$
Financial Assets		
Cash and Cash Equivalents	100,125,645	94,349,602
Accounts Receivable		
Due from Province - Ministry of Education	2,907,092	
Due from Province - Other	131,466	143,385
Other (Note 3)	1,982,853	2,538,122
Portfolio Investments (Note 4)	2,202,244	2,110,122
Total Financial Assets	<u>107,349,300</u>	<u>99,141,231</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	26,354,974	25,433,089
Unearned Revenue (Note 6)	22,280,714	21,335,069
Deferred Revenue (Note 7)	9,152,502	10,335,595
Deferred Capital Revenue (Note 8)	246,936,102	231,243,021
Employee Future Benefits (Note 9)	8,409,761	8,470,704
Total Liabilities	<u>313,134,053</u>	<u>296,817,478</u>
Net Financial Assets (Debt)	<u>(205,784,753)</u>	<u>(197,676,247)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 10)	292,697,962	280,435,941
Prepaid Expenses	236,549	328,302
Total Non-Financial Assets	<u>292,934,511</u>	<u>280,764,243</u>
Accumulated Surplus (Deficit)	<u>87,149,758</u>	<u>83,087,996</u>

Approved by the Board

Original signed

September 25, 2018

Signature of the Chairperson of the Board of Education

Original signed

Date Signed

September 25, 2018

Signature of the Superintendent

Original signed

Date Signed

September 25, 2018

Signature of the Secretary Treasurer

Date Signed

School District No. 41 (Burnaby)

Statement 2

Statement of Operations
Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	237,791,115	236,631,602	222,733,768
Other	283,155	298,966	248,734
Federal Grants	3,194,855	3,093,532	3,063,025
Tuition	24,903,952	25,142,432	23,820,641
Other Revenue	9,236,513	10,809,437	10,171,496
Rentals and Leases	1,439,000	1,488,512	1,452,169
Investment Income	1,155,000	1,253,977	860,540
Amortization of Deferred Capital Revenue	7,772,400	8,003,747	7,577,111
Total Revenue	285,775,990	286,722,205	269,927,484
Expenses			
Instruction	240,709,559	239,227,512	225,718,326
District Administration	6,801,042	6,351,714	5,618,516
Operations and Maintenance	37,727,444	35,622,587	34,771,604
Transportation and Housing	1,510,476	1,458,630	1,526,698
Total Expense	286,748,521	282,660,443	267,635,144
Surplus (Deficit) for the year	(972,531)	4,061,762	2,292,340
Accumulated Surplus (Deficit) from Operations, beginning of year		83,087,996	80,795,656
Accumulated Surplus (Deficit) from Operations, end of year		87,149,758	83,087,996

School District No. 41 (Burnaby)
Statement of Changes in Net Financial Assets (Debt)
Year Ended June 30, 2018

Statement 4

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(972,531)	4,061,762	2,292,340
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(24,092,000)	(22,052,818)	(20,937,682)
Amortization of Tangible Capital Assets	9,879,400	9,790,797	9,254,134
Total Effect of change in Tangible Capital Assets	<u>(14,212,600)</u>	<u>(12,262,021)</u>	<u>(11,683,548)</u>
Acquisition of Prepaid Expenses		(236,549)	(328,302)
Use of Prepaid Expenses		328,302	358,559
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>91,753</u>	<u>30,257</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(15,185,131)</u>	<u>(8,108,506)</u>	<u>(9,360,951)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		<u>(8,108,506)</u>	<u>(9,360,951)</u>
Net Financial Assets (Debt), beginning of year		<u>(197,676,247)</u>	<u>(188,315,296)</u>
Net Financial Assets (Debt), end of year		<u>(205,784,753)</u>	<u>(197,676,247)</u>

School District No. 41 (Burnaby)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2018

	2018 Actual	2017 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	4,061,762	2,292,340
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(2,339,904)	1,188,929
Prepaid Expenses	91,753	30,257
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	921,885	2,582,848
Unearned Revenue	945,645	1,872,667
Deferred Revenue	(1,183,093)	1,053,811
Employee Future Benefits	(60,943)	(72,556)
Amortization of Tangible Capital Assets	9,790,797	9,254,134
Amortization of Deferred Capital Revenue	(8,003,747)	(7,577,111)
Recognition of Deferred Capital Revenue Spent on Sites	(5,729)	(52,870)
Total Operating Transactions	<u>4,218,426</u>	<u>10,572,449</u>
Capital Transactions		
Tangible Capital Assets Purchased	(22,052,818)	(20,937,682)
Total Capital Transactions	<u>(22,052,818)</u>	<u>(20,937,682)</u>
Financing Transactions		
Capital Revenue Received	23,702,557	19,628,603
Total Financing Transactions	<u>23,702,557</u>	<u>19,628,603</u>
Investing Transactions		
Investments in Portfolio Investments	(92,122)	(16,447)
Total Investing Transactions	<u>(92,122)</u>	<u>(16,447)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	5,776,043	9,246,923
Cash and Cash Equivalents, beginning of year	<u>94,349,602</u>	<u>85,102,679</u>
Cash and Cash Equivalents, end of year	<u>100,125,645</u>	<u>94,349,602</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	23,431,626	12,719,900
Cash Equivalents	76,694,019	81,629,702
	<u>100,125,645</u>	<u>94,349,602</u>

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 1 AUTHORITY AND PURPOSE

The School District operates under the authority of the School Act of British Columbia as a corporation under the name of "The Board of Education of School District No. 41 (Burnaby)", and operates as "School District No. 41 (Burnaby)" (the "School District"). A board of education (the "Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the School District are as follows:

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia*. This section of the Act requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2 (f) and 2 (k).

In November 2011, Treasury Board provided a directive through Restricted Contributions Regulation 198/2011 providing direction for the reporting of restricted contributions whether they are received or receivable by the School District before or after this regulation was in effect.

As noted in notes 2 (f) and 2 (k), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The impact of this difference on the financial statements of the School District is as follows:

- Year ended June 30, 2017 – increase in annual surplus by \$11,998,622
- June 30, 2017 – increase in accumulated surplus and decrease in deferred contributions by \$231,243,021
- Year ended June 30, 2018 – increase in annual surplus by \$15,693,081
- June 30, 2018 – increase in accumulated surplus and decrease in deferred contributions by \$246,936,102

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and securities that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

Accounts receivable are measured at amortized cost and shown net of allowance for doubtful accounts.

d) Portfolio Investments

The School District has investments in GIC's and term deposits that have a maturity of greater than three months at the time of acquisition. GIC's and term deposits are reported at amortized cost.

Information regarding portfolio investments is disclosed in Note 4.

e) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods and receipt of proceeds for services or products to be delivered in a future period. Revenue will be recognized in that future period when the courses, services, or products are provided.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2 (k).

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 2 (a) for the impact of this policy on these financial statements.

g) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, vacation pay and retirement allowances. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2017 and projected to March 31, 2019. The next valuation will be performed at March 31, 2019 for use at June 30, 2019. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

The School District and its employees make contributions to the Teachers' Pension Plan and Municipal Pension Plan. The plans are multi-employer plans where assets and obligations are not separated. The costs are expensed as incurred.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead attributable to construction.
- Donated tangible capital assets are recorded at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an addition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

Buildings	40 years
Furniture & Equipment	10 years
Vehicles	10 years
Computer Software	5 years
Computer Hardware	5 years

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Prepaid Expenses

Prepaid expenses consist mainly of prepaid fees that are paid for near the end of the current fiscal year. Prepaid expenses are stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

j) Funds and Reserves

Certain amounts as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 12 – Interfund Transfers and Note 17 – Accumulated Surplus).

k) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that give rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral as described below. Eligibility criteria are the criteria that the School District has to meet in order to receive the contributions including authorization by the transferring government.

For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized as follows:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year related expenses are incurred,
- Contributions restricted for site acquisitions are recorded as revenue when the sites are purchased, and
- Contributions restricted for tangible capital assets acquisitions other than sites are recorded as deferred capital revenue and amortized to revenue over the useful life of the related assets.

Donated tangible capital assets other than sites are recorded at fair value and the related revenue amortized over the useful life of the assets. Donated sites are recorded as revenue at fair value when received or receivable.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer is recognized as revenue over the period that the liability is extinguished. See note 2 (a) for the impact of this policy on these financial statements.

Revenue related to fees or services received in advance of the fee being earned or the service being performed is deferred and recognized when the fee is earned or service performed.

Investment income is recorded in the period earned. When required by the funding party or related Act, investment income earned on deferred revenue is added to the deferred revenue balance.

l) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

m) Financial Instruments

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, accounts payable, and other current liabilities.

All financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

n) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in note 2 a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the rates for amortization and potential impairment of assets and estimated employee future benefits. Actual results could differ from those estimates.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2018	2017
Due from Federal Government	\$831,597	\$1,364,639
Due from Municipal Governments	51,250	153,750
Other	1,100,006	1,019,733
	<u>\$1,982,853</u>	<u>\$2,538,122</u>

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 4 PORTFOLIO INVESTMENTS

	2018	2017
GIC's and Term Deposits	\$2,202,244	\$2,110,122

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	2018	2017
Trade payables	\$ 6,775,591	\$ 7,676,778
Salaries and benefits payable	18,291,245	16,521,621
Accrued vacation pay	1,288,138	1,234,690
	\$ 26,354,974	\$ 25,433,089

NOTE 6 UNEARNED REVENUE

	2018	2017
Balance, beginning of year	\$21,335,069	\$19,462,402
Changes for the year:		
Increase:		
Tuition fees collected	22,007,286	21,657,677
Decrease:		
Tuition fee revenue recognized	21,061,641	19,785,010
Net changes for the year	\$945,645	\$1,872,667
Balance, end of year	\$22,280,714	\$21,335,069

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 7 DEFERRED REVENUE

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled.

	June 30, 2017	Contributions received	Revenue recognized in the period	June 30, 2018
Provincial Grants - Ministry of Education	\$2,560,688	\$ 25,539,094	\$ (26,236,215)	\$ 1,863,567
Provincial Grants - Other	822,997	179,195	\$ (156,090)	846,102
Federal Grants	0	3,093,532	\$ (3,093,532)	0
School Generated Funds	5,260,480	7,850,307	\$ (8,256,084)	4,854,703
Other	1,691,430	1,890,748	\$ (1,994,045)	1,588,133
Total	10,335,595	38,552,876	\$ (39,735,966)	9,152,505

NOTE 8 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired.

	2018	2017
Deferred Capital Revenue, beginning of year	<u>231,243,021</u>	<u>219,244,399</u>
Increases:		
Provincial Grants - MOE	20,113,682	17,501,507
Other Provincial Capital	90,647	207,240
Local Government Fees / Grants	2,505,292	1,618,880
Investment Income	453,364	300,976
Other Capital	539,572	-
Transfers from unspent Deferred Capital Revenue - Capital Additions	<u>17,905,463</u>	<u>18,204,668</u>
	<u>41,608,020</u>	<u>37,833,271</u>
Decreases:		
Transfers to Deferred Capital Revenue - capital additions	17,905,463	18,204,668
Transfers to net assets - site improvements	5,729	52,870
Transfer to Local Capital	-	-
Amortization of Deferred Capital Revenue	<u>8,003,747</u>	<u>7,577,111</u>
	<u>25,914,939</u>	<u>25,834,649</u>
Net Change for the year	<u>15,693,081</u>	<u>11,998,622</u>
Deferred Capital Revenue, end of year	<u>246,936,102</u>	<u>231,243,021</u>

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 9 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, retirement/severance and vacation benefits. Funding is provided when the benefits are paid and accordingly there are no plan assets.

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	8,142,592	8,539,837
Service Cost	557,990	560,841
Interest Cost	228,716	215,001
Benefit Payments	-993,961	-864,643
Increase (Decrease) in obligation due to Plan Amendment	0	0
Actuarial (Gain) Loss	256,109	-308,445
Accrued Benefit Obligation – March 31	<u>8,191,446</u>	<u>8,142,592</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	8,191,446	8,142,592
Market Value of Plan Assets - March 31	<u>0</u>	<u>0</u>
Funded Status - Surplus (Deficit)	-8,191,446	-8,142,592
Employer Contributions After Measurement Date	202,970	311,813
Benefits Expense After Measurement Date	-208,578	-196,677
Unamortized Net Actuarial (Gain) Loss	<u>-212,708</u>	<u>-443,248</u>
Accrued Benefit Asset (Liability) - June 30	<u>-8,409,761</u>	<u>-8,470,704</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	8,470,703	8,543,260
Net Expense for Fiscal Year	824,177	831,183
Employer Contributions	-885,119	-903,739
Accrued Benefit Liability (Asset) - June 30	<u>8,409,761</u>	<u>8,470,704</u>
Components of Net Benefit Expense		
Service Cost	569,018	560,128
Interest Cost	229,591	218,430
Immediate Recognition of Plan Amendment	0	0
Amortization of Net Actuarial (Gain)/Loss	<u>25,569</u>	<u>52,625</u>
Net Benefit Expense (Income)	<u>824,178</u>	<u>831,183</u>

The significant actuarial assumptions adopted for measuring the School District's accrued benefit obligations are:

Assumptions		
Discount Rate - April 1	2.75%	2.50%
Discount Rate - March 31	2.75%	2.75%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	11.4	11.4

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 10 TANGIBLE CAPITAL ASSETS

Cost:	Balance at June 30, 2017	Additions	Disposals	Balance at June 30, 2018
Sites	48,693,542	5,729	\$ -	48,699,271
Buildings	359,655,573	20,260,017	-	379,915,590
Furniture & Equipment	4,379,398	1,227,349	-22,350	5,584,397
Vehicles	942,303	423,868		1,366,171
Computer Software	362,654	94,007	-34,504	422,157
Computer Hardware	3,337,672	41,848	-631,632	2,747,888
Total	417,371,142	22,052,818	-688,486	438,735,474

Accumulated Amortization:	Balance at June 30, 2017	Additions	Disposals	Balance at June 30, 2018
Sites	\$ -	\$ -	\$ -	0
Buildings	132,507,193	8,421,378	-	140,928,571
Furniture & Equipment	1,791,071	500,345	-22,350	2,269,066
Vehicles	436,878	115,423		552,301
Computer Software	209,073	81,932	-34,504	256,501
Computer Hardware	1,990,986	671,719	-631,632	2,031,073
Total	136,935,201	9,790,797	-688,486	146,037,512

Net Book Value:

	Net Book Value June 30, 2018	Net Book Value June 30, 2017
Sites	\$48,699,271	\$48,693,542
Buildings	238,987,019	227,148,380
Furniture & Equipment	3,315,331	2,588,327
Vehicles	813,870	505,425
Computer Software	165,656	153,581
Computer Hardware	716,815	1,346,686
Total	\$292,697,962	\$280,435,941

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 11 EMPLOYEE PENSION PLANS

The school district and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2017, the Teachers' Pension Plan has about 58,500 active members and approximately 37,500 retired members. As of December 31, 2017, the Municipal Pension Plan has about 197,000 active members, including approximately 24,000 from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate is then adjusted to the extent there is any amortization of any funding deficit.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2014, indicated a \$449 million surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2017 with results available in late 2018. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2015 indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. The next valuation is at December 31, 2018 with results available in 2019.

The School District paid \$23,043,197 for employer contributions to these plans in the year ended June 30, 2018 (2017 - \$21,875,341).

NOTE 12 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2018, were as follows:

- \$4,092,000 transferred from the Operating Fund to the Capital Fund for capital equipment purchases to be made from Local Capital
- \$428,494 transferred from the Operating Fund to the Capital Fund for capital equipment purchases
- \$10,243 transferred from the Special Purpose Fund to the Capital Fund for capital equipment purchases

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 13 RELATED PARTY TRANSACTIONS

The School District is related through common control to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Transactions with these entities, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

NOTE 14 CONTINGENCIES

The School District is contingently liable as a guarantor of letters of credit provided by the Royal Bank of Canada to the City of Burnaby. The School District's maximum potential liability under the guarantee is \$492,568 (2017 - \$670,780).

NOTE 15 BUDGET FIGURES

Budget figures included in the financial statements are the School District's amended annual budget approved by the Board through the adoption of an amended annual budget on February 26, 2018. Changes between the original annual budget (approved by the Board on April 24, 2017) and the amended annual budget are listed below:

Original Budget to Amended Budget Variances

	2018 Original Budget	2018 Amended Budget	Change
Statement 2			
Total Revenue	\$ 281,232,002	\$ 285,775,990	\$ 4,543,988
Total Expense	\$ 283,633,395	\$ 286,748,521	\$ (3,115,126)
Surplus (Deficit) for the year	(2,401,393)	(972,531)	1,428,862
Budgeted Allocation of Surplus	1,648,393	3,112,531	1,464,138
Budgeted Surplus (Deficit) for the year	\$ (753,000)	\$ 2,140,000	\$ 2,893,000
Statement 4			
Surplus (Deficit) for the year	\$ (2,401,393)	\$ (972,531)	\$ 1,428,862
Total Effect of change in Tangible Capital Assets	(11,442,000)	(14,212,600)	(2,770,600)
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	\$ (13,843,393)	\$ (15,185,131)	\$ (1,341,738)

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 15 BUDGET FIGURES (Continued)

Significant changes between the original and amended budget were:

Statement 2

Total Revenues

- Budgeted revenues were amended based on actual student enrolment and increased International student tuition fees revenue.

Expenses

- Budgeted expenses were amended based on revised projections/cost estimates and addition of Board approved use of internally restricted funds from 2017.

Budgeted Allocation of Surplus

- 2017 year end surplus required for amended budget was less than original budget.

NOTE 16 EXPENSE BY OBJECT

	2018	2017
Salaries and benefits	\$ 234,891,220	\$ 223,462,080
Services and supplies	37,978,423	34,918,930
Amortization	9,790,797	9,254,134
	<u>\$ 282,660,440</u>	<u>\$ 267,635,144</u>

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 17 ACCUMULATED SURPLUS

Capital Surplus	<u>\$74,811,372</u>	<u>\$71,883,095</u>
Operating Surplus		
Internally restricted operating surplus		
Ensuing year operating budget commitment	1,550,123	2,398,393
International Education Program Reserve	3,000,000	1,250,000
School fund balances, learning resources, Program Development	936,229	1,534,966
Student Learning Grant	-	1,129,611
Other School District committed expenses	<u>1,596,102</u>	<u>239,290</u>
	7,082,454	6,552,260
Unrestricted operating surplus	<u>5,255,932</u>	<u>4,652,641</u>
	5,255,932	4,652,641
Total Operating Surplus	12,338,386	11,204,901
Accumulated Surplus	\$87,149,758	83,087,996

NOTE 18 ECONOMIC DEPENDENCE

The operations of the School District are dependent on continued funding from the Ministry of Education and various governmental agencies to carry out its programs. These financial statements have been prepared on a going concern basis.

NOTE 19 RISK MANAGEMENT

The School District has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk.

The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit risk :

Credit risk is the risk of financial loss to an institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held consisting of cash, cash equivalents and amounts receivable.

The School District is exposed to credit risk in the event of non-performance by a debtor. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 19 RISK MANAGEMENT (Continued)

It is management's opinion that the School District is not exposed to significant credit risk associated with cash and cash equivalents as they are placed in recognized British Columbia institutions and the School District invests solely in placement of funds with institutions that have achieved the highest creditworthiness in the marketplace and earned a public reputation as a good credit risk. Cash equivalents consist of term deposits held with the Provincial Central Deposit Program.

b) Market risk :

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. It is management's opinion that the School District is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its cash equivalents. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in investments that are considered liquid (e.g. term deposits) that have a maturity date of no more than 3 years.

c) Liquidity risk

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due.

The School District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2018

NOTE 20 CONTRACTUAL OBLIGATIONS

The School District has entered into a number of multiple-year contracts for the delivery of services. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

Contractual Obligations	2019	2020	2021	2022	2023 Thereafter	
Student Transportation	\$1,437,760					
Equipment	\$213,558	\$213,558	\$213,558			
Total	\$1,651,318	\$213,558	\$213,558	\$0	\$0	\$0

NOTE 21 CONTRACTUAL RIGHTS

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The School District's contractual rights arise because of a contract entered into for a future lease agreement / rental revenue. The following table summarizes the contractual rights of the School District for future assets:

Contractual rights	2019	2020	2021	2022	2023 Thereafter
Leases	\$416,875				
Total					

School District No. 41 (Burnaby)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2018

	Operating Fund	Special Purpose Fund	Capital Fund	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	11,204,901		71,883,095	83,087,996	80,795,656
Changes for the year					
Surplus (Deficit) for the year	5,653,979	10,243	(1,602,460)	4,061,762	2,292,340
Interfund Transfers					
Tangible Capital Assets Purchased	(428,494)	(10,243)	438,737	-	-
Local Capital	(4,092,000)		4,092,000	-	-
Net Changes for the year	<u>1,133,485</u>	<u>-</u>	<u>2,928,277</u>	<u>4,061,762</u>	<u>2,292,340</u>
Accumulated Surplus (Deficit), end of year - Statement 2	<u>12,338,386</u>	<u>-</u>	<u>74,811,372</u>	<u>87,149,758</u>	<u>83,087,996</u>

School District No. 41 (Burnaby)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	210,099,404	210,389,655	204,736,534
Other	154,700	142,876	144,200
Tuition	24,903,952	25,142,432	23,820,641
Other Revenue	415,205	549,308	573,697
Rentals and Leases	1,334,000	1,385,678	1,349,347
Investment Income	1,100,000	1,177,137	798,851
Total Revenue	<u>238,007,261</u>	<u>238,787,086</u>	<u>231,423,270</u>
Expenses			
Instruction	203,736,800	201,734,467	197,241,031
District Administration	5,990,128	5,752,408	5,339,510
Operations and Maintenance	26,397,324	24,810,064	24,490,266
Transportation and Housing	903,540	836,168	831,960
Total Expense	<u>237,027,792</u>	<u>233,133,107</u>	<u>227,902,767</u>
Operating Surplus (Deficit) for the year	<u>979,469</u>	<u>5,653,979</u>	<u>3,520,503</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>3,112,531</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(428,494)	
Local Capital	(4,092,000)	(4,092,000)	(1,382,005)
Total Net Transfers	<u>(4,092,000)</u>	<u>(4,520,494)</u>	<u>(1,382,005)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>1,133,485</u>	<u>2,138,498</u>
Operating Surplus (Deficit), beginning of year		11,204,901	9,066,403
Operating Surplus (Deficit), end of year		<u>12,338,386</u>	<u>11,204,901</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		7,082,454	6,552,260
Unrestricted		5,255,932	4,652,641
Total Operating Surplus (Deficit), end of year		<u>12,338,386</u>	<u>11,204,901</u>

School District No. 41 (Burnaby)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	206,437,643	206,544,031	200,069,638
Other Ministry of Education Grants			
Pay Equity	1,441,995	1,441,995	1,441,995
Funding for Graduated Adults	847,010	829,510	663,660
Transportation Supplement	24,841	24,841	24,841
Economic Stability Dividend	-	146,652	129,347
Return of Administrative Savings	1,027,783	1,027,783	1,027,783
Carbon Tax Grant	130,000	156,031	117,810
Student Learning Grant			1,219,434
Other Misc and One-Time Grants	27,292	55,972	42,026
Support Staff Benefits	162,840	162,840	
Total Provincial Grants - Ministry of Education	210,099,404	210,389,655	204,736,534
Provincial Grants - Other	154,700	142,876	144,200
Tuition			
Summer School Fees	383,484	383,484	384,610
Continuing Education	1,280,900	1,233,073	1,503,574
International and Out of Province Students	23,239,568	23,525,875	21,932,457
Total Tuition	24,903,952	25,142,432	23,820,641
Other Revenues			
Miscellaneous			
City of Burnaby Crossing Guards	205,000	205,000	205,000
Other Program Fees	78,500	76,522	245,099
Sundry	131,705	267,786	123,598
Total Other Revenue	415,205	549,308	573,697
Rentals and Leases	1,334,000	1,385,678	1,349,347
Investment Income	1,100,000	1,177,137	798,851
Total Operating Revenue	238,007,261	238,787,086	231,423,270

School District No. 41 (Burnaby)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Salaries			
Teachers	116,061,935	115,328,673	114,320,532
Principals and Vice Principals	9,288,109	9,291,856	8,947,825
Educational Assistants	15,812,206	15,183,125	15,508,046
Support Staff	19,965,239	19,550,664	19,147,408
Other Professionals	4,152,996	4,250,366	3,805,552
Substitutes	6,379,800	6,855,321	5,660,305
Total Salaries	<u>171,660,285</u>	<u>170,460,005</u>	<u>167,389,668</u>
Employee Benefits	38,691,142	38,297,086	38,130,633
Total Salaries and Benefits	<u>210,351,427</u>	<u>208,757,091</u>	<u>205,520,301</u>
Services and Supplies			
Services	10,261,613	9,691,370	9,572,895
Student Transportation	768,701	755,877	681,218
Professional Development and Travel	1,069,032	836,690	793,912
Rentals and Leases	172,288	161,916	198,368
Dues and Fees	82,029	78,964	77,437
Insurance	552,897	402,606	482,764
Supplies	10,477,802	9,397,715	7,429,431
Utilities	3,292,003	3,050,878	3,146,441
Total Services and Supplies	<u>26,676,365</u>	<u>24,376,016</u>	<u>22,382,466</u>
Total Operating Expense	<u>237,027,792</u>	<u>233,133,107</u>	<u>227,902,767</u>

School District No. 41 (Burnaby)
 Operating Expense by Function, Program and Object
 Year Ended June 30, 2018

Schedule 2C (Unaudited)

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	81,763,751	292,944	784,324	893,521	191,963	3,591,758	87,518,261
1.03 Career Programs	1,248,846			139,269		113,554	1,501,669
1.07 Library Services	2,684,442	10,000	284,688	110,214		95,002	3,184,346
1.08 Counselling	3,519,382						3,519,382
1.10 Special Education	10,394,151	390,855	13,655,340			1,760,333	26,200,679
1.30 English Language Learning	5,937,022	85,000				227,221	6,249,243
1.31 Aboriginal Education	888,637	128,922	153,513			32,429	1,203,501
1.41 School Administration	799,821	7,898,802		4,291,308		131,432	13,121,363
1.60 Summer School	1,023,884	180,088	1,225	68,909		156,341	1,430,447
1.61 Continuing Education	1,256,085	113,226		227,691	232,469	85,133	1,914,604
1.62 International and Out of Province Students	5,812,652	55,000	304,035	200,091	409,207	37,920	6,818,905
Total Function 1	115,328,673	9,154,837	15,183,125	5,931,003	833,639	6,231,123	152,662,400
4 District Administration							
4.11 Educational Administration		137,019		285,808	1,167,507	6,180	1,596,514
4.40 School District Governance				57,529	265,243		322,772
4.41 Business Administration				905,604	1,116,421		2,022,025
Total Function 4	-	137,019	-	1,248,941	2,549,171	6,180	3,941,311
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				307,264	852,964	3,577	1,163,805
5.50 Maintenance Operations				11,080,765		614,441	11,695,206
5.52 Maintenance of Grounds				755,543			755,543
5.56 Utilities							-
Total Function 5	-	-	-	12,143,572	852,964	618,018	13,614,554
7 Transportation and Housing							
7.70 Student Transportation				227,148	14,592		241,740
Total Function 7	-	-	-	227,148	14,592	-	241,740
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	115,328,673	9,291,856	15,183,125	19,550,664	4,250,366	6,855,321	170,460,005

School District No. 41 (Burnaby)
 Operating Expense by Function, Program and Object
 Year Ended June 30, 2018

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	87,518,261	20,008,984	107,527,245	9,093,640	116,620,885	119,211,069	114,879,292
1.03 Career Programs	1,501,669	265,921	1,767,590	52,444	1,820,034	1,443,010	1,434,757
1.07 Library Services	3,184,346	706,160	3,890,506	371,343	4,261,849	4,367,770	4,430,647
1.08 Counselling	3,519,382	752,385	4,271,767		4,271,767	4,207,776	4,187,967
1.10 Special Education	26,200,679	6,233,011	32,433,690	436,731	32,870,421	33,422,470	31,884,859
1.30 English Language Learning	6,249,243	1,352,049	7,601,292	29,546	7,630,838	7,697,853	7,775,869
1.31 Aboriginal Education	1,203,501	285,270	1,488,771	63,966	1,552,737	1,670,460	1,413,533
1.41 School Administration	13,121,363	2,793,270	15,914,633	6,494	15,921,127	15,565,528	14,787,439
1.60 Summer School	1,430,447	252,271	1,682,718	93,861	1,776,579	1,858,084	1,711,483
1.61 Continuing Education	1,914,604	326,024	2,240,628	99,653	2,340,281	1,948,602	2,268,466
1.62 International and Out of Province Students	6,818,905	1,400,127	8,219,032	4,448,917	12,667,949	12,344,178	12,466,719
Total Function 1	152,662,400	34,375,472	187,037,872	14,696,595	201,734,467	203,736,800	197,241,031
4 District Administration							
4.11 Educational Administration	1,596,514	355,759	1,952,273	78,606	2,030,879	2,262,224	2,082,809
4.40 School District Governance	322,772	37,851	360,623	171,314	531,937	529,713	519,895
4.41 Business Administration	2,022,025	414,894	2,436,919	752,673	3,189,592	3,198,191	2,736,806
Total Function 4	3,941,311	808,504	4,749,815	1,002,593	5,752,408	5,990,128	5,339,510
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,163,805	219,912	1,383,717	471,528	1,855,245	1,766,935	1,789,863
5.50 Maintenance Operations	11,695,206	2,700,725	14,395,931	3,980,974	18,376,905	19,569,428	18,048,011
5.52 Maintenance of Grounds	755,543	175,839	931,382	603,977	1,535,359	1,768,958	1,507,754
5.56 Utilities	-	-	-	3,042,555	3,042,555	3,292,003	3,144,638
Total Function 5	13,614,554	3,096,476	16,711,030	8,099,034	24,810,064	26,397,324	24,490,266
7 Transportation and Housing							
7.70 Student Transportation	241,740	16,634	258,374	577,794	836,168	903,540	831,960
Total Function 7	241,740	16,634	258,374	577,794	836,168	903,540	831,960
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	170,460,005	38,297,086	208,757,091	24,376,016	233,133,107	237,027,792	227,902,767

School District No. 41 (Burnaby)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	27,691,711	26,236,218	17,944,364
Other	128,455	156,090	104,534
Federal Grants	3,194,855	3,093,532	3,063,025
Other Revenue	8,821,308	10,250,129	9,557,899
Investment Income	5,000	10,813	7,917
Total Revenue	<u>39,841,329</u>	<u>39,746,782</u>	<u>30,677,739</u>
Expenses			
Instruction	36,972,759	37,493,045	28,477,295
District Administration	810,914	599,306	279,006
Operations and Maintenance	1,450,720	1,021,726	1,027,204
Transportation and Housing	606,936	622,462	694,738
Total Expense	<u>39,841,329</u>	<u>39,736,539</u>	<u>30,478,243</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>10,243</u>	<u>199,496</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(10,243)	(199,496)
Total Net Transfers	<u>-</u>	<u>(10,243)</u>	<u>(199,496)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 41 (Burnaby)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2018

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	295,299	29,006	475,446	348,977	5,260,480	2,900	29,309	7,474
Add: Restricted Grants									
Provincial Grants - Ministry of Education	930,931	819,987					384,000	100,450	267,038
Provincial Grants - Other									
Federal Grants									
Other				67,045		7,850,307	-	-	
Investment Income				10,813					
	930,931	819,987	-	77,858	-	7,850,307	384,000	100,450	267,038
Less: Allocated to Revenue	930,931	838,924	29,006	72,220	22,766	8,256,084	386,900	124,936	274,512
Deferred Revenue, end of year	-	276,362	-	481,084	326,211	4,854,703	-	4,823	-
Revenues									
Provincial Grants - Ministry of Education	930,931	838,924	29,006		22,766		386,900	124,936	274,512
Provincial Grants - Other									
Federal Grants									
Other Revenue				61,407		8,256,084			
Investment Income				10,813					
	930,931	838,924	29,006	72,220	22,766	8,256,084	386,900	124,936	274,512
Expenses									
Salaries									
Teachers							15,003		57,149
Principals and Vice Principals									
Educational Assistants		598,796					233,980	21,324	
Support Staff							21,751		
Other Professionals									
Substitutes								15,145	2,789
	-	598,796	-	-	-	-	270,734	36,469	59,938
Employee Benefits		240,128					86,868	7,764	12,853
Services and Supplies	930,931		29,006	72,220	22,766	8,256,084	29,298	80,703	201,721
	930,931	838,924	29,006	72,220	22,766	8,256,084	386,900	124,936	274,512
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 41 (Burnaby)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2018

Schedule 3A (Unaudited)

	CommunityLINK	Rural Education Enhancement Fund	Coding and Curriculum Implementation	Priority Measures	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	BC Provincial School for the Deaf	PRP Fraser Park Maples	Youth At Risk
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	62,119	-	161,793	957,464	-	-	461,797	96,572	56,607
Add: Restricted Grants									
Provincial Grants - Ministry of Education	2,317,538				3,174,047	8,464,151	6,708,576	2,372,376	
Provincial Grants - Other									126,553
Federal Grants									
Other									
Investment Income									
	2,317,538				3,174,047	8,464,151	6,708,576	2,372,376	126,553
Less: Allocated to Revenue	2,357,404		9,560	957,464	3,174,047	8,464,151	6,344,493	2,321,124	106,392
Deferred Revenue, end of year	22,253		152,233				825,880	147,824	76,768
Revenues									
Provincial Grants - Ministry of Education	2,357,404		9,560	957,464	3,174,047	8,464,151	6,344,493	2,321,124	
Provincial Grants - Other									106,392
Federal Grants									
Other Revenue									
Investment Income									
	2,357,404		9,560	957,464	3,174,047	8,464,151	6,344,493	2,321,124	106,392
Expenses									
Salaries									
Teachers	507,944			775,546	671,474	6,940,738	1,761,405	1,556,382	
Principals and Vice Principals					256,000		464,973	24,285	
Educational Assistants	328,738				962,745		1,569,235	1,454	82,685
Support Staff	325,403				224,000		101,463	31,133	
Other Professionals	116,389				83,564		78,068		
Substitutes			4,730		432,903		69,168	89,785	
	1,278,474		4,730	775,546	2,630,686	6,940,738	4,044,312	1,703,039	82,685
Employee Benefits	303,648		734	181,918	543,361	1,523,413	894,512	362,600	17,494
Services and Supplies	765,039		4,096				1,405,669	255,485	6,213
	2,347,161		9,560	957,464	3,174,047	8,464,151	6,344,493	2,321,124	106,392
Net Revenue (Expense) before Interfund Transfers	10,243								
Interfund Transfers									
Tangible Capital Assets Purchased	(10,243)								
	(10,243)								
Net Revenue (Expense)									

School District No. 41 (Burnaby)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2018

Schedule 3A (Unaudited)

	CYF Projects	Settlement Services	Community Services	Youth Transitions	Environmental Sustainability	CIC LINC	CIC SWIS	Energy / Green Projects	District Food Services
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	416,470	614,868	298,376	19,419	54,891	-	-	516,055	170,273
Add: Restricted Grants									
Provincial Grants - Ministry of Education									
Provincial Grants - Other				52,642					
Federal Grants						2,126,413	967,119		
Other	41,471	36,200						88,647	192,421
Investment Income									
	41,471	36,200	-	52,642	-	2,126,413	967,119	88,647	192,421
Less: Allocated to Revenue	181,212	19,712	-	49,698	6,398	2,126,413	967,119	84,397	175,955
Deferred Revenue, end of year	276,729	631,356	298,376	22,363	48,493	-	-	520,305	186,739
Revenues									
Provincial Grants - Ministry of Education									-
Provincial Grants - Other				49,698					
Federal Grants						2,126,413	967,119		
Other Revenue	181,212	19,712			6,398			84,397	175,955
Investment Income									
	181,212	19,712	-	49,698	6,398	2,126,413	967,119	84,397	175,955
Expenses									
Salaries									
Teachers	1,410			40,182		940,491			
Principals and Vice Principals									
Educational Assistants	8,404						46,302		
Support Staff						104,102	609,436		
Other Professionals						54,000	89,872	62,731	
Substitutes	6,960					97,812			
	16,774	-	-	40,182	-	1,196,405	745,610	62,731	-
Employee Benefits	21,982			9,450		259,271	168,582	11,946	
Services and Supplies	142,456	19,712		66	6,398	670,737	52,927	9,720	175,955
	181,212	19,712	-	49,698	6,398	2,126,413	967,119	84,397	175,955
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 41 (Burnaby)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2018

Schedule 3A (Unaudited)

	Other Special Purpose	TOTAL
	\$	\$
Deferred Revenue, beginning of year		10,335,595
Add: Restricted Grants		
Provincial Grants - Ministry of Education		25,539,094
Provincial Grants - Other		179,195
Federal Grants		3,093,532
Other	1,464,964	9,741,055
Investment Income		10,813
	1,464,964	38,563,689
Less: Allocated to Revenue	1,464,964	39,746,782
Deferred Revenue, end of year	-	<u>9,152,502</u>
Revenues		
Provincial Grants - Ministry of Education		26,236,218
Provincial Grants - Other		156,090
Federal Grants		3,093,532
Other Revenue	1,464,964	10,250,129
Investment Income		10,813
	1,464,964	39,746,782
Expenses		
Salaries		
Teachers	299,944	13,567,668
Principals and Vice Principals	180	745,438
Educational Assistants	247,738	4,101,401
Support Staff	191,771	1,609,059
Other Professionals	68,598	553,222
Substitutes	772	720,064
	809,003	21,296,852
Employee Benefits	190,753	4,837,277
Services and Supplies	465,208	13,602,410
	1,464,964	39,736,539
Net Revenue (Expense) before Interfund Transfers	-	<u>10,243</u>
Interfund Transfers		
Tangible Capital Assets Purchased		(10,243)
	-	<u>(10,243)</u>
Net Revenue (Expense)	-	<u>-</u>

School District No. 41 (Burnaby)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2018

	2018 Budget	2018 Actual			2017 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education		5,729		5,729	52,870
Other Revenue			10,000	10,000	39,900
Rentals and Leases	105,000		102,834	102,834	102,822
Investment Income	50,000		66,027	66,027	53,772
Amortization of Deferred Capital Revenue	7,772,400	8,003,747		8,003,747	7,577,111
Total Revenue	7,927,400	8,009,476	178,861	8,188,337	7,826,475
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	9,879,400	9,790,797		9,790,797	9,254,134
Total Expense	9,879,400	9,790,797	-	9,790,797	9,254,134
Capital Surplus (Deficit) for the year	(1,952,000)	(1,781,321)	178,861	(1,602,460)	(1,427,659)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		438,737		438,737	199,496
Local Capital	4,092,000		4,092,000	4,092,000	1,382,005
Total Net Transfers	4,092,000	438,737	4,092,000	4,530,737	1,581,501
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		3,457,246	(3,457,246)	-	
Total Other Adjustments to Fund Balances		3,457,246	(3,457,246)	-	
Total Capital Surplus (Deficit) for the year	2,140,000	2,114,662	813,615	2,928,277	153,842
Capital Surplus (Deficit), beginning of year		69,076,175	2,806,920	71,883,095	71,729,253
Capital Surplus (Deficit), end of year		71,190,837	3,620,535	74,811,372	71,883,095

School District No. 41 (Burnaby)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2018

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	48,693,542	359,655,573	4,379,398	942,303	362,654	3,337,672	417,371,142
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	5,729	17,739,019	166,444				17,911,192
Deferred Capital Revenue - Other			245,643				245,643
Operating Fund		428,494					428,494
Special Purpose Funds			10,243				10,243
Local Capital		2,092,504	805,019	423,868	94,007	41,848	3,457,246
	5,729	20,260,017	1,227,349	423,868	94,007	41,848	22,052,818
Decrease:							
Deemed Disposals			22,350		34,504	631,632	688,486
	-	-	22,350	-	34,504	631,632	688,486
Cost, end of year	48,699,271	379,915,590	5,584,397	1,366,171	422,157	2,747,888	438,735,474
Work in Progress, end of year							-
Cost and Work in Progress, end of year	48,699,271	379,915,590	5,584,397	1,366,171	422,157	2,747,888	438,735,474
Accumulated Amortization, beginning of year		132,507,193	1,791,071	436,878	209,073	1,990,986	136,935,201
Changes for the Year							
Increase: Amortization for the Year		8,421,378	500,345	115,423	81,932	671,719	9,790,797
Decrease:							
Deemed Disposals			22,350		34,504	631,632	688,486
			-		34,504	631,632	688,486
Accumulated Amortization, end of year		140,928,571	2,269,066	552,301	256,501	2,031,073	146,037,512
Tangible Capital Assets - Net	48,699,271	238,987,019	3,315,331	813,870	165,656	716,815	292,697,962

School District No. 41 (Burnaby)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2018

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	203,689,965	4,496,924	3,172,876	211,359,765
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	17,905,463	245,643	-	18,151,106
	<u>17,905,463</u>	<u>245,643</u>	<u>-</u>	<u>18,151,106</u>
Decrease:				
Amortization of Deferred Capital Revenue	7,790,809	120,892	92,046	8,003,747
	<u>7,790,809</u>	<u>120,892</u>	<u>92,046</u>	<u>8,003,747</u>
Net Changes for the Year	<u>10,114,654</u>	<u>124,751</u>	<u>(92,046)</u>	<u>10,147,359</u>
Deferred Capital Revenue, end of year	<u>213,804,619</u>	<u>4,621,675</u>	<u>3,080,830</u>	<u>221,507,124</u>
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	-	-	-	-
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	<u>213,804,619</u>	<u>4,621,675</u>	<u>3,080,830</u>	<u>221,507,124</u>

School District No. 41 (Burnaby)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2018

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	74,261	8,532	155,929	18,367,080	1,277,454	19,883,256
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	20,113,682					20,113,682
Provincial Grants - Other			90,647			90,647
Other				2,505,292	539,572	3,044,864
Investment Income		148		453,216		453,364
	20,113,682	148	90,647	2,958,508	539,572	23,702,557
Decrease:						
Transferred to DCR - Capital Additions	17,905,463		245,643			18,151,106
Transferred to Revenue - Site Purchases	5,729					5,729
	17,911,192	-	245,643	-	-	18,156,835
Net Changes for the Year	2,202,490	148	(154,996)	2,958,508	539,572	5,545,722
Balance, end of year	2,276,751	8,680	933	21,325,588	1,817,026	25,428,978