

Audited Financial Statements of

School District No. 41 (Burnaby)

And Independent Auditors' Report thereon

June 30, 2020

School District No. 41 (Burnaby)

June 30, 2020

Table of Contents

Management Report	1
Independent Auditors' Report	2-4
Statement of Financial Position - Statement 1	5
Statement of Operations - Statement 2	6
Statement of Changes in Net Debt - Statement 4	7
Statement of Cash Flows - Statement 5	8
Notes to the Financial Statements	9-24
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited)	25
Schedule of Operating Operations - Schedule 2 (Unaudited)	26
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited)	27
Schedule 2B - Schedule of Operating Expense by Object (Unaudited)	28
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited)	29
Schedule of Special Purpose Operations - Schedule 3 (Unaudited)	31
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited)	32
Schedule of Capital Operations - Schedule 4 (Unaudited)	35
Schedule 4A - Tangible Capital Assets (Unaudited)	36
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited)	37
Schedule 4C - Deferred Capital Revenue (Unaudited)	38
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited)	39

School District No. 41 (Burnaby)

MANAGEMENT REPORT

Version: 6016-5270-3287

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 quarterly 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 22, 2020
Signature of the Chairperson of the Board of Education	Date Signed
Original Signed	September 22, 2020
Signature of the Superintendent	Date Signed
Original Signed	September 22, 2020
Signature of the Secretary Treasurer	Date Signed



Independent auditor's report

To the Board of Education of School District No. 41 (Burnaby) and the Minister of Education, Province of British Columbia

Our opinion

In our opinion, the accompanying financial statements of School District No. 41 (Burnaby) (the Organization) as at June 30, 2020 and for the year then ended are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia.

What we have audited

The Organization's financial statements comprise:

- the statement of financial position as at June 30, 2020;
- the statement of operations for the year then ended;
- the statement of changes in net debt for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

Independence

We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - basis of accounting

We draw attention to note 2 to the financial statements, which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards. Note 2 to the financial statements discloses the impact of these differences. Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers LLP

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

T: 604 806 7000, F: 604 806 7806

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Other information

Management is responsible for the other information. The other information comprises the Financial Statement Discussion and Analysis for the year ended June 30, 2020. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Surrey, British Columbia
September 22, 2020

School District No. 41 (Burnaby)

Statement of Financial Position

As at June 30, 2020

Statement 1

	2020 Actual \$	2019 Actual \$
Financial Assets		
Cash and Cash Equivalents	110,645,984	105,164,039
Accounts Receivable		
Due from Province - Ministry of Education	3,982,233	661,646
Due from Province - Other	29,809	131,241
Other	2,038,361	2,391,315
Portfolio Investments	2,205,449	2,204,280
Total Financial Assets	118,901,836	110,552,521
Liabilities		
Accounts Payable and Accrued Liabilities		
Other	26,442,096	24,676,299
Unearned Revenue	18,516,590	24,053,160
Deferred Revenue	9,995,056	8,883,998
Deferred Capital Revenue	280,289,447	259,749,583
Employee Future Benefits	9,212,071	8,758,274
Capital Lease Obligations	220,369	
Total Liabilities	344,675,629	326,121,314
Net Debt	(225,773,793)	(215,568,793)
Non-Financial Assets		
Tangible Capital Assets	324,743,333	307,500,454
Prepaid Expenses	1,657,823	436,249
Total Non-Financial Assets	326,401,156	307,936,703
Accumulated Surplus (Deficit)	100,627,363	92,367,910

Approved by the Board

Original Signed	September 22, 2020
Signature of the Chairperson of the Board of Education	Date Signed
Original Signed	September 22, 2020
Signature of the Superintendent	Date Signed
Original Signed	September 22, 2020
Signature of the Secretary Treasurer	Date Signed

School District No. 41 (Burnaby)

Statement 2

Statement of Operations
Year Ended June 30, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	251,379,376	253,886,530	242,275,343
Other	262,454	264,055	375,870
Federal Grants	3,431,915	3,070,381	3,053,259
Tuition	28,687,233	28,334,432	26,755,010
Other Revenue	10,764,804	9,532,050	12,203,276
Rentals and Leases	1,015,719	961,197	1,537,699
Investment Income	1,632,000	1,345,252	1,689,141
Amortization of Deferred Capital Revenue	8,321,130	8,771,720	8,153,837
Total Revenue	305,494,631	306,165,617	296,043,435
Expenses			
Instruction	261,429,957	252,750,987	245,925,584
District Administration	7,719,618	7,529,289	7,191,340
Operations and Maintenance	38,175,089	36,462,628	36,204,959
Transportation and Housing	1,617,142	1,163,260	1,503,400
Total Expense	308,941,806	297,906,164	290,825,283
Surplus (Deficit) for the year	(3,447,175)	8,259,453	5,218,152
Accumulated Surplus (Deficit) from Operations, beginning of year		92,367,910	87,149,758
Accumulated Surplus (Deficit) from Operations, end of year		100,627,363	92,367,910

School District No. 41 (Burnaby)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
Surplus (Deficit) for the year	<u>(3,447,175)</u>	<u>8,259,453</u>	<u>5,218,152</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(22,770,713)	(27,955,626)	(24,790,522)
Amortization of Tangible Capital Assets	10,498,853	10,712,747	9,988,030
Total Effect of change in Tangible Capital Assets	<u>(12,271,860)</u>	<u>(17,242,879)</u>	<u>(14,802,492)</u>
Acquisition of Prepaid Expenses		(1,657,823)	(436,249)
Use of Prepaid Expenses		436,249	236,549
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(1,221,574)</u>	<u>(199,700)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(15,719,035)</u>	<u>(10,205,000)</u>	<u>(9,784,040)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(10,205,000)	(9,784,040)
Net Debt, beginning of year		(215,568,793)	(205,784,753)
Net Debt, end of year		<u>(225,773,793)</u>	<u>(215,568,793)</u>

School District No. 41 (Burnaby)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2020

	2020 Actual \$	2019 Actual \$
Operating Transactions		
Surplus (Deficit) for the year	8,259,453	5,218,152
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(2,866,201)	1,837,211
Prepaid Expenses	(1,221,574)	(199,700)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	1,765,797	(1,678,675)
Unearned Revenue	(5,536,570)	1,772,446
Deferred Revenue	1,111,058	(268,504)
Employee Future Benefits	453,797	348,513
Amortization of Tangible Capital Assets	10,712,747	9,988,030
Amortization of Deferred Capital Revenue	(8,771,720)	(8,153,837)
Total Operating Transactions	3,906,787	8,863,636
Capital Transactions		
Tangible Capital Assets Purchased	(9,104,521)	(16,378,961)
Tangible Capital Assets -WIP Purchased	(18,630,736)	(8,411,561)
Total Capital Transactions	(27,735,257)	(24,790,522)
Financing Transactions		
Capital Revenue Received	29,311,584	18,406,855
CEF Adjustment from 2017-2018 (non-cash adjustment)		1,783,009
Burnaby Central Other Capital Transfer 2013-2014 (non-cash adjustment)		777,452
Total Financing Transactions	29,311,584	20,967,316
Investing Transactions		
Investments in Portfolio Investments	(1,169)	(2,036)
Total Investing Transactions	(1,169)	(2,036)
Net Increase (Decrease) in Cash and Cash Equivalents	5,481,945	5,038,394
Cash and Cash Equivalents, beginning of year	105,164,039	100,125,645
Cash and Cash Equivalents, end of year	110,645,984	105,164,039
Cash and Cash Equivalents, end of year, is made up of:		
Cash	30,305,985	31,640,777
Cash Equivalents	80,339,999	73,523,262
	110,645,984	105,164,039

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2020

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.

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020 and has had a significant financial, market and social dislocating impact worldwide. Under direction of the Provincial Health Officer, all schools suspended in-class instruction in March 2020 and the School District remained open to continue to support students and families in a variety of ways. Parents were given the choice to send their children back to school on a gradual and part-time basis beginning June 1 with new health and safety guidelines. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decrease in revenue, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the School District is not practicable at this time.

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 British Columbia* (the "Act"). This section of the Act requires that 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 School Districts before or after this regulation was in effect.

As noted in Notes 2 (f) and 2 (k), Section 23.1 of the *Act* and its related regulations require school districts 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 require these grants to be fully recognized into revenue.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2020

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, 2019 – increase in annual surplus by \$12,813,481
- June 30, 2019 – increase in accumulated surplus and decrease in deferred contributions by \$259,749,583
- Year ended June 30, 2020 – increase in annual surplus by \$20,539,864
- June 30, 2020 – increase in accumulated surplus and decrease in deferred contributions by \$280,289,447

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 guaranteed investment certificates (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 delivered.

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 the Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the fiscal year

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 "EARS" of active employees covered under the plans.

The most recent valuation of the obligation was performed at March 31, 2020 for use at June 30, 2020. 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 combined. The costs are expensed as incurred.

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 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.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Work-in-progress (WIP) capital costs were previously recorded as additions to tangible capital assets acquired and amortized in the year the cost was incurred. In 2018-19, a change was made to establish the WIP account and costs are transferred to tangible assets acquired 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

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 Note 12 – Interfund Transfers and Note 17 – Accumulated Surplus).

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 the purposes are recorded as deferred revenue and recognized as revenue in the year the 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.

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 has 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.

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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

SCHOOL DISTRICT NO. 41 (BURNABY)**Notes to Financial Statements****June 30, 2020**

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

	2020	2019
Due from Federal Government	\$981,326	\$779,515
Other	1,057,035	1,611,800
	<u>\$2,038,361</u>	<u>\$2,391,315</u>

NOTE 4 PORTFOLIO INVESTMENTS

	2020	2019
GIC's and Term Deposits	\$2,205,449	\$2,204,280

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
Trade payables	\$ 6,351,152	\$ 4,614,168
Salaries and benefits payable	18,756,395	18,796,353
Accrued vacation pay	1,334,549	1,265,778
	<u>\$ 26,442,096</u>	<u>\$ 24,676,299</u>

NOTE 6 UNEARNED REVENUE

	2020	2019
Balance, beginning of year	\$24,053,160	\$22,280,714
Changes for the year:		
Increase:		
Tuition fees collected	18,493,756	24,010,898
Decrease:		
Tuition fee revenue recognized	24,030,326	22,238,452
Net change for the year	<u>(\$5,536,570)</u>	<u>\$1,772,446</u>
Balance, end of year	<u>\$18,516,590</u>	<u>\$24,053,160</u>

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2020

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 the Treasury Board, (i.e., the stipulations associated with those grants and contributions have not yet been fulfilled).

	2020	2019
Balance, beginning of year	\$ 8,883,998	\$ 9,152,505
Changes for the year:		
Increase:		
Provincial grants - Ministry of Education	25,412,265	26,459,685
Provincial grants - Other	52,360	195,726
Federal grants	3,070,381	3,053,259
Other revenue	8,505,217	11,537,061
Investment income	13,506	13,370
Decrease:		
Transfers to revenue	\$ (35,942,671)	\$ (41,527,608)
Balance, end of year	9,995,056	8,883,998

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 the Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired.

	2020	2019
Deferred Capital Revenue, beginning of year	259,749,583	246,936,102
Increases:		
Provincial Grants - Ministry of Education	16,254,511	16,255,584
Other Provincial Capital	9,042,016	79,306
Local Government Fees / Grants	795,702	2,894,994
Investment Income	636,305	648,084
Other Capital	284,351	1,089,350
Transfers from unspent Deferred Capital Revenue - Capital Additions	8,370,187	11,114,692
	35,383,072	32,082,010
Decreases:		
Transfers to Deferred Capital Revenue - capital additions	8,370,187	11,114,692
Transfer WIP purchased in Local Capital	670,467	
Amortization of Deferred Capital Revenue	8,771,720	8,153,837
	17,812,374	19,268,529
Net Change for the year	17,570,698	12,813,481
Deferred Capital Revenue, end of year	277,320,281	259,749,583

SCHOOL DISTRICT NO. 41 (BURNABY)**Notes to Financial Statements****June 30, 2020****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, 2020</u>	<u>June 30, 2019</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	9,827,312	8,191,446
Service Cost	678,113	602,097
Interest Cost	247,621	232,214
Benefit Payments	(757,975)	(511,125)
Increase (Decrease) in obligation due to Plan Amendment	0	0
Actuarial (Gain) Loss	(240,882)	1,312,680
Accrued Benefit Obligation – March 31	<u>9,754,189</u>	<u>9,827,312</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	9,754,189	9,827,312
Market Value of Plan Assets - March 31	<u>0</u>	<u>0</u>
Funded Status - Surplus (Deficit)	(9,754,189)	(9,827,312)
Employer Contributions After Measurement Date	130,263	248,533
Benefits Expense After Measurement Date	(236,020)	(231,434)
Unamortized Net Actuarial (Gain) Loss	647,875	1,051,939
Accrued Benefit Asset (Liability) - June 30	<u>(9,212,071)</u>	<u>(8,758,274)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	8,758,274	8,409,760
Net Expense for Fiscal Year	1,093,502	905,201
Employer Contributions	(639,705)	(556,688)
Accrued Benefit Liability (Asset) - June 30	<u>9,212,071</u>	<u>8,758,274</u>
Components of Net Benefit Expense		
Service Cost	687,890	621,101
Interest Cost	242,431	236,066
Immediate Recognition of Plan Amendment	0	0
Amortization of Net Actuarial (Gain)/Loss	163,182	48,034
Net Benefit Expense (Income)	<u>1,093,502</u>	<u>905,201</u>

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2020

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

	2020	2019
Assumptions		
Discount Rate - April 1	2.50%	2.75%
Discount Rate - March 31	2.25%	2.50%
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

(Disclosure of changes in significant assumptions between the March 31 measurement date and the June 30 financial statement date and their estimated impact on the valuation may be required. If discount rates at June 30 are affected by COVID-19, the actuary will assess the estimated impact to allow auditors to assess materiality.)

NOTE 10 TANGIBLE CAPITAL ASSETS

Cost	Balance at June 30, 2019	Additions	Disposals	Transfers to WIP	Balance at June 30, 2020
Sites	\$ 48,699,271				\$ 48,699,271
Buildings	\$ 391,924,877	\$ 8,294,386		\$ 7,167,972	\$ 407,387,236
Buildings - WIP	\$ 10,230,403	\$ 18,622,917		\$ (7,167,972)	\$ 21,685,348
Furniture & Equipment	\$ 6,051,238	\$ 176,482	\$ (112,955)	\$ 10,114	\$ 6,124,879
Furniture & Equipment - WIP	\$ 10,114	\$ 7,819		\$ (10,114)	\$ 7,819
Vehicles	\$ 1,312,136	\$ 238,339	\$ (12,815)		\$ 1,537,660
Computer Software	\$ 516,943	\$ 19,125	\$ (30,177)		\$ 505,891
Computer Hardware	\$ 3,374,488	\$ 596,557	\$ (880,730)		\$ 3,090,315
Total	\$ 462,119,470	\$ 27,955,625	\$ (1,036,677)	\$ -	\$ 489,038,419

Accumulated Amortization:	Balance at June 30, 2019	Additions	Disposals	Balance at June 30, 2020
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	\$ 149,479,201	\$ 9,115,308		\$ 158,594,509
Furniture & Equipment	\$ 2,727,921	\$ 614,454	\$ (112,955)	\$ 3,229,420
Vehicles	\$ 529,882	\$ 143,131	\$ (12,815)	\$ 660,198
Computer Software	\$ 180,549	\$ 105,302	\$ (30,177)	\$ 255,674
Computer Hardware	\$ 1,701,463	\$ 734,552	\$ (880,730)	\$ 1,555,285
Total	\$ 154,619,016	\$ 10,712,747	\$ (1,036,677)	\$ 164,295,086

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2020

Net Book Value:

	2020	2019
Sites	\$ 48,699,271	\$ 48,699,271
Buildings	\$ 248,792,727	\$ 242,445,677
Buildings - WIP	\$ 21,685,348	\$ 10,230,403
Furniture & Equipment	\$ 2,895,459	\$ 3,323,317
Furniture & Equipment - WIP	\$ 7,819	\$ 10,114
Vehicles	\$ 877,462	\$ 782,254
Computer Software	\$ 250,217	\$ 336,394
Computer Hardware	\$ 1,535,030	\$ 1,673,025
Total	\$ 324,743,333	\$ 307,500,455

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, 2019, the Teachers' Pension Plan had 48,537 active members, 39,146 retired members and 12,763 inactive members. As at December 31, 2019, the Municipal Pension Plan had 213,111 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, 2017, indicated a \$1,656 million surplus for basic pension benefits on a going concern basis. As a result of the 2017 basic account actuarial valuation surplus, plan enhancements and contribution rate adjustments were made; the remaining \$644 million surplus was transferred to the rate stabilization account. The next valuation will be as at December 31, 2020 with results available in late 2021. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018 indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis. The next valuation is at December 31, 2021 with results available in the Fall of 2022.

The School District paid \$21,479,398 for employer contributions to these plans in the year ended June 30, 2020 (2019 - \$21,890,140).

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2020

NOTE 12 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2020, were as follows:

- \$2,130,713 transferred from the Operating Fund to the Capital Fund for capital equipment purchases to be made from Local Capital
- \$130,798 transferred from the Operating Fund to the Capital Fund for capital equipment purchases
- \$157,450 transferred from the Special Purpose Fund to the Capital Fund for capital equipment purchases

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 \$1,553,372 (2019 - \$492,568).

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 25, 2020. Changes between the original annual budget (approved by the Board on April 23, 2019) and the amended annual budget are listed below:

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2020

Original Budget to Amended Budget Variances

	2020 Original Budget (Unaudited)	2020 Amended Budget (Unaudited)	Change
Statement 2			
Total Revenue	\$ 297,383,026	\$ 305,494,631	\$ 8,111,605
Total Expense	\$ 299,251,280	\$ 308,941,806	\$ (9,690,526)
Surplus (Deficit) for the year	(1,868,254)	(3,447,175)	(1,578,921)
Budgeted Allocation of Surplus	1,404,292	4,215,165	2,810,873
Budgeted Surplus (Deficit) for the year	\$ (463,962)	\$ 767,990	\$ 1,231,952
Statement 4			
Surplus (Deficit) for the year	\$ (1,868,254)	\$ (3,447,175)	\$ (1,578,921)
Total Effect of change in Tangible Capital Assets	(12,828,689)	(12,271,860)	556,829
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	\$ (14,696,943)	\$ (15,719,035)	\$ (1,022,092)

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 2020.

Budgeted Allocation of Surplus

- 2020 year end surplus required for amended budget was less than original budget.

NOTE 16 EXPENSE BY OBJECT

	2020	2019
Salaries and benefits	254,051,620	\$242,428,894
Services and supplies	33,141,797	38,408,359
Amortization	10,712,747	9,988,030
	297,906,164	290,825,283

SCHOOL DISTRICT NO. 41 (BURNABY)

Notes to Financial Statements

June 30, 2020

NOTE 17 ACCUMULATED SURPLUS

	2020	2019
Capital Surplus	<u>\$79,333,654</u>	<u>\$78,636,368</u>
Operating Surplus:		
Internally restricted operating surplus		
Ensuing year operating budget commitment	\$ 8,880,649	\$ 1,404,292
International Education Program Reserve	4,625,000	3,500,000
School fund balances, learning resources, Program Development	1,166,658	602,881
Other School District committed expenses	2,743,461	2,774,730
17 FTE Classroom Enhancement Fund non-enrolling teachers not funded		1,598,000
Total Internally restricted operating surplus	<u>17,415,768</u>	<u>9,879,903</u>
 Unrestricted operating surplus	 3,877,941	 3,851,639
 Total Operating Surplus	 <u>\$ 21,293,709</u>	 <u>\$ 13,731,542</u>
 Accumulated Surplus	 <u>\$100,627,363</u>	 <u>\$92,367,910</u>

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, 2020

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 banking institutions. 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 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 three 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, 2020****NOTE 20 CONTRACTUAL OBLIGATIONS**

The School District has entered into a number of multi-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	2021	2022	2023	2024	2025 Thereafter
Capital Project - Burnaby North	\$32,622,434	\$32,622,434	\$32,622,434		
Capital Projects - Various Schools	\$2,427,096				
Technology	\$1,887,168	\$1,627,367	\$1,391,624	\$424,284	
Capital Project - Childcare	\$1,699,808				
Capital Project - Seaforth	\$1,531,119	\$585,454			
Capital Project - Board Office	\$895,758				
Capital Project - Parkcrest	\$531,159	\$531,159			
Transportation	\$342,218				
Garbage Collection Services	\$152,400				
Total	\$42,089,161	\$35,366,414	\$34,014,057	\$424,284	\$0

School District No. 41 (Burnaby)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund

Year Ended June 30, 2020

	Operating Fund	Special Purpose Fund	Capital Fund	2020 Actual	2019 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	13,731,542		78,636,368	92,367,910	87,149,758
Changes for the year					
Surplus (Deficit) for the year	9,823,678	157,450	(1,721,675)	8,259,453	5,218,152
Interfund Transfers					
Tangible Capital Assets Purchased	(130,798)	(157,450)	288,248	-	
Local Capital	(2,130,713)		2,130,713	-	
Net Changes for the year	7,562,167	-	697,286	8,259,453	5,218,152
Accumulated Surplus (Deficit), end of year - Statement 2	21,293,709	-	79,333,654	100,627,363	92,367,910

School District No. 41 (Burnaby)

Schedule of Operating Operations

Year Ended June 30, 2020

Schedule 2 (Unaudited)

	2020 Budget \$	2020 Actual \$	2019 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	226,570,856	229,907,792	215,590,417
Other	154,700	180,600	194,597
Tuition	28,687,233	28,334,432	26,755,010
Other Revenue	406,379	721,953	1,305,715
Rentals and Leases	910,719	854,958	1,432,542
Investment Income	1,562,000	1,232,139	1,572,540
Total Revenue	<u>258,291,887</u>	<u>261,231,874</u>	<u>246,850,821</u>
Expenses			
Instruction	224,870,225	218,913,988	207,471,998
District Administration	7,159,998	6,957,419	6,570,125
Operations and Maintenance	26,745,304	24,818,949	25,156,638
Transportation and Housing	960,812	717,840	853,488
Total Expense	<u>259,736,339</u>	<u>251,408,196</u>	<u>240,052,249</u>
Operating Surplus (Deficit) for the year	<u>(1,444,452)</u>	<u>9,823,678</u>	<u>6,798,572</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>4,215,165</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(130,798)	(309,653)
Local Capital	(2,770,713)	(2,130,713)	(5,095,763)
Total Net Transfers	<u>(2,770,713)</u>	<u>(2,261,511)</u>	<u>(5,405,416)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>7,562,167</u>	<u>1,393,156</u>
Operating Surplus (Deficit), beginning of year		13,731,542	12,338,386
Operating Surplus (Deficit), end of year		<u>21,293,709</u>	<u>13,731,542</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		17,415,767	9,879,903
Unrestricted		3,877,942	3,851,639
Total Operating Surplus (Deficit), end of year		<u>21,293,709</u>	<u>13,731,542</u>

School District No. 41 (Burnaby)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	221,053,482	221,244,277	212,026,324
Other Ministry of Education Grants			
Pay Equity	1,441,995	1,441,995	1,441,995
Funding for Graduated Adults	1,147,203	1,339,647	829,140
Transportation Supplement	24,841	24,841	24,841
Economic Stability Dividend			268,610
Carbon Tax Grant	130,000	155,200	155,200
Employer Health Tax Grant	2,043,161	2,043,161	620,875
Support Staff Benefits Grant	212,954	212,954	162,840
Support Staff Wage Increase Funding	957,765	957,765	
Teachers' Labour Settlement Funding		2,950,784	
Other Misc. and One-Time Grants	30,292	38,695	60,592
Enrolment Audit	(470,837)	(501,527)	
Total Provincial Grants - Ministry of Education	226,570,856	229,907,792	215,590,417
Provincial Grants - Other	154,700	180,600	194,597
Tuition			
Summer School Fees	442,750	443,980	367,435
Continuing Education	2,616,333	2,141,056	1,625,952
International and Out of Province Students	25,628,150	25,749,396	24,761,623
Total Tuition	28,687,233	28,334,432	26,755,010
Other Revenues			
Miscellaneous			
City of Burnaby Crossing Guards	205,000	170,833	205,000
Other Program Fees	78,500	110,676	110,581
Sundry	122,879	440,444	279,545
Special Purpose Fund Transfer			710,589
Total Other Revenue	406,379	721,953	1,305,715
Rentals and Leases	910,719	854,958	1,432,542
Investment Income	1,562,000	1,232,139	1,572,540
Total Operating Revenue	258,291,887	261,231,874	246,850,821

School District No. 41 (Burnaby)

Schedule of Operating Expense by Object

Year Ended June 30, 2020

Schedule 2B (Unaudited)

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Salaries			
Teachers	123,512,623	125,686,992	118,375,484
Principals and Vice Principals	10,116,481	10,078,287	9,680,387
Educational Assistants	18,837,107	19,173,920	16,600,455
Support Staff	20,797,175	20,807,317	20,290,800
Other Professionals	4,959,051	4,984,143	4,451,231
Substitutes	9,248,594	7,095,233	8,115,181
Total Salaries	187,471,031	187,825,892	177,513,538
Employee Benefits	43,002,947	41,685,820	38,655,966
Total Salaries and Benefits	230,473,978	229,511,712	216,169,504
Services and Supplies			
Services	13,085,630	9,376,684	9,752,702
Student Transportation	768,701	592,564	803,718
Professional Development and Travel	1,278,114	669,902	844,347
Rentals and Leases	172,288	150,000	66,736
Dues and Fees	82,029	86,497	104,633
Insurance	552,597	482,943	386,267
Supplies	9,849,292	7,721,793	8,694,067
Utilities	3,473,710	2,816,101	3,230,275
Total Services and Supplies	29,262,361	21,896,484	23,882,745
Total Operating Expense	259,736,339	251,408,196	240,052,249

School District No. 41 (Burnaby)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

	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	90,325,421	291,740	887,132	1,162,007	188,237	3,170,783	96,025,320
1.03 Career Programs	937,101			124,778		32,203	1,094,082
1.07 Library Services	2,935,530	14,282	306,252	140,804	18,497	100,879	3,516,244
1.08 Counselling	3,661,922					132,835	3,794,757
1.10 Special Education	10,544,402	365,307	17,427,433			1,661,577	29,998,719
1.30 English Language Learning	6,991,131	46,412				224,204	7,261,747
1.31 Indigenous Education	926,971	138,348	193,731			31,855	1,290,905
1.41 School Administration	652,339	8,331,581		4,745,094		73,247	13,802,261
1.60 Summer School	1,191,881	222,355	3,826			434,334	1,852,396
1.61 Continuing Education	1,457,322	108,568		224,123	327,140	109,907	2,227,060
1.62 International and Out of Province Students	6,062,972	53,044	355,546	208,180	457,200	231,510	7,368,452
Total Function 1	125,686,992	9,571,637	19,173,920	6,604,986	991,074	6,203,334	168,231,943
4 District Administration							
4.11 Educational Administration		506,650		331,936	1,386,824		2,225,410
4.40 School District Governance				58,788	305,585		364,373
4.41 Business Administration				954,032	1,382,187	62,705	2,398,924
Total Function 4	-	506,650	-	1,344,756	3,074,596	62,705	4,988,707
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				280,004	918,473		1,198,477
5.50 Maintenance Operations				11,709,345		771,834	12,481,179
5.52 Maintenance of Grounds				639,066		57,360	696,426
5.56 Utilities							-
Total Function 5	-	-	-	12,628,415	918,473	829,194	14,376,082
7 Transportation and Housing							
7.70 Student Transportation				229,160			229,160
Total Function 7	-	-	-	229,160	-	-	229,160
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	125,686,992	10,078,287	19,173,920	20,807,317	4,984,143	7,095,233	187,825,892

School District No. 41 (Burnaby)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	96,025,320	22,395,138	118,420,458	6,645,866	125,066,324	129,492,595	120,848,577
1.03 Career Programs	1,094,082	257,587	1,351,669	26,354	1,378,023	1,445,520	1,351,119
1.07 Library Services	3,516,244	794,797	4,311,041	263,929	4,574,970	4,682,575	4,501,551
1.08 Counselling	3,794,757	935,133	4,729,890	-	4,729,890	4,752,435	4,370,217
1.10 Special Education	29,998,719	6,085,077	36,083,796	377,898	36,461,694	37,330,523	33,500,245
1.30 English Language Learning	7,261,747	1,684,347	8,946,094	1,496	8,947,590	9,012,239	7,950,020
1.31 Indigenous Education	1,290,905	293,523	1,584,428	38,851	1,623,279	1,661,270	1,591,678
1.41 School Administration	13,802,261	2,961,151	16,763,412	4,912	16,768,324	16,518,015	15,782,324
1.60 Summer School	1,852,396	352,581	2,204,977	88,323	2,293,300	2,024,190	1,883,724
1.61 Continuing Education	2,227,060	451,000	2,678,060	715,850	3,393,910	2,841,734	2,366,692
1.62 International and Out of Province Students	7,368,452	1,683,525	9,051,977	4,624,707	13,676,684	15,109,129	13,325,851
Total Function 1	168,231,943	37,893,859	206,125,802	12,788,186	218,913,988	224,870,225	207,471,998
4 District Administration							
4.11 Educational Administration	2,225,410	463,504	2,688,914	58,308	2,747,222	2,783,972	2,649,485
4.40 School District Governance	364,373	71,108	435,481	152,682	588,163	645,832	647,528
4.41 Business Administration	2,398,924	489,648	2,888,572	733,462	3,622,034	3,730,194	3,273,112
Total Function 4	4,988,707	1,024,260	6,012,967	944,452	6,957,419	7,159,998	6,570,125
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,198,477	259,158	1,457,635	633,370	2,091,005	2,169,903	1,724,750
5.50 Maintenance Operations	12,481,179	2,358,923	14,840,102	3,725,591	18,565,693	19,481,645	18,770,327
5.52 Maintenance of Grounds	696,426	137,523	833,949	532,368	1,366,317	1,620,046	1,425,115
5.56 Utilities	-	-	-	2,795,934	2,795,934	3,473,710	3,236,446
Total Function 5	14,376,082	2,755,604	17,131,686	7,687,263	24,818,949	26,745,304	25,156,638
7 Transportation and Housing							
7.70 Student Transportation	229,160	12,097	241,257	476,583	717,840	960,812	853,488
Total Function 7	229,160	12,097	241,257	476,583	717,840	960,812	853,488
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	187,825,892	41,685,820	229,511,712	21,896,484	251,408,196	259,736,339	240,052,249

School District No. 41 (Burnaby)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	24,808,520	23,978,738	26,684,926
Other	107,754	83,455	181,273
Federal Grants	3,431,915	3,070,381	3,053,259
Other Revenue	10,358,425	8,810,097	10,897,561
Total Revenue	38,706,614	35,942,671	40,817,019
Expenses			
Instruction	36,559,732	33,836,999	38,453,586
District Administration	559,620	571,870	621,215
Operations and Maintenance	930,932	930,932	1,060,291
Transportation and Housing	656,330	445,420	649,912
Total Expense	38,706,614	35,785,221	40,785,004
Special Purpose Surplus (Deficit) for the year	-	157,450	32,015
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(157,450)	(32,015)
Total Net Transfers	-	(157,450)	(32,015)
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		-	-

School District No. 41 (Burnaby)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2020

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			510,206	5,707,777		6,677		622	
Add: Restricted Grants									
Provincial Grants - Ministry of Education	930,932	808,876			385,897	101,617	272,270	2,357,075	2,724,414
Provincial Grants - Other									
Federal Grants									
Other			65,507	6,973,821	2,220	2,300		1,224,337	
Investment Income			13,506						
Endowments									
	930,932	808,876	79,013	6,973,821	388,117	103,917	272,270	3,581,412	2,724,414
Less: Allocated to Revenue	930,932	808,876	55,061	7,108,127	388,117	81,487	213,569	3,544,452	2,724,414
Deferred Revenue, end of year	-	-	534,158	5,573,471	-	29,107	58,701	37,582	-
Revenues									
Provincial Grants - Ministry of Education	930,932	808,876			385,897	79,187	213,569	2,357,697	2,724,414
Provincial Grants - Other									
Federal Grants									
Other Revenue			55,061	7,108,127	2,220	2,300		1,186,755	
	930,932	808,876	55,061	7,108,127	388,117	81,487	213,569	3,544,452	2,724,414
Expenses									
Salaries									
Teachers						891	91,425	803,247	
Principals and Vice Principals									133,624
Educational Assistants		667,647			254,268	15,346		445,432	1,255,450
Support Staff					28,317			515,220	175,242
Other Professionals								171,744	
Substitutes						11,457		6,431	496,491
	-	667,647	-	-	282,585	27,694	91,425	1,942,074	2,060,807
Employee Benefits		141,229			87,304	6,573	18,649	482,850	663,607
Services and Supplies	930,932		55,061	7,108,127	18,228	47,220	103,495	1,119,528	
	930,932	808,876	55,061	7,108,127	388,117	81,487	213,569	3,544,452	2,724,414
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, 2020

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	Mental Health in Schools	Changing Results for Young Children	BC Provincial School for the Deaf	PRP Fraser Park Maples	Youth at Risk	CYF Projects	Settlement Services
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year					1,461,982	47,032	31,095	161,588	612,893
Add: Restricted Grants									
Provincial Grants - Ministry of Education	8,891,112	89,987	24,500	17,640	6,481,867	2,326,078			
Provincial Grants - Other							52,360		
Federal Grants									
Other					514		70,171	84,967	500
Investment Income									
Endowments					44,281				
	8,891,112	89,987	24,500	17,640	6,526,662	2,326,078	122,531	84,967	500
Less: Allocated to Revenue	8,891,112	89,987	12,632	-	5,249,093	2,235,856	153,130	147,348	30,626
Deferred Revenue, end of year	-	-	11,868	17,640	2,739,551	137,254	496	99,207	582,767
Revenues									
Provincial Grants - Ministry of Education	8,891,112	89,987	12,632		5,248,579	2,235,856			
Provincial Grants - Other							83,455		
Federal Grants									
Other Revenue					514		69,675	147,348	30,626
	8,891,112	89,987	12,632	-	5,249,093	2,235,856	153,130	147,348	30,626
Expenses									
Salaries									
Teachers	7,348,026				1,482,297	1,516,860		3,070	
Principals and Vice Principals					369,037	116,589			
Educational Assistants					1,411,306	17,456	118,229	46,513	23,134
Support Staff					117,824	15,503			
Other Professionals					131,276				
Substitutes		73,789			929	321		61,936	
	7,348,026	73,789	-	-	3,512,669	1,666,729	118,229	111,519	23,134
Employee Benefits	1,543,086	16,198			798,930	371,583	28,392	20,604	2,870
Services and Supplies			12,632		937,494	197,544	6,509	15,225	4,622
	8,891,112	89,987	12,632	-	5,249,093	2,235,856	153,130	147,348	30,626
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, 2020

	Community Services	Out of School Time Program	IRCC SWIS	IRCC LINC	IRCC Wraparound	TOTAL
	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	298,376	45,750				8,883,998
Add: Restricted Grants						
Provincial Grants - Ministry of Education						25,412,265
Provincial Grants - Other						52,360
Federal Grants			1,034,127	1,887,506	148,748	3,070,381
Other		36,599				8,460,936
Investment Income						13,506
Endowments						44,281
	-	36,599	1,034,127	1,887,506	148,748	37,053,729
Less: Allocated to Revenue	157,450	50,021	1,034,127	1,887,506	148,748	35,942,671
Deferred Revenue, end of year	140,926	32,328	-	-	-	9,995,056
Revenues						
Provincial Grants - Ministry of Education						23,978,738
Provincial Grants - Other						83,455
Federal Grants			1,034,127	1,887,506	148,748	3,070,381
Other Revenue	157,450	50,021				8,810,097
	157,450	50,021	1,034,127	1,887,506	148,748	35,942,671
Expenses						
Salaries						
Teachers				940,773		12,186,589
Principals and Vice Principals						619,250
Educational Assistants			57,636		23,225	4,335,642
Support Staff			640,948	78,911		1,571,965
Other Professionals			101,536	48,377		452,933
Substitutes		5,061	6,937	68,194		731,546
	-	5,061	807,057	1,136,255	23,225	19,897,925
Employee Benefits		850	204,781	251,327	3,150	4,641,983
Services and Supplies		44,110	22,289	499,924	122,373	11,245,313
	-	50,021	1,034,127	1,887,506	148,748	35,785,221
Net Revenue (Expense) before Interfund Transfers	157,450	-	-	-	-	157,450
Interfund Transfers						
Tangible Capital Assets Purchased	(157,450)					(157,450)
	(157,450)	-	-	-	-	(157,450)
Net Revenue (Expense)	-	-	-	-	-	-

School District No. 41 (Burnaby)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2020

	2020 Budget	2020 Actual			2019 Actual
	\$	Invested in Tangible Capital Assets	Local Capital	Fund Balance	\$
Revenues					
Rentals and Leases	105,000		106,239	106,239	105,157
Investment Income	70,000		113,113	113,113	116,601
Amortization of Deferred Capital Revenue	8,321,130	8,771,720		8,771,720	8,153,837
Total Revenue	8,496,130	8,771,720	219,352	8,991,072	8,375,595
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	10,498,853	10,712,747		10,712,747	9,988,030
Total Expense	10,498,853	10,712,747	-	10,712,747	9,988,030
Capital Surplus (Deficit) for the year	(2,002,723)	(1,941,027)	219,352	(1,721,675)	(1,612,435)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		288,248		288,248	341,668
Local Capital	2,770,713		2,130,713	2,130,713	5,095,763
Total Net Transfers	2,770,713	288,248	2,130,713	2,418,961	5,437,431
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		446,086	(446,086)	-	
Tangible Capital Assets WIP Purchased from Local Capital		4,049,330	(4,049,330)	-	
Total Other Adjustments to Fund Balances		4,495,416	(4,495,416)	-	
Total Capital Surplus (Deficit) for the year	767,990	2,842,637	(2,145,351)	697,286	3,824,996
Capital Surplus (Deficit), beginning of year		73,676,196	4,960,172	78,636,368	74,811,372
Capital Surplus (Deficit), end of year		76,518,833	2,814,821	79,333,654	78,636,368

School District No. 41 (Burnaby)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2020

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	48,699,271	391,924,875	6,051,238	1,312,136	516,944	3,374,488	451,878,952
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		7,749,860	97,637				7,847,497
Deferred Capital Revenue - Other		284,351		238,339			522,690
Operating Fund		101,062	29,736				130,798
Special Purpose Funds		157,450					157,450
Local Capital		1,662	49,109		19,127	376,188	446,086
Computer Hardware Lease						220,369	220,369
Transferred from Work in Progress		7,167,972	10,114				7,178,086
	-	15,462,357	186,596	238,339	19,127	596,557	16,502,976
Decrease:							
Deemed Disposals			112,955	12,815	30,177	880,730	1,036,677
	-	-	112,955	12,815	30,177	880,730	1,036,677
Cost, end of year	48,699,271	407,387,232	6,124,879	1,537,660	505,894	3,090,315	467,345,251
Work in Progress, end of year		21,685,349	7,819				21,693,168
Cost and Work in Progress, end of year	48,699,271	429,072,581	6,132,698	1,537,660	505,894	3,090,315	489,038,419
Accumulated Amortization, beginning of year		149,479,201	2,727,921	529,882	180,549	1,701,463	154,619,016
Changes for the Year							
Increase: Amortization for the Year		9,115,308	614,454	143,131	105,302	734,552	10,712,747
Decrease:							
Deemed Disposals			112,955	12,815	30,177	880,730	1,036,677
		-	112,955	12,815	30,177	880,730	1,036,677
Accumulated Amortization, end of year		158,594,509	3,229,420	660,198	255,674	1,555,285	164,295,086
Tangible Capital Assets - Net	48,699,271	270,478,072	2,903,278	877,462	250,220	1,535,030	324,743,333

School District No. 41 (Burnaby)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2020

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	10,230,404	10,114			10,240,518
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	9,266,199	7,819			9,274,018
Deferred Capital Revenue - Other	5,307,388				5,307,388
Local Capital	4,049,330				4,049,330
	<u>18,622,917</u>	<u>7,819</u>	<u>-</u>	<u>-</u>	<u>18,630,736</u>
Decrease:					
Transferred to Tangible Capital Assets	7,167,972	10,114			7,178,086
	<u>7,167,972</u>	<u>10,114</u>	<u>-</u>	<u>-</u>	<u>7,178,086</u>
Net Changes for the Year	<u>11,454,945</u>	<u>(2,295)</u>	<u>-</u>	<u>-</u>	<u>11,452,650</u>
Work in Progress, end of year	<u>21,685,349</u>	<u>7,819</u>	<u>-</u>	<u>-</u>	<u>21,693,168</u>

School District No. 41 (Burnaby)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	218,810,625	4,578,521	3,639,296	227,028,442
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	7,847,497	238,339	284,351	8,370,187
Transferred from Work in Progress	3,454,627		2,128,922	5,583,549
	11,302,124	238,339	2,413,273	13,953,736
Decrease:				
Amortization of Deferred Capital Revenue	8,464,207	165,865	141,648	8,771,720
	8,464,207	165,865	141,648	8,771,720
Net Changes for the Year	2,837,917	72,474	2,271,625	5,182,016
Deferred Capital Revenue, end of year	221,648,542	4,650,995	5,910,921	232,210,458
Work in Progress, beginning of year	5,444,346		2,128,922	7,573,268
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	9,274,018	5,307,388		14,581,406
	9,274,018	5,307,388	-	14,581,406
Decrease				
Transferred to Deferred Capital Revenue	3,454,627		2,128,922	5,583,549
	3,454,627	-	2,128,922	5,583,549
Net Changes for the Year	5,819,391	5,307,388	(2,128,922)	8,997,857
Work in Progress, end of year	11,263,737	5,307,388	-	16,571,125
Total Deferred Capital Revenue, end of year	232,912,279	9,958,383	5,910,921	248,781,583

School District No. 41 (Burnaby)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	270,180	8,680	347	24,868,666		25,147,873
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	18,553,210					18,553,210
Provincial Grants - Other			9,042,016			9,042,016
Other				795,702	284,351	1,080,053
Investment Income		213		636,092		636,305
Transfer project surplus to MEd Restricted (from) Bylaw	(1,195,786)	1,195,786				-
	17,357,424	1,195,999	9,042,016	1,431,794	284,351	29,311,584
Decrease:						
Transferred to DCR - Capital Additions	7,847,497		238,339		284,351	8,370,187
Transferred to DCR - Work in Progress	9,274,018		5,307,388			14,581,406
	17,121,515	-	5,545,727	-	284,351	22,951,593
Net Changes for the Year	235,909	1,195,999	3,496,289	1,431,794	-	6,359,991
Balance, end of year	506,089	1,204,679	3,496,636	26,300,460	-	31,507,864