

DISTRICT OPERATIONS – BUSINESS SERVICES
Reporting to Public Session, Tuesday, September 27, 2022

1. Audited Financial Statements 2021/2022

The district's audited financial statements for the fiscal year ending June 30, 2022 are being presented tonight for board approval. The statements were presented to the Audit Sub-Committee on September 20, 2022 and the Finance Committee on September 21, 2022. Highlights include:

- The school district's auditors KPMG LLP will be issuing an unqualified audit report.
- The financial statements reflect an increase in student enrolment and increased operating revenues.
- The district ended the year with a \$1.2 million unrestricted operating fund balance and a \$9.7 million restricted operating fund balance.

Mr. Ishver Khunguray, Deputy Secretary-Treasurer, will make a presentation on the audited financial statements.

Recommendation:

THAT the Board of Education receive and approve the audited financial statements of the Board of Education of School District No. 41 (Burnaby) for the year ended June 30, 2022, as presented.

2. Student and Family Affordability Fund Allocation

The District received a one-time allocation of funds from the Ministry of Education and Child Care to increase food security for students and their families and to support students, parents and guardians with affordability concerns. Attached you will find more detailed information on the reporting parameters.

Recommendation:

THAT the Board of Education receive this information.

3. 2022/2023 Capital Plan Submission

a. Revised 2022/2023 Minor Capital Plan Submission

The District discovered a building envelop failure at Edmonds Community School. Attached is the revised minor capital plan submission which includes a building envelope request and a HVAC upgrade request.

Recommendation:

THAT the Board of Education approve the revised 2022/2023 Capital Plan submission to include the following School Enhancement Projects:

- Phase 1 of building envelope upgrades at Edmonds Community School with a budget of \$965,500; and,
- Phase 1 of HVAC updates at Edmonds Community School with a revised budget of \$134,500.

b. 2023/2024 Minor Capital Plan Submission

The Burnaby Board of Education is required to submit an Annual Minor Capital Plan to the Ministry of Education and Child Care. Attached is the summary of the 2023/2024 Minor Capital Plan Submissions and details for the three categories of projects that the District could apply to receive funding for.

Recommendation:

THAT the Board of Education approve in accordance with provisions undersection 142 (4) of the School Act, the proposed Five-Year Capital Plan (Minor Capital Programs) for 2023/2024, as provided on the Five-Year Capital Plan Summary for 2023/2024 submitted to the Ministry of Education.

4. 2022 School Site Acquisition Capital Bylaw No. 2022-1

The Board of Education has authorized through a previously approved Bylaw the collection of School Site Acquisition Charges (SSAC) for each proposed new dwelling unit within the City of Burnaby boundaries. Attached is a copy of the School Site Acquisition Capital Bylaw No. 2022-1 for reference.

Russell Horswill, Secretary-Treasurer, will present the School Site Acquisition Capital Bylaw No. 2022-1 for information.

Recommendation:

THAT the Board of Education consider and approve the School Site Acquisition Capital Bylaw No. 2022-1 as presented.

- | | |
|----------|---|
| Motion 1 | THAT School Site Acquisition Capital Bylaw No. 2022-1 receive three readings at this Board meeting held September 27, 2022. |
| Motion 2 | THAT School Site Acquisition Capital Bylaw No. 2022-1 be read a first time. |
| Motion 3 | THAT School Site Acquisition Capital Bylaw No. 2022-1 be approved a first time and read a second time. |

- Motion 4 THAT School Site Acquisition Capital Bylaw No. 2022-1 be approved a second time and read a third time.
- Motion 5 THAT School Site Acquisition Capital Bylaw No. 2022-1 be approved a third time.
- Motion 6 THAT School Site Acquisition Capital Bylaw No. 2022-1 having been read a first, second, and third time, be finally passed and adopted the 27th of September 2022, and that the Chair of the Board and the Secretary-Treasurer be authorized to sign the bylaw; and that the bylaw be sealed with the corporate seal of the Board.

5. Board Policy – Final Consideration and Approval

At the June 2022 Regular Meeting the Board approved through resolution Notice of Motion for *Policy #1.05 – Trustee Code of Conduct and Ethics* and *Policy #7.60 – Childcare Programs in District Facilities*. From June to September both policies were circulated, and no comments were received. Both policies are being presented to the Board for final approval.

Recommendation:

THAT the Board of Education approve *Policy #1.05 – Trustee Code of Conduct and Ethics* as presented.

AND THAT the Board of Education approve *Policy #7.60.00 – Childcare Programs in District Facilities* as presented.

Audited Financial Statements of

School District No. 41 (Burnaby)

And Independent Auditors' Report thereon

June 30, 2022

School District No. 41 (Burnaby)

June 30, 2022

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School District No. 41 (Burnaby)

MANAGEMENT REPORT

Version: 5659-4913-2931

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, KPMG 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)

Signature of the Chairperson of the Board of Education

Date Signed

Signature of the Superintendent

Date Signed

Signature of the Secretary Treasurer

Date Signed



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INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the financial statements of School District No. 41 (Burnaby) (the "Entity"), which comprise:

- the statement of financial position as at June 30, 2022
 - 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 notes to the financial statements, including a summary of significant accounting policies
- (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements as at and for the year ended June 30, 2022 of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

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 "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

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

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

Emphasis of Matter – Financial Reporting Framework

We draw attention to note 2 to the financial statements which describes the applicable financial reporting framework and the significant differences between the financial reporting framework and Canadian public sector accounting standards.

Our opinion is not modified in respect of this matter.

Other Matter – Comparative Information

The financial statements for the year ended June 30, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on September 29, 2021.



Other Information

Management is responsible for the other information. Other information comprises:

- Unaudited Schedules 1-4 attached to the audited financial statements; and
- Information, other than the financial statements and the auditors' report thereon, included in the Financial Statement Discussion and Analysis document.

Our opinion on the financial statements does not cover the other information and we do not and will 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.

We obtained the other information, other than the financial statements and the auditors' report thereon, included in the Financial Statement Discussion and Analysis document and Unaudited Schedules 1-4 attached to the audited financial statements as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

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 financial reporting provisions of Section 23.1 of the Budget and 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- 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.

Chartered Professional Accountants
Vancouver, Canada
September __, 2022

School District No. 41 (Burnaby)

Statement 1

Statement of Financial Position

As at June 30, 2022

	2022 Actual	2021 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	97,891,160	86,020,293
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	16,647,791	7,605,392
Due from Province - Other	493,355	34,578
Other (Note 3)	5,101,473	4,473,188
Portfolio Investments (Note 4)	2,185,209	2,182,960
Total Financial Assets	122,318,988	100,316,411
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	39,205,494	32,081,747
Unearned Revenue (Note 6)	18,308,777	16,643,688
Deferred Revenue (Note 7)	9,216,203	8,725,303
Deferred Capital Revenue (Note 8)	375,124,625	321,140,861
Employee Future Benefits (Note 9)	10,104,762	9,725,546
Capital Lease Obligations (Note 10)	3,329,014	4,839,924
Total Liabilities	455,288,875	393,157,069
Net Debt	(332,969,887)	(292,840,658)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	443,579,859	385,417,921
Restricted Assets (Endowments) (Note 13)	25,000	25,000
Prepaid Expenses	2,613,863	2,579,853
Total Non-Financial Assets	446,218,722	388,022,774
Accumulated Surplus (Deficit)	113,248,835	95,182,116
Contractual Obligations (Note 16)		
Contractual Rights (Note 17)		
Contingent Liabilities (Note 18)		

Approved by the Board

Signature of the Chairperson of the Board of Education	Date Signed
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Signature of the Superintendent	Date Signed
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Signature of the Secretary Treasurer	Date Signed
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School District No. 41 (Burnaby)

Statement 2

Statement of Operations

Year Ended June 30, 2022

	2022 Budget (Note 19) \$	2022 Actual \$	2021 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	267,543,611	268,413,467	268,040,470
Other	181,687	335,614	167,995
Federal Grants	3,751,864	3,436,204	3,383,590
Tuition	20,959,949	21,573,116	16,574,438
Other Revenue	11,514,275	7,024,303	5,786,672
Rentals and Leases	591,836	620,564	496,834
Investment Income	388,366	457,820	586,382
Gain (Loss) on Disposal of Tangible Capital Assets		23,886,528	
Amortization of Deferred Capital Revenue	8,834,621	9,052,818	7,549,669
Total Revenue	313,766,209	334,800,434	302,586,050
Expenses			
Instruction	273,745,792	265,890,763	259,687,860
District Administration	7,578,364	7,964,623	7,495,226
Operations and Maintenance	39,585,188	40,808,210	39,078,491
Transportation and Housing	1,647,090	1,915,896	1,781,405
Debt Services		154,223	13,315
Total Expense	322,556,434	316,733,715	308,056,297
Surplus (Deficit) for the year	(8,790,225)	18,066,719	(5,470,247)
Accumulated Surplus (Deficit) from Operations, beginning of year		95,182,116	100,652,363
Accumulated Surplus (Deficit) from Operations, end of year		113,248,835	95,182,116

School District No. 41 (Burnaby)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2022

	2022 Budget (Note 19)	2022 Actual	2021 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(8,790,225)</u>	<u>18,066,719</u>	<u>(5,470,247)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets		(71,072,162)	(71,563,823)
Amortization of Tangible Capital Assets		12,831,548	10,889,235
Net carrying value of Tangible Capital Assets disposed of		78,676	
Total Effect of change in Tangible Capital Assets	<u>-</u>	<u>(58,161,938)</u>	<u>(60,674,588)</u>
Acquisition of Prepaid Expenses		(131,376)	(2,579,853)
Use of Prepaid Expenses		97,366	1,657,823
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(34,010)</u>	<u>(922,030)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(8,790,225)</u>	<u>(40,129,229)</u>	<u>(67,066,865)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(40,129,229)</u>	<u>(67,066,865)</u>
Net Debt, beginning of year		<u>(292,840,658)</u>	<u>(225,773,793)</u>
Net Debt, end of year		<u><u>(332,969,887)</u></u>	<u><u>(292,840,658)</u></u>

School District No. 41 (Burnaby)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2022

	2022 Actual	2021 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	18,066,719	(5,470,247)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(10,129,461)	(6,062,755)
Prepaid Expenses	(34,010)	(922,030)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	7,123,747	5,639,651
Unearned Revenue	1,665,089	(1,872,902)
Deferred Revenue	490,900	(1,244,753)
Employee Future Benefits	379,216	513,475
Loss (Gain) on Disposal of Tangible Capital Assets	(23,886,528)	
Amortization of Tangible Capital Assets	12,831,548	10,889,235
Amortization of Deferred Capital Revenue	(9,052,818)	(7,549,669)
Total Operating Transactions	(2,545,598)	(6,079,995)
Capital Transactions		
Tangible Capital Assets Purchased	(1,281,700)	(7,725,176)
Tangible Capital Assets -WIP Purchased	(69,790,462)	(58,106,744)
District Portion of Proceeds on Disposal	23,965,000	
Total Capital Transactions	(47,107,162)	(65,831,920)
Financing Transactions		
Loan Payments	(1,510,707)	(1,112,348)
Capital Revenue Received	63,036,582	48,401,083
Total Financing Transactions	61,525,875	47,288,735
Investing Transactions		
Investments in Portfolio Investments	(2,248)	22,489
Total Investing Transactions	(2,248)	22,489
Net Increase (Decrease) in Cash and Cash Equivalents	11,870,867	(24,600,691)
Cash and Cash Equivalents, beginning of year	86,020,293	110,620,984
Cash and Cash Equivalents, end of year	97,891,160	86,020,293
Cash and Cash Equivalents, end of year, is made up of:		
Cash	37,511,773	27,247,084
Cash Equivalents	60,379,387	58,773,209
	97,891,160	86,020,293

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 AUTHORITY AND PURPOSE

The School District operates under 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)." A Board of Education ("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 and Child Care ("MECC"). School District No. 41 (Burnaby) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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* supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 257/2010 requires all taxpayer supported organizations in the Schools, Universities, Colleges and Hospitals sectors to adopt Canadian public sector accounting standards without any PS4200 elections effective their first fiscal year commencing after January 1, 2012.

Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

For British Columbia taxpayer supported organizations, these contributions include government transfers and externally restricted contributions.

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which require that;

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410; and
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100.

As a result, revenue recognized in the statement of operations and certain related deferred capital revenue would be recorded differently under Canadian Public Sector Accounting Standards.

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.

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

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.

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations.

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.

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 (m).

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.

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, early retirement, retirement/severance, vacation, overtime and death benefits. 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 plan.

The most recent valuation of the obligation was performed at March 31, 2022 and projected to March 31, 2025. The next valuation will be performed at March 31, 2025, for use at June 30, 2025. 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.

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

g) Employee Future Benefits (continued)

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.

h) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the School District:
 - is directly responsible; or
 - accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

i) 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 directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which 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 acquisition 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.

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

i) Tangible Capital Assets (continued)

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

j) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the School District are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.

All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

k) 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.

l) 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 14 – Interfund Transfers and Note 21 – Internally restricted surplus – Operating fund).

m) Revenue Recognition

Revenues are recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated.

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 over the useful life of the related assets.

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

m) Revenue Recognition (continued)

Donated tangible capital assets other than sites are recorded at fair market value and amortized over the useful life of the assets. Donated sites are recorded as revenue at fair market 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 have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished.

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

Investment income is reported 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.

n) Expenditures

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

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

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 Indigenous 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.

o) 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 accrued liabilities.

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

o) Financial Instruments (continued)

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.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. There are no measurement gains or losses during the periods presented. As a result, the School District does not have a statement of remeasurement gains or losses. Interest and dividends attributable to financial instruments are reported in the statement of operations.

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.

p) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in note 2 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. Areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites, rates for amortization and employee future benefits. Actual results could differ from those estimates.

q) Future Changes in Accounting Policies

PS 3280 Asset Retirement Obligations issued August 2018 establishes standards for recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets and is effective July 1, 2022. A liability will be recognized when, as at the financial reporting date:

- (a) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (b) the past transaction or event giving rise to the liability has occurred;
- (c) it is expected that future economic benefits will be given up; and
- (d) a reasonable estimate of the amount can be made.

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.

A modified retroactive application has been recommended by Government. Management is in the process of assessing the impact of adopting this standard on the School District's financial results.

PS 3400 Revenue issued November 2018 establishes standards on how to account for and report on revenue and is effective July 1, 2023. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions".

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

q) Future Changes in Accounting Policies (continued)

Revenue from transactions with performance obligations should be recognized when (or as) the school district satisfies a performance obligation by providing the promised goods or services to a payor.

Revenue from transactions with no performance obligations should be recognized when a school district:

- (a) has the authority to claim or retain an inflow of economic resources; and
- (b) identifies a past transaction or event that gives rise to an asset.

This standard may be applied retroactively or prospectively. Management is in the process of assessing the impact of adopting this standard on the School District's financial results.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER

	2022	2021
Due from Federal Government	\$ -	\$ -
Other	5,101,473	4,473,188
	<u>\$ 5,101,473</u>	<u>\$ 4,473,188</u>

NOTE 4 PORTFOLIO INVESTMENTS

	2022	2021
GIC's and Term Deposits	<u>\$ 2,185,209</u>	<u>\$ 2,182,960</u>

\$1,920,209 matures in FY2023 with annual yield between 0.2% and 4.05%. \$265,000 matures in FY2024 with annual yield between 1.10% and 4.05%.

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2022	2021
Trade Payables	\$ 16,298,338	\$ 9,798,309
Salaries and Benefits Payable	20,653,892	20,391,650
Accrued Vacation Pay	2,253,264	1,891,788
	<u>\$ 39,205,494</u>	<u>\$ 32,081,747</u>

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 6 UNEARNED REVENUE

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 16,643,688	\$ 18,516,590
Changes for the year:		
Increase:		
Tuition fees received	18,027,713	14,132,644
Decrease:		
Tuition fee revenue recognized	(16,362,624)	(16,005,546)
Net changes for the year	<u>\$ 1,665,089</u>	<u>(1,872,902)</u>
Balance, end of year	<u><u>\$ 18,308,777</u></u>	<u><u>\$ 16,643,688</u></u>

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).

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 8,725,303	\$ 9,970,056
Changes for the year:		
Increase:		
Provincial grants - MECC	\$ 30,490,666	\$ 35,109,616
Provincial Grants - Other	105,436	52,360
Federal grants	3,436,204	3,383,590
Other revenue	6,319,311	4,455,714
Investment income	375	811
	<u>40,351,992</u>	<u>43,002,091</u>
Decrease:		
Transfers to revenue	\$ (38,190,436)	\$ (43,218,861)
Recovery	(1,670,656)	(1,027,983)
	<u>\$ (39,861,092)</u>	<u>\$ (44,246,844)</u>
Net Changes for the year	490,900	(1,244,753)
Balance, end of year	<u><u>\$ 9,216,203</u></u>	<u><u>\$ 8,725,303</u></u>

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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.

	<u>2022</u>	<u>2021</u>
Deferred Capital Revenue, beginning of year	\$ 321,140,861	\$ 280,289,447
Increases:		
Provincial Grants - MECC	59,519,877	35,142,050
Other Provincial Capital	349,433	4,340,914
Local Government Fees / Grants	2,600,095	1,707,589
Investment Income	293,847	418,480
Other Capital	273,330	6,792,050
Transfers from unspent Deferred Capital Revenue - Capital Additions	17,178,381	4,731,565
	80,214,963	53,132,648
Decreases:		
Transfers to Deferred Capital Revenue - Capital Additions	17,178,381	4,731,565
Amortization of Deferred Capital Revenue	9,052,818	7,549,669
	26,231,199	12,281,234
Net Change for the year	53,983,764	40,851,414
Deferred Capital Revenue, end of year	\$ 375,124,625	\$ 321,140,861

NOTE 9 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. Funding is provided when the benefits are paid and accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 **EMPLOYEE FUTURE BENEFITS** *(continued)*

	<u>2022</u>	<u>2021</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation - April 1	\$ 9,715,829	\$ 9,754,189
Service Cost	712,445	717,220
Interest Cost	250,819	226,859
Benefit Payments	(699,170)	(538,432)
Increase (Decrease) in obligation due to Plan Amendment	19,144	-
Actuarial (Gain) Loss	303,587	(444,007)
Accrued Benefit Obligation - March 31	<u>\$ 10,302,654</u>	<u>\$ 9,715,829</u>
 Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$ 10,302,654	\$ 9,715,829
Funded Status - Deficit	(10,302,654)	(9,715,829)
Employer Contributions After Measurement Date	195,271	169,283
Benefit Expense After Measurement Date	(259,679)	(240,816)
Unamortized Net Actuarial Loss	262,299	61,816
Accrued Benefit Asset (Liability) - June 30	<u>\$ (10,104,762)</u>	<u>\$ (9,725,546)</u>
 Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) – July 1	\$ 9,725,546	\$ 9,212,071
Net Expense for Fiscal Year	1,104,375	1,090,927
Employer Contributions	(725,159)	(577,452)
Accrued Benefit Liability (Asset) – June 30	<u>\$ 10,104,762</u>	<u>\$ 9,725,546</u>
 Components of Net Benefit Expense		
Service Cost	\$ 710,480	\$ 716,026
Interest Cost	271,647	232,849
Immediate Recognition of Plan Amendment	19,144	-
Amortization of Net Actuarial (Gain)/Loss	103,104	142,052
Net Benefit Expense	<u>\$ 1,104,375</u>	<u>\$ 1,090,927</u>

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 EMPLOYEE FUTURE BENEFITS *(continued)*

The impact of changes in assumptions between the March 31, 2022 measurement date and the June 30, 2022 reporting date have been considered and are not considered to be material. The significant actuarial assumptions adopted for measuring the School District's accrued benefit obligations are:

Assumptions	2022	2021
Discount Rate - April 1	2.50%	2.25%
Discount Rate - March 31	3.25%	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 (years) - March 31	11.3	11.4

NOTE 10 CAPITAL LEASE OBLIGATIONS

The School District leases assets under capital leases. All leases will expire by fiscal year 2025. The capital leases provide for a transfer of ownership of the assets to the School District through a bargain purchase option. The School District has certain other leasing agreements with third parties; assets under these other agreements and respective liabilities are not material.

Repayments are due as follows:

	2022	2021
2022	\$ -	\$ 1,564,115
2023	1,458,780	1,564,115
2024	1,458,780	1,564,115
2025	525,593	562,387
Total minimum lease payments	3,443,153	5,254,732
Interest portion	(114,139)	(414,808)
Total	<u>\$ 3,329,014</u>	<u>\$ 4,839,924</u>

NOTE 11 TANGIBLE CAPITAL ASSETS

	Net Book Value 2022	Net book value 2021
Sites	\$ 48,620,595	\$ 48,699,271
Buildings	278,862,568	278,862,568
Furniture and equipment	3,785,606	3,785,606
Vehicles	994,988	994,988
Computer software	122,671	122,671
Computer hardware	6,400,328	6,400,328
Work in progress:		
Buildings	104,503,597	79,159,680
Furniture and equipment	289,506	640,232
Total	<u>\$ 443,579,859</u>	<u>\$ 418,665,344</u>

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 11 TANGIBLE CAPITAL ASSETS *(continued)*

June 30, 2022

Costs:	June 30, 2021 Balance	Additions	Disposals	Transfers (WIP)	June 30, 2022 Balance
Sites	\$ 48,699,271	\$ -	\$ (78,676)	\$ -	\$ 48,620,595
Buildings	413,187,752	248,411	(58,783)	43,249,219	456,626,599
Furniture & Equipment	5,288,545	578,450	(1,162,654)	1,548,052	6,252,393
Vehicles	1,805,364	81,477	(167,295)	-	1,719,546
Computer Software	496,920	-	(73,619)	-	423,301
Computer Hardware	10,036,396	373,362	(473,784)	-	9,935,974
	<u>\$ 479,514,248</u>	<u>\$ 1,281,700</u>	<u>\$ (2,014,811)</u>	<u>\$ 44,797,271</u>	<u>\$ 523,578,408</u>
Work in progress - Buildings	79,159,680	68,593,136	-	(43,249,219)	104,503,597
Work in progress - Furniture & Equipment	640,232	1,197,326	-	(1,548,052)	289,506
	<u>\$ 559,314,160</u>	<u>\$ 71,072,162</u>	<u>\$ (2,014,811)</u>	<u>\$ -</u>	<u>\$ 628,371,511</u>

Accumulated Amortization	June 30, 2021 Balance	Additions	Disposals	June 30, 2022 Balance
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	167,833,817	9,988,997	(58,783)	177,764,031
Furniture & Equipment	3,052,394	577,047	(1,162,654)	2,466,787
Vehicles	715,608	176,245	(167,295)	724,558
Computer Software	282,227	92,022	(73,619)	300,630
Computer Hardware	2,012,193	1,997,237	(473,784)	3,535,646
Total	<u>\$ 173,896,239</u>	<u>\$ 12,831,548</u>	<u>\$ (1,936,135)</u>	<u>\$ 184,791,652</u>

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 11 TANGIBLE CAPITAL ASSETS *(continued)*

June 30, 2021

	June 30, 2020 Balance	Additions	Disposals	Transfers (WIP)	June 30, 2021 Balance
Costs:					
Sites	\$ 48,699,271	\$ -	\$ -	\$ -	\$ 48,699,271
Buildings	407,387,232	5,800,520	-	-	413,187,752
Furniture & Equipment	6,124,879	-	(836,334)	-	5,288,545
Vehicles	1,537,660	378,805	(111,101)	-	1,805,364
Computer Software	505,894	26,645	(35,619)	-	496,920
Computer Hardware	3,090,315	7,251,109	(305,028)	-	10,036,396
	<u>\$ 467,345,251</u>	<u>13,457,079</u>	<u>\$ (1,288,082)</u>	<u>-</u>	<u>\$ 479,514,248</u>
Work in progress - Buildings	21,685,349	57,474,331	-	-	79,159,680
Work in progress - Furniture & Equipment	7,819	632,413	-	-	640,232
	<u>\$ 489,038,419</u>	<u>\$ 71,563,823</u>	<u>\$ (1,288,082)</u>	<u>-</u>	<u>\$ 559,314,160</u>

	June 30, 2020 Balance	Additions	Disposals	June 30, 2021 Balance
Accumulated Amortization				
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	158,594,509	9,239,308	-	167,833,817
Furniture & Equipment	3,229,420	659,308	(836,334)	3,052,394
Vehicles	660,198	166,511	(111,101)	715,608
Computer Software	255,674	62,172	(35,619)	282,227
Computer Hardware	1,555,285	761,936	(305,028)	2,012,193
Total	<u>\$ 164,295,086</u>	<u>\$ 10,889,235</u>	<u>\$ (1,288,082)</u>	<u>\$ 173,896,239</u>

Buildings – work in progress having a value of \$ 104,503,597 (2021: \$ 79,159,680) have not been amortized. Amortization of these assets will commence when the asset is put into service.

NOTE 12 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, 2021, the Teachers' Pension Plan has about 50,000 active members and approximately 40,000 retired members. As of December 31, 2021, the Municipal Pension Plan has about 227,000 active members, including approximately 29,000 from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and 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 may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 12 EMPLOYEE PENSION PLANS *(continued)*

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2020, indicated a \$1,584 million surplus for basic pension benefits on a going concern basis.

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 School District paid \$ 22,960,241 for employer contributions to the plans for the year ended June 30, 2022 (2021: \$22,493,621).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2023. The next valuation for the Municipal Pension Plan will be as at December 31, 2021, with results available in 2022.

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plans record accrued liabilities and accrued assets for each plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

NOTE 13 RESTRICTED ASSETS - ENDOWMENT FUNDS

Donors have placed restrictions on their contributions to the endowment funds of the School District. One restriction is that the original contribution should not be spent. Another potential restriction is that any investment income of the endowment fund that is required to offset the eroding effect of inflation or preserve the original value of the endowment should also not be spent.

Name of Endowment	2021	Contributions	2022
BCSD Scholarship Fund	\$ 10,000	\$ -	\$ 10,000
BCSD Research Fund	15,000	-	15,000
Total	\$ 25,000	\$ -	\$ 25,000

NOTE 14 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2022, were as follows:

- \$2,252,000 transferred from the Operating Fund to the Capital Fund for capital asset purchases from Local Capital
- \$185,949 transferred from the Operating Fund to the Capital Fund for capital asset purchases

NOTE 15 RELATED PARTY TRANSACTIONS

The School District is related through common ownership 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.

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 16 CONTRACTUAL OBLIGATIONS

The School District has entered into a number of multiple-year contracts for the delivery of services and construction of tangible capital assets. 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. There are no contractual obligations after 2026/27.

Contractual Obligations	2023	2024	2025	2026	2027
Technology	\$ 1,458,780	\$ 1,458,780	\$ 525,593	\$ -	\$ -
Transportation *	120,000	-	-	-	-
Garbage Collection Services	205,000	205,000	205,000	205,000	205,000
Capital Project - Burnaby North	42,025,080	-	-	-	-
Capital Project - Portables	239,093	-	-	-	-
Capital Project - Childcare	199,137	-	-	-	-
Capital Project - Parkcrest	41,981	-	-	-	-
Capital Project - Seaforth	254,728	-	-	-	-
Capital Project - Stride	1,253,725	-	-	-	-
Total	\$ 45,797,524	\$ 1,663,780	\$ 730,593	\$ 205,000	\$ 205,000

NOTE 17 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 contracts entered into for operation of childcare centres on School District's sites. The following table summarizes the contractual rights of the School District for future assets:

Contractual rights	2023	2024	2025	2026	2027	Thereafter
	\$ 492,341	\$ 209,007	\$ 209,007	\$ 63,500	\$ -	\$ -

NOTE 18 CONTINGENT LIABILITIES

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 \$2,423,708 (2021 - \$ 2,444,708).

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 19 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 22, 2022. Changes between the original annual budget (approved by the Board on May 25, 2021) and the amended annual budget are listed below:

	2022 Preliminary Budget	2022 Amended Budget	Change
Total Revenue	\$ 303,153,168	\$ 313,766,209	\$ 10,613,041
Total Expense	310,389,685	322,556,434	(12,166,749)
Deficit for the year	(7,236,517)	(8,790,225)	(1,553,708)
Budgeted Allocation of Surplus	6,843,830	7,962,238	1,118,408
Budgeted Surplus (Deficit) for the year	\$ (392,687)	\$ (827,987)	\$ (435,300)
Deficit for the year	\$ (7,236,517)	\$ (8,790,225)	\$ (1,553,708)
Total Effect of change in Tangible Capital Assets	(11,615,400)	(11,120,100)	495,300
Increase in Net Financial Assets (Debt)	\$ (18,851,917)	\$ (19,910,325)	\$ (1,058,408)

Significant changes between the original and amended budget were:

- 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 2021.

More information on the financial results can be found in the District's 2021-2022 Financial Statement Discussion & Analysis (FSD & A).

NOTE 20 EXPENSE BY OBJECT

	2022	2021
Salaries and benefits	\$ 274,360,161	\$ 268,347,333
Services and supplies	29,374,948	28,801,014
Interest	154,223	13,315
Amortization	12,831,548	10,889,235
Total	\$ 316,720,880	\$ 308,050,897

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 21 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

	2022	2021
Internally restricted operating surplus		
Ensuing year operating budget commitment	\$ 4,942,616	\$ 6,843,830
International Education Program Reserve	2,125,000	2,125,000
School fund balances, learning resources, program development	753,791	743,723
Other School District committed expenses	1,908,646	2,468,540
Subtotal Internally Restricted	\$ 9,730,053	\$ 12,181,093
Unrestricted Operating Surplus	1,199,617	4,048,378
Total Available for Future Operations	\$ 10,929,670	\$ 16,229,471

NOTE 22 ECONOMIC DEPENDENCE

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

NOTE 23 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, amounts receivable and investments.

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.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments 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 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.

SCHOOL DISTRICT NO. 41 (BURNABY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 23 RISK MANAGEMENT *(continued)*

b) Market risk (continued):

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 investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in term deposits held with the Provincial Central Deposit Program 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. There have been no changes to risk exposure from 2021 related to credit, market or liquidity risks.

School District No. 41 (Burnaby)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2022

	Operating Fund	Special Purpose Fund	Capital Fund	2022 Actual	2021 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	16,229,471	25,000	78,927,645	95,182,116	100,652,363
Changes for the year					
Surplus (Deficit) for the year	(2,861,852)	867,706	20,060,865	18,066,719	(5,470,247)
Interfund Transfers					
Tangible Capital Assets Purchased	(185,949)	(867,706)	1,053,655	-	
Local Capital	(2,252,000)		2,252,000	-	
Net Changes for the year	(5,299,801)	-	23,366,520	18,066,719	(5,470,247)
Accumulated Surplus (Deficit), end of year - Statement 2	10,929,670	25,000	102,294,165	113,248,835	95,182,116

School District No. 41 (Burnaby)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2022

	2022 Budget (Note 19)	2022 Actual	2021 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	239,188,582	239,762,295	232,870,833
Other	126,500	283,800	116,400
Tuition	20,959,949	21,573,116	16,574,438
Other Revenue	711,547	973,432	1,172,633
Rentals and Leases	484,544	513,274	389,129
Investment Income	273,366	457,445	586,382
Total Revenue	261,744,488	263,563,362	251,709,815
Expenses			
Instruction	233,399,431	232,245,950	221,466,438
District Administration	6,956,261	7,369,833	6,973,105
Operations and Maintenance	26,222,256	25,723,709	24,525,061
Transportation and Housing	876,778	1,085,722	970,282
Total Expense	267,454,726	266,425,214	253,934,886
Operating Surplus (Deficit) for the year	(5,710,238)	(2,861,852)	(2,225,071)
Budgeted Appropriation (Retirement) of Surplus (Deficit)	7,962,238		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(185,949)	(104,142)
Tangible Capital Assets - Work in Progress			-
Local Capital	(2,252,000)	(2,252,000)	(1,609,362)
Other			(1,125,663)
Total Net Transfers	(2,252,000)	(2,437,949)	(2,839,167)
Total Operating Surplus (Deficit), for the year	-	(5,299,801)	(5,064,238)
Operating Surplus (Deficit), beginning of year		16,229,471	21,293,709
Operating Surplus (Deficit), end of year		10,929,670	16,229,471
Operating Surplus (Deficit), end of year			
Internally Restricted		9,730,053	12,181,093
Unrestricted		1,199,617	4,048,378
Total Operating Surplus (Deficit), end of year		10,929,670	16,229,471

School District No. 41 (Burnaby)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2022

	2022 Budget (Note 19)	2022 Actual	2021 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	236,678,950	237,661,956	222,644,552
Other Ministry of Education and Child Care Grants			
Pay Equity	1,441,995	1,441,995	1,441,995
Funding for Graduated Adults	682,176	227,922	682,176
Student Transportation Fund	24,841	24,841	24,841
Support Staff Benefits Grant	327,925	332,886	327,925
Teachers' Labour Settlement Funding			7,146,649
Early Career Mentorship Funding			570,000
FSA Scorer Grant	27,292	27,292	27,292
Early Learning Framework (ELF) Implementation	5,403	5,403	5,403
Extreme Weather		40,000	
Total Provincial Grants - Ministry of Education and Child Care	239,188,582	239,762,295	232,870,833
Provincial Grants - Other	126,500	283,800	116,400
Tuition			
Summer School Fees	334,135	334,135	224,385
Continuing Education	2,084,544	2,185,836	2,227,324
International and Out of Province Students	18,541,270	19,053,145	14,122,729
Total Tuition	20,959,949	21,573,116	16,574,438
Other Revenues			
Miscellaneous			
City of Burnaby - Crossing Guards	205,000	205,000	205,000
Other Program fees	153,092	55,760	118,051
Sundry	353,455	712,672	849,582
Total Other Revenue	711,547	973,432	1,172,633
Rentals and Leases	484,544	513,274	389,129
Investment Income	273,366	457,445	586,382
Total Operating Revenue	261,744,488	263,563,362	251,709,815

School District No. 41 (Burnaby)**Schedule 2B (Unaudited)**

Schedule of Operating Expense by Object

Year Ended June 30, 2022

	2022 Budget (Note 19)	2022 Actual	2021 Actual
	\$	\$	\$
Salaries			
Teachers	129,987,282	130,514,749	126,235,709
Principals and Vice Principals	10,737,659	10,656,645	10,424,367
Educational Assistants	21,506,145	21,923,065	20,243,084
Support Staff	20,541,513	21,118,537	20,916,728
Other Professionals	5,368,583	5,535,182	5,575,464
Substitutes	11,186,465	11,212,953	8,420,368
Total Salaries	199,327,647	200,961,131	191,815,720
Employee Benefits	44,355,194	45,292,248	42,069,565
Total Salaries and Benefits	243,682,841	246,253,379	233,885,285
Services and Supplies			
Services	8,739,785	7,472,085	7,265,391
Student Transportation	691,831	812,589	733,771
Professional Development and Travel	1,045,443	454,981	626,657
Rentals and Leases	155,059	180,248	108,918
Dues and Fees	74,427	96,205	108,344
Insurance	614,858	586,787	542,507
Supplies	9,121,327	7,075,271	7,559,158
Utilities	3,329,155	3,493,669	3,104,855
Total Services and Supplies	23,771,885	20,171,835	20,049,601
Total Operating Expense	267,454,726	266,425,214	253,934,886

School District No. 41 (Burnaby)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

	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	96,212,492	179,309	608,952	1,800,404	241,695	6,361,991	105,404,843
1.03 Career Programs	815,455			161,245		54,440	1,031,140
1.07 Library Services	2,840,260	15,312	172,575	113,094			3,141,241
1.08 Counselling	4,191,214						4,191,214
1.10 Special Education	10,884,949	283,077	20,622,130			2,565,466	34,355,622
1.30 English Language Learning	7,500,238	49,761					7,549,999
1.31 Indigenous Education	870,796	148,347	184,363			57,655	1,261,161
1.41 School Administration	634,785	9,030,492		4,812,801			14,478,078
1.60 Summer School	1,308,928	220,742				614,349	2,144,019
1.61 Continuing Education	1,363,907	258,492		285,651	211,382	41,762	2,161,194
1.62 International and Out of Province Students	3,891,725	56,871	335,045	235,961	477,287	257,668	5,254,557
Total Function 1	130,514,749	10,242,403	21,923,065	7,409,156	930,364	9,953,331	180,973,068
4 District Administration							
4.11 Educational Administration		414,242		308,072	1,602,494		2,324,808
4.40 School District Governance				60,923	357,560		418,483
4.41 Business Administration				941,246	1,488,334		2,429,580
Total Function 4	-	414,242	-	1,310,241	3,448,388	-	5,172,871
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				298,589	1,156,430	3,029	1,458,048
5.50 Maintenance Operations				11,090,177		1,256,593	12,346,770
5.52 Maintenance of Grounds				788,911			788,911
5.56 Utilities							-
Total Function 5	-	-	-	12,177,677	1,156,430	1,259,622	14,593,729
7 Transportation and Housing							
7.70 Student Transportation				221,463			221,463
Total Function 7	-	-	-	221,463	-	-	221,463
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	130,514,749	10,656,645	21,923,065	21,118,537	5,535,182	11,212,953	200,961,131

School District No. 41 (Burnaby)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2022 Actual	2022 Budget (Note 19)	2021 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	105,404,843	22,997,713	128,402,556	5,942,284	134,344,840	135,991,085	129,362,319
1.03 Career Programs	1,031,140	240,578	1,271,718	28,480	1,300,198	1,310,741	1,415,656
1.07 Library Services	3,141,241	732,893	3,874,134	283,713	4,157,847	4,507,770	4,385,566
1.08 Counselling	4,191,214	977,865	5,169,079		5,169,079	5,289,804	4,799,299
1.10 Special Education	34,355,622	8,015,617	42,371,239	504,169	42,875,408	41,742,672	39,636,821
1.30 English Language Learning	7,549,999	1,761,514	9,311,513	2,880	9,314,393	9,829,022	9,160,616
1.31 Indigenous Education	1,261,161	294,245	1,555,406	62,926	1,618,332	1,653,774	1,669,324
1.41 School Administration	14,478,078	3,377,926	17,856,004	3,316	17,859,320	17,270,187	17,360,365
1.60 Summer School	2,144,019	500,228	2,644,247	94,477	2,738,724	2,348,413	1,951,012
1.61 Continuing Education	2,161,194	504,235	2,665,429	1,100,057	3,765,486	3,323,523	3,898,784
1.62 International and Out of Province Students	5,254,557	1,225,957	6,480,514	2,621,809	9,102,323	10,132,440	7,826,676
Total Function 1	180,973,068	40,628,771	221,601,839	10,644,111	232,245,950	233,399,431	221,466,438
4 District Administration							
4.11 Educational Administration	2,324,808	542,408	2,867,216	55,603	2,922,819	2,820,167	2,792,147
4.40 School District Governance	418,483	97,638	516,121	129,255	645,376	625,774	631,414
4.41 Business Administration	2,429,580	566,853	2,996,433	805,205	3,801,638	3,510,320	3,549,544
Total Function 4	5,172,871	1,206,899	6,379,770	990,063	7,369,833	6,956,261	6,973,105
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,458,048	340,182	1,798,230	851,246	2,649,476	2,556,994	2,474,105
5.50 Maintenance Operations	12,346,770	2,880,663	15,227,433	2,794,883	18,022,316	18,050,649	17,371,862
5.52 Maintenance of Grounds	788,911	184,063	972,974	585,274	1,558,248	1,485,058	1,595,839
5.56 Utilities	-	-	-	3,493,669	3,493,669	4,129,555	3,083,255
Total Function 5	14,593,729	3,404,908	17,998,637	7,725,072	25,723,709	26,222,256	24,525,061
7 Transportation and Housing							
7.70 Student Transportation	221,463	51,670	273,133	812,589	1,085,722	876,778	970,282
Total Function 7	221,463	51,670	273,133	812,589	1,085,722	876,778	970,282
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	200,961,131	45,292,248	246,253,379	20,171,835	266,425,214	267,454,726	253,934,886

School District No. 41 (Burnaby)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2022

	2022 Budget (Note 19)	2022 Actual	2021 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	28,355,029	28,651,172	35,169,637
Other	55,187	51,814	51,595
Federal Grants	3,751,864	3,436,204	3,383,590
Other Revenue	10,802,728	6,050,871	4,614,039
Investment Income	5,000	375	
Total Revenue	42,969,808	38,190,436	43,218,861
Expenses			
Instruction	40,346,361	33,644,813	38,221,422
District Administration	622,103	594,790	522,121
Operations and Maintenance	930,932	2,252,953	3,664,195
Transportation and Housing	770,312	830,174	811,123
Total Expense	42,669,708	37,322,730	43,218,861
Special Purpose Surplus (Deficit) for the year	300,100	867,706	-
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(300,100)	(867,706)	
Total Net Transfers	(300,100)	(867,706)	-
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year		25,000	25,000
Special Purpose Surplus (Deficit), end of year		25,000	25,000
Special Purpose Surplus (Deficit), end of year			
Endowment Contributions		25,000	25,000
Total Special Purpose Surplus (Deficit), end of year		25,000	25,000

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation
Deferred Revenue, beginning of year	\$ -	\$ -	\$ -	\$ 529,999	\$ 5,415,990	\$ -	\$ 37,267	\$ 27,854	\$ 104,175	\$ -	\$ -	\$ -	\$ -
Add: Restricted Grants													
Provincial Grants - Ministry of Education and Child Care	911,296	800,400				384,000	100,450	306,032	2,450,104	2,428,607	11,631,258	179,898	1,620
Provincial Grants - Other													
Federal Grants													
Other			-	24,181	4,481,575	-	15,000						
Investment Income													
	911,296	800,400	-	24,181	4,481,575	384,000	115,450	306,032	2,450,104	2,428,607	11,631,258	179,898	1,620
Less: Allocated to Revenue	911,296	800,400	-	-	4,236,402	384,000	97,080	281,221	2,554,279	2,428,607	11,631,258	179,898	-
Recovered													
District Entered													
Deferred Revenue, end of year	-	-	-	554,180	5,661,163	-	55,637	52,665	-	-	-	-	1,620
Revenues													
Provincial Grants - Ministry of Education and Child Care	911,296	800,400				384,000	97,080	281,221	2,450,104	2,428,607	11,631,258	179,898	
Provincial Grants - Other													
Federal Grants													
Other Revenue				-	4,236,402	-			104,175				
Investment Income													
	911,296	800,400	-	-	4,236,402	384,000	97,080	281,221	2,554,279	2,428,607	11,631,258	179,898	-
Expenses													
Salaries													
Teachers						1,438		97,781	463,352		9,612,610		
Principals and Vice Principals													
Educational Assistants		625,922				348,648	22,135		333,544	1,019,033			
Support Staff						1,134			394,665	373,557			
Other Professionals									78,042				
Substitutes							4,515	6,135		447,048		163,038	
	-	625,922	-	-	-	351,220	26,650	103,916	1,269,603	1,839,638	9,612,610	163,038	-
Employee Benefits		173,035					7,899	22,568	411,193	588,969	2,018,648	16,860	
Services and Supplies	911,296	1,443		-	4,236,402	32,780	62,531	154,737	873,483				
District Entered						-							
	911,296	800,400	-	-	4,236,402	384,000	97,080	281,221	2,554,279	2,428,607	11,631,258	179,898	-
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Transfers													
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-	-	-	-	-

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

	Mental Health in Schools	Changing Results for Young Children	Safe Return to School / Restart: Health & Safety Grant	Federal Safe Return to Class / Ventilation Fund	BC Provincial School for the Deaf	PRP Fraser Park Maples	Youth at Risk	CYF Projects	Settlement Services	Community Services	Out of School Time Program	IRCC SWIS	IRCC LINC
Deferred Revenue, beginning of year	\$ 11,868	\$ 10,959	\$ -	\$ -	1,403,575	297,717	\$ 1,261	\$ 23,760	\$ 567,307	\$ 140,926	\$ 121,196	\$ -	\$ -
Add: Restricted Grants													
Provincial Grants - Ministry of Education and Child Care	48,000	11,403	621,673	452,920	7,506,539	2,656,466							
Provincial Grants - Other							53,621				51,815		
Federal Grants												1,378,247	1,978,661
Other							112,638	5,617	7,626	-	57,455		
Investment Income					375								
	48,000	11,403	621,673	452,920	7,506,914	2,656,466	166,259	5,617	7,626	-	109,270	1,378,247	1,978,661
Less: Allocated to Revenue	48,000	10,314	621,673	452,920	5,993,716	2,290,790	71,035	29,226	7,626	-	109,272	1,378,247	1,978,661
Recovered					1,059,245	541,407							
District Entered					70,004	-							
Deferred Revenue, end of year	11,868	12,048	-	-	1,787,524	121,986	96,485	151	567,307	140,926	121,194	-	-
Revenues													
Provincial Grants - Ministry of Education and Child Care	48,000	10,314	621,673	452,920	5,993,341	2,290,790	70,270						
Provincial Grants - Other											51,814		
Federal Grants												1,378,247	1,978,661
Other Revenue							765	29,226	7,626	-	57,458		
Investment Income					375								
	48,000	10,314	621,673	452,920	5,993,716	2,290,790	71,035	29,226	7,626	-	109,272	1,378,247	1,978,661
Expenses													
Salaries													
Teachers	48,000				1,568,209	1,625,545					4,740		1,066,372
Principals and Vice Principals					402,110	149,563							14,575
Educational Assistants		1,261			1,334,392	413	41,357	3,224		-	5,009	68,974	
Support Staff			285,023		141,409	25,651					3,000	789,040	27,424
Other Professionals					198,415						16,342	146,902	
Substitutes		5,264				1,034							49,190
	48,000	6,525	285,023	-	3,644,535	1,802,206	41,357	3,224	-	-	29,091	1,004,916	1,157,561
Employee Benefits	-	1,240	71,534		884,221	372,928	25,637				1,526	255,504	249,752
Services and Supplies		2,549	139,587		1,208,741	115,656	4,041	26,002	7,626		78,655	102,309	553,828
District Entered													
	48,000	10,314	496,144	-	5,737,497	2,290,790	71,035	29,226	7,626	-	109,272	1,362,729	1,961,141
Net Revenue (Expense) before Interfund Transfers	-	-	125,529	452,920	256,219	-	-	-	-	-	-	15,518	17,520
Interfund Transfers													
Tangible Capital Assets Purchased			(125,529)	(452,920)	(256,219)							(15,518)	(17,520)
	-	-	(125,529)	(452,920)	(256,219)	-	-	-	-	-	-	(15,518)	(17,520)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-	-	-	-	-

School District No. 41 (Burnaby)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

	IRCC Wraparound	Endowment Earnings	Community Link Other	TOTAL
	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	31,449	-	8,725,303
Add: Restricted Grants				
Provincial Grants - Ministry of Education and Child Care				30,490,666
Provincial Grants - Other				105,436
Federal Grants	79,296			3,436,204
Other			1,615,219	6,319,311
Investment Income				375
	79,296	-	1,615,219	40,351,992
Less: Allocated to Revenue	79,296	-	1,615,219	38,190,436
Recovered				1,600,652
District Entered				70,004
Deferred Revenue, end of year	-	31,449	-	9,216,203
Revenues				
Provincial Grants - Ministry of Education and Child Care				28,651,172
Provincial Grants - Other				51,814
Federal Grants	79,296			3,436,204
Other Revenue			1,615,219	6,050,871
Investment Income				375
	79,296	-	1,615,219	38,190,436
Expenses				
Salaries				
Teachers			283,990	14,772,037
Principals and Vice Principals				566,248
Educational Assistants	14,533		204,431	4,022,876
Support Staff			241,891	2,282,794
Other Professionals			47,832	487,533
Substitutes				676,224
	14,533	-	778,144	22,807,712
Employee Benefits	2,041		104,175	5,207,730
Services and Supplies	62,722		732,900	9,307,288
District Entered				-
	79,296	-	1,615,219	37,322,730
Net Revenue (Expense) before Interfund Transfers	-	-	-	867,706
Interfund Transfers				
Tangible Capital Assets Purchased				(867,706)
	-	-	-	(867,706)
Net Revenue (Expense)	-	-	-	-

School District No. 41 (Burnaby)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2022

	2022 Budget (Note 19)	2022 Actual			2021 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Rentals and Leases	107,292		107,290	107,290	107,705
Investment Income	110,000			-	-
Gain (Loss) on Disposal of Tangible Capital Assets		23,886,528		23,886,528	-
Amortization of Deferred Capital Revenue	8,834,621	9,052,818		9,052,818	7,549,669
Total Revenue	<u>9,051,913</u>	<u>32,939,346</u>	<u>107,290</u>	<u>33,046,636</u>	<u>7,657,374</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	12,432,000	12,831,548		12,831,548	10,889,235
Debt Services					
Capital Lease Interest			154,223	154,223	13,315
Total Expense	<u>12,432,000</u>	<u>12,831,548</u>	<u>154,223</u>	<u>12,985,771</u>	<u>10,902,550</u>
Capital Surplus (Deficit) for the year	<u>(3,380,087)</u>	<u>20,107,798</u>	<u>(46,933)</u>	<u>20,060,865</u>	<u>(3,245,176)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	300,100	1,053,655		1,053,655	104,142
Tangible Capital Assets - Work in Progress				-	-
Local Capital	2,252,000		2,252,000	2,252,000	1,609,362
Capital Lease Payment				-	1,125,663
Total Net Transfers	<u>2,552,100</u>	<u>1,053,655</u>	<u>2,252,000</u>	<u>3,305,655</u>	<u>2,839,167</u>
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(24,000,000)	24,000,000	-	
Tangible Capital Assets Purchased from Local Capital		228,045	(228,045)	-	
Tangible Capital Assets WIP Purchased from Local Capital		10,783,281	(10,783,281)	-	
Principal Payment					
Capital Lease		1,472,011	(1,472,011)	-	
Total Other Adjustments to Fund Balances		<u>(11,516,663)</u>	<u>11,516,663</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>(827,987)</u>	<u>9,644,790</u>	<u>13,721,730</u>	<u>23,366,520</u>	<u>(406,009)</u>
Capital Surplus (Deficit), beginning of year		<u>91,706,220</u>	<u>(12,778,575)</u>	<u>78,927,645</u>	<u>79,333,654</u>
Capital Surplus (Deficit), end of year		<u>101,351,010</u>	<u>943,155</u>	<u>102,294,165</u>	<u>78,927,645</u>

School District No. 41 (Burnaby)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2022

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	48,699,271	413,187,752	5,288,545	1,805,364	496,920	10,036,396	479,514,248
Changes for the Year							
Increase:							
Purchases from:							
Operating Fund		8,730				177,219	185,949
Special Purpose Funds		239,681	578,450			49,575	867,706
Local Capital				81,477		146,568	228,045
Transferred from Work in Progress		43,249,219	1,548,052				44,797,271
	-	43,497,630	2,126,502	81,477	-	373,362	46,078,971
Decrease:							
Disposed of	78,676	58,783					137,459
Deemed Disposals			1,162,654	167,295	73,619	473,784	1,877,352
	78,676	58,783	1,162,654	167,295	73,619	473,784	2,014,811
Cost, end of year	48,620,595	456,626,599	6,252,393	1,719,546	423,301	9,935,974	523,578,408
Work in Progress, end of year		104,503,597	289,506				104,793,103
Cost and Work in Progress, end of year	48,620,595	561,130,196	6,541,899	1,719,546	423,301	9,935,974	628,371,511
Accumulated Amortization, beginning of year		167,833,817	3,052,394	715,608	282,227	2,012,193	173,896,239
Changes for the Year							
Increase: Amortization for the Year		9,988,997	577,047	176,245	92,022	1,997,237	12,831,548
Decrease:							
Disposed of		58,783					58,783
Deemed Disposals			1,162,654	167,295	73,619	473,784	1,877,352
		58,783	1,162,654	167,295	73,619	473,784	1,936,135
Accumulated Amortization, end of year		177,764,031	2,466,787	724,558	300,630	3,535,646	184,791,652
Tangible Capital Assets - Net	48,620,595	383,366,165	4,075,112	994,988	122,671	6,400,328	443,579,859

School District No. 41 (Burnaby)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2022

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	79,159,680	640,232			79,799,912
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	58,592,099	198,143			58,790,242
Deferred Capital Revenue - Other	172,261	44,678			216,939
Local Capital	9,828,776	954,505			10,783,281
	<u>68,593,136</u>	<u>1,197,326</u>	<u>-</u>	<u>-</u>	<u>69,790,462</u>
Decrease:					
Transferred to Tangible Capital Assets	43,249,219	1,548,052			44,797,271
	<u>43,249,219</u>	<u>1,548,052</u>	<u>-</u>	<u>-</u>	<u>44,797,271</u>
Net Changes for the Year	<u>25,343,917</u>	<u>(350,726)</u>	<u>-</u>	<u>-</u>	<u>24,993,191</u>
Work in Progress, end of year	<u>104,503,597</u>	<u>289,506</u>	<u>-</u>	<u>-</u>	<u>104,793,103</u>

School District No. 41 (Burnaby)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2022

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	219,264,164	4,388,483	5,739,707	229,392,354
Changes for the Year				
Increase:				
Transferred from Work in Progress	4,991,271	7,112,302	5,074,808	17,178,381
	4,991,271	7,112,302	5,074,808	17,178,381
Decrease:				
Amortization of Deferred Capital Revenue	8,548,536	269,032	235,250	9,052,818
	8,548,536	269,032	235,250	9,052,818
Net Changes for the Year	(3,557,265)	6,843,270	4,839,558	8,125,563
Deferred Capital Revenue, end of year	215,706,899	11,231,753	10,579,265	237,517,917
Work in Progress, beginning of year	41,537,129	13,144,938	5,574,808	60,256,875
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	58,790,242	7,797	209,142	59,007,181
	58,790,242	7,797	209,142	59,007,181
Decrease				
Transferred to Deferred Capital Revenue	4,991,271	7,112,302	5,074,808	17,178,381
	4,991,271	7,112,302	5,074,808	17,178,381
Net Changes for the Year	53,798,971	(7,104,505)	(4,865,666)	41,828,800
Work in Progress, end of year	95,336,100	6,040,433	709,142	102,085,675
Total Deferred Capital Revenue, end of year	311,042,999	17,272,186	11,288,407	339,603,592

School District No. 41 (Burnaby)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2022

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	643,182	1,222,145	-	28,409,063	1,217,242	31,491,632
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	59,519,877		349,433			59,869,310
Other				2,600,095	273,330	2,873,425
Investment Income		11,610		282,237		293,847
	59,519,877	11,610	349,433	2,882,332	273,330	63,036,582
Decrease:						
Transferred to DCR - Work in Progress	58,790,242		7,797		209,142	59,007,181
	58,790,242	-	7,797	-	209,142	59,007,181
Net Changes for the Year	729,635	11,610	341,636	2,882,332	64,188	4,029,401
Balance, end of year	1,372,817	1,233,755	341,636	31,291,395	1,281,430	35,521,033



Burnaby School District
Financial Statement
Discussion and Analysis
2021/2022

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Introduction

What follows is a discussion and analysis of the financial performance of the Burnaby School District ("the District") for the fiscal year ending June 30, 2022, with a view to providing readers with an opportunity to assess any material changes in the financial condition and operating results for the year. The results are discussed in comparison with the budget and prior years. This report should be read in conjunction with the District's financial statements for the same period.

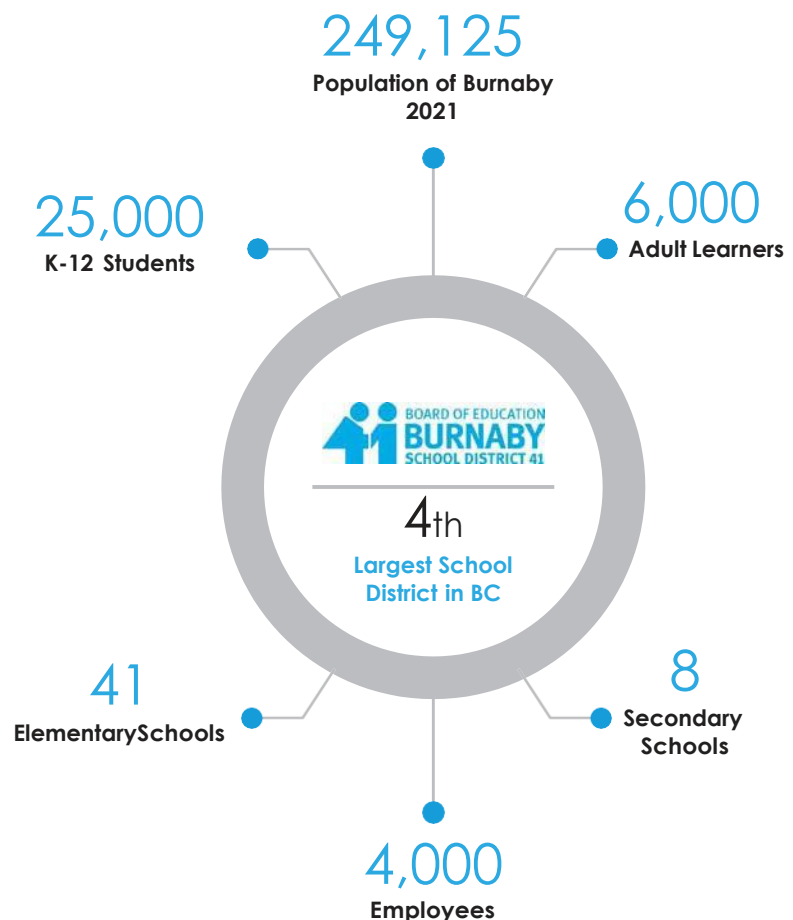
The financial statements represent the consolidation of three separate funds (operating, special purpose and capital). Financial performance of each fund is reported in the supplementary schedules that accompany the financial statements.

Who We Are

Formed in 1906, the District is on the traditional territory of the Coast Salish Nations of Musqueam, Tsleil-Waututh and Squamish. Our District is now the fourth largest in BC, with 25,000 students (K-12) and 4,000 dedicated employees.

We operate 41 elementary schools and 8 secondary schools, including a range of district programs and Provincial Resource Programs. We also provide lifelong learning opportunities to more than 6,000 adult registrations through our established Burnaby Community & Continuing Education program.

The District's work is governed by seven elected Trustees, whose four-year term began in 2018.



Our Vision, Mission, and Values



Our Vision

A premier learning community where we engage and innovate to inspire global citizenship.



Our Mission

To engage and empower a caring, inclusive community of learners for the opportunities of today and tomorrow.



Our Values

Together these ways of thinking and acting help form the culture of our schools and workplaces. By upholding these values, we can build an environment that will lead to the fulfilment of our mission and vision.

Students Come First

Learners are at the centre of what we do. We focus on their lives within our schools, support them in their lives away from our schools, and keep in mind the lives they will lead in the future, recognizing that their time with us will be key in shaping their futures.

The Power of Diversity

Burnaby is one of the most diverse cities in the world, and we recognize this as a privilege and a strength. We meaningfully involve all learners and respect and value the infinitely variable characteristics that make them unique human beings.

Equity, Access, Inclusion

Our schools are for everyone. We recognize that barriers exist and seek to identify and remove them. We encourage our learners to speak honestly, and we uphold the rights of individuals, families and organizations within our schools and our community. We value and respect everyone's contributions.

Collaboration and Partnership

We strive for trusting, respectful, collaborative relationships, and we work together to ensure we make the best decisions. The learning environment includes our learners, teachers, all staff, families and the community. We work with and encourage the participation of all.

Curiosity, Innovation, Discovery

The world we live in is complex and rapidly changing. We, our students, and the world itself are beneficiaries when questions are asked, experiments undertaken, ventures launched, and challenges embraced. Our classrooms and school communities foster curiosity, innovation, and discovery.

Excellence, Success, Improvement

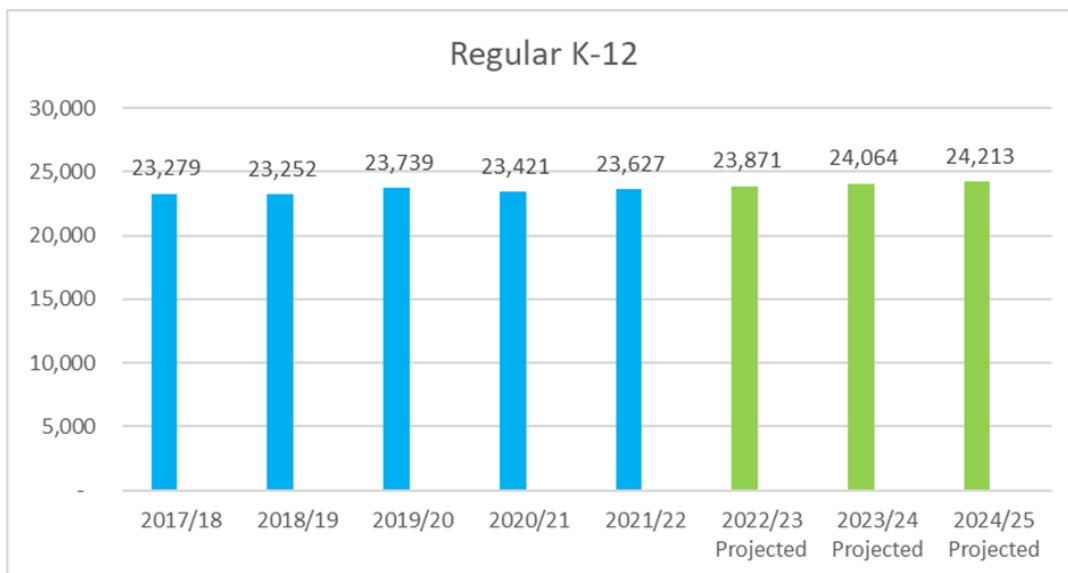
We challenge ourselves and our learners to make their highest contributions, and we foster opportunities to make this possible. We celebrate success and recognize that there are many ways to define and achieve it. Working collaboratively, we challenge ourselves and our learners to improve, as individuals and as a group. Along with these ideals, we place an equal emphasis on health and well-being, as it is required to support all of our contributions and achievements.

Enrolment

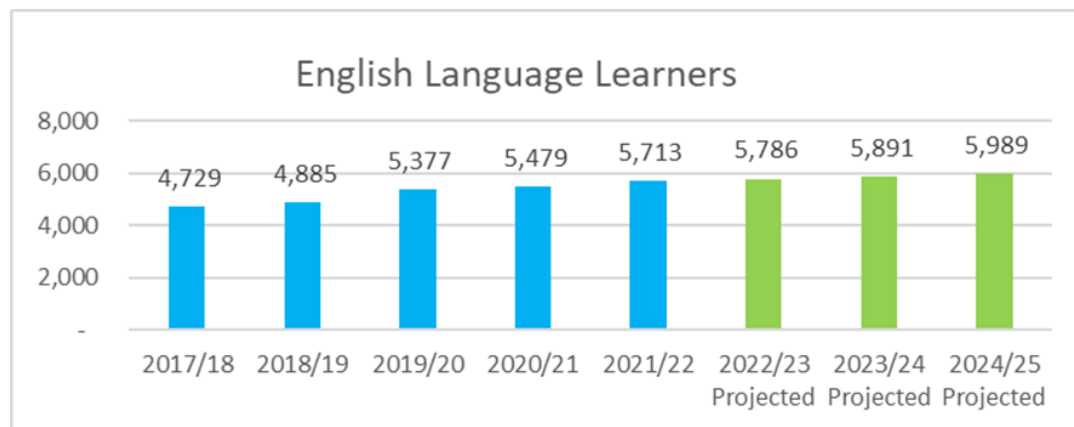
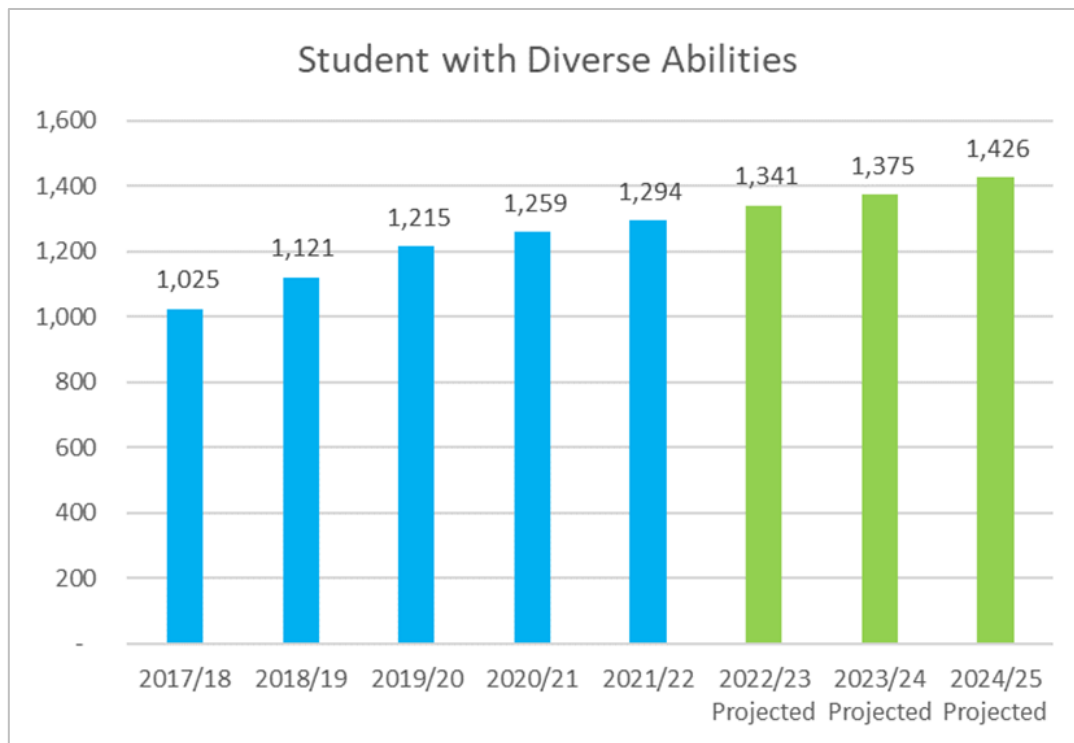
The District is funded primarily through an operating grant received from the Ministry of Education and Child Care (MECC). The grant is based on student enrolment which is compiled through a data collection process called 1701 in September, February, May and July. The District receives a fixed amount per full-time equivalent (FTE) student. The District also receives supplementary grants for students who are identified as having unique needs and for other demographic and geographical factors.

District staffing levels are driven directly by student enrolment. Since salaries and benefits make up approximately 90 percent of District expenses, reliable enrolment data is essential for financial planning. Each year the District completes an analysis of historical enrolment and student retention trends, reviews population data and new municipal development approvals to develop an estimate of elementary and secondary student FTE for the ensuing three budget years.

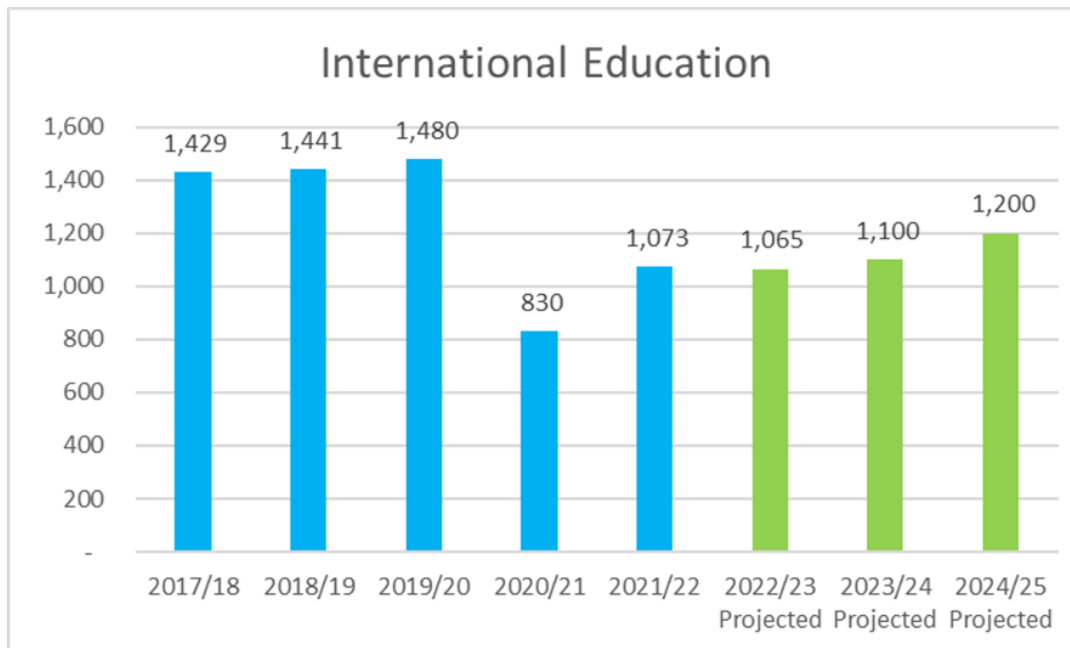
After a decline in student enrollment in 2020/21 and a modest rebound in 2021/22, the student enrollment numbers are projected to pick up. Growth in enrolment is expected to occur at both the elementary and secondary levels.



Over the past five years, the District has experienced significant growth in the number of students with diverse abilities and English Language Learners (ELL) and 2021/22 continued with that trend. This trend is projected to continue for the following three years.



The International student enrollment bounced back by 290 FTE to 1,120 after experiencing a sharp drop of 650 FTE in 2020/2021. The projected numbers do not show a dramatic increase in future years due to schools and homestay capacity issues. Geopolitical issues and increased competition from international programs from countries that were not accepting international students during the pandemic have also impacted future projections.



Operating Fund

Revenues

District operating revenues for 2021/2022 were \$1,818,874 higher than budgeted and \$11,853,547 higher than prior year. Below are the details of the revenue increase by category.

	Actual		Budget	Actual to	
	2020/21	2021/22	2021/22	Budget	Prior Year
Ministry of Education and Child Care	\$ 232,870,833	\$ 239,762,295	\$ 239,188,582	\$ 573,713 0.2%	\$ 6,891,462 2.9%
Other Provincial Grants	116,400	283,800	126,500	157,300 124.3%	167,400 143.8%
Tuition	16,574,438	21,573,116	20,959,949	613,167 2.9%	4,385,511 26.4%
Other Revenue	1,172,633	973,432	711,547	261,885 36.8%	(199,201) -27.9%
Rentals	389,129	513,274	484,544	28,730 5.9%	124,145 31.9%
Investment Income	586,382	457,445	273,366	184,079 67.3%	(128,937) -21.9%
Total	\$ 251,709,815	\$ 263,563,362	\$ 261,744,488	\$ 1,818,874 0.6%	\$ 11,853,547 4.7%

Ministry of Education and Child Care (MECC) Grants

The increase in MECC grants relative to budget was primarily driven by the February enrolment count driven by higher number of students with diverse abilities. The significant variance to the prior year is due to increased student count after COVID-19 affected lower enrolment in 2020-21. Also, included in the MECC grants is funding for Teacher and CUPE negotiated wage settlement funds.

Below is a table detailing the per- student MECC funding rates and supplemental funding for unique students and unique factors affecting some districts.

Provincial Totals

76%

allocated through the Basic Allocation

Basic Allocation	
Common per student amount for every FTE student enrolled by school type	
Standard School: \$7,885 per school age FTE	Continuing Education: \$7,885 per school age FTE
Alternate School: \$7,885 per school age FTE	Distributed Learning: \$6,360 per school age FTE

16%

allocated to recognize unique student enrolment

Unique Student		
Additional per student funding to address uniqueness of district enrolment and support additional programming		
Level 1 Special Needs: \$44,850 per student	Level 2 Special Needs: \$21,280 per student	Level 3 Special Needs: \$10,750 per student
English/French Language Learning: \$1,585 per student	Indigenous Education: \$1,565 per student	Adult Education: \$5,030 per FTE
Equity of Opportunity: Mental health; youth in care		

8%

allocated to recognize unique district factors

Unique District				
Additional funding to address uniqueness of district factors				
Small Community: for small schools located a distance away from the next nearest school	Low Enrolment: for districts with low total enrolment	Rural Factor: located some distance from Vancouver and the nearest large regional population centre	Climate Factor: operate schools in colder/ warmer climates additional heating or cooling requirements	Sparseness Factor: operate schools that are spread over a wide geographic area
Student Location Factor: based on population density of school communities			Supplemental Student Location: Level 1 and 2 special needs enrolment	
Salary Differential: Funding to districts that have higher average educator salaries				

Other Provincial Grants

Other provincial grants are provided to the District for career and trades programs such as auto mechanics, hair dressing and culinary arts. The province bases the grants on student enrolment in these programs.

Tuition

Tuition revenue consists of fees for summer learning, International Education and for Burnaby Community and Continuing Education (CCE). The increase in tuition revenue versus budget was driven by increased International Education revenues of \$511,875

and Continuing education revenue by \$101,292 relative to budget due to higher enrolment numbers than expected. On a year-over-year basis, tuition revenue was up 30.15%, primarily driven by a resurgence of International enrolments after COVID-19 travel restrictions.

Other Revenues

Other revenues consist of miscellaneous items such as one-time unrestricted grants, donations, and Burnaby Online fees. The increase in other revenues compared to budget was due to higher grants and rebates received for energy sustainability programs.

Rentals

District rental revenue is generated from short-term rentals of sites and facilities to individuals and community groups. These rentals are \$513,274 in fiscal 2021/2022 which is \$28,730 higher than budgeted.

Investment Income

Investment income consists of interest accrued on our bank account balances and short-term investments in the Provincial Government's Central Deposit Program. The Central Deposit Program allows the District to invest funds safely without any restrictions on withdrawals. The actual investment income is \$457,445 in fiscal 2021/2022 which is higher by \$184,079 than budgeted. Rising interest rates and the sale of Duthie Union provided higher cash balances that resulted in increased investment income.

Expenses

Overall District expenses were \$1,029,512 less than budgeted for 2021/2022. Details and explanations have been grouped by staffing and services and supplies.

Staffing

	Actual		Budget	Actual to	
	2020/21	2021/22	2021/22	Budget	Prior Year
Salaries					
Teachers & Teachers Teaching on Call	\$131,171,030	\$137,498,647	\$136,801,381	\$(697,266) -0.5%	\$(6,327,617) -4.8%
Principals and Vice Principals	10,424,367	10,656,645	10,737,659	81,014 0.8%	(232,278) -2.2%
Education Assistants	22,614,317	24,274,395	24,002,590	(271,805) -1.1%	(1,660,078) -3.1%
Support Staff	22,030,542	22,996,262	22,417,434	(578,828) -2.58%	(965,720) -4.4%
Other Professionals	5,575,464	5,535,182	5,368,583	(166,599) -3.1%	40,464 -0.7%
Total Salaries	\$191,815,720	\$200,961,131	\$199,327,647	\$(1,633,484) -0.8%	\$(9,145,411) -4.8%
Benefits	42,069,565	45,292,248	44,355,194	(937,054) -2.1%	(3,222,683) -7.6%
Total Staffing	\$233,885,285	\$246,253,379	\$243,682,841	\$(2,570,538) -1.0%	\$(12,368,094) -5.2%

Teachers & Teachers Teaching on Call

This line item consists of salaries paid to the District's certified teachers. This includes both permanent District teaching staff and Teachers Teaching on Call (TTOC). Teacher's absences due to higher sick time were the primary driver of increased salaries as absences led to increased substitutes. There was an increase in the number of teachers hired associated with higher student enrolment. The increase in costs versus prior year was driven by the two factors noted above as well as wage increases as per the collective agreement.

Principals and Vice Principals

This includes salaries paid to certified teachers employed by the District as Principals, Vice-Principals, and Directors of Instruction.

Education Assistants

Education Assistants (EAs) provide support for students with diverse abilities in the District. The variance to budget and prior year, primarily in permanent EAs, was due to increased supports provided to students with diverse abilities. The increased cost compared to prior year was driven by increased enrolment in this area of students requiring support.

Support Staff

This item is made up of the salaries paid to administrative staff (other than Principals and Vice-Principals), Secretaries, Clerks and other non-unionized staff such as Accountants, Maintenance and Trades Staff, Custodians, Noon Hour supervisors and Crossing Guards. The large variance is on account of increased custodial costs to support newly opened childcare centres and higher staff absences leading to higher replacement costs.

Other Professionals

Other professionals are District staff who are excluded from any union agreement including positions such as the Superintendent, Assistant Superintendents, the Secretary-Treasurer and other managers.

Benefits

Benefits includes the amounts paid by the School District on behalf of or to its employees for benefits such as Employment Insurance, Canada Pension Plan, municipal or teacher pensions, and employee health and dental benefits. The variance to budget was primarily driven by a return to normal usage of health and dental benefits by employees compared to the peak of the pandemic in addition to the rising costs for accessing these services. The variance to the prior year was driven by higher wage-related benefit costs (such as CPP, EI, Pension, WCB) due to higher overall salary costs as explained above and a one-time credit to health and dental benefits costs in 2020/21 due to lower usage by employees.

Services and Supplies

	Actual		Budget	Actual to	
	2020/21	2021/22	2021/22	Budget	Prior Year
Services	\$ 7,265,391	\$ 7,472,085	\$ 8,739,785	\$ 1,267,700 14.5%	\$ (206,694) 2.8%
Student Transportation	733,771	812,589	691,831	(120,758) -17.45%	(78,818) -10.7%
Professional Development and Travel	626,657	454,981	1,045,443	590,462 56.5%	171,676 27.4%
Rentals and Leases	108,918	180,248	155,059	(25,189) -16.2%	(71,330) 19.6%
Dues and Fees	108,344	96,205	74,427	(21,778) -29.3%	12,139 11.2%
Insurance	542,507	586,787	614,858	28,071 -4.6%	(44,280) -8.2%
Supplies	7,559,158	7,075,271	9,121,327	2,046,056 22.4%	483,887 6.4%
Utilities	3,104,855	3,493,669	3,329,155	(164,514) -4.9%	(388,814) -12.5%
Total	\$ 20,049,601	\$ 20,171,835	\$ 23,771,885	\$ 3,600,050 17.9%	\$ (122,234) 0.6%

Services

This includes costs for computer maintenance, contracted professional and technical services, repairs and maintenance, grounds upkeep, snow removal, security services, bank service charges, telephones, and printing services. There was a surplus of \$923,695 in accounts for multi-year projects that were not fully spent, and the budgets are being carried forward to the next budget year. The remaining variance of \$344,005 or 6.1% of remaining services budget, was due to lower than anticipated service usage in a variety of areas.

Student Transportation

This includes payments to the owners of vehicles who provide transportation for school District pupils as well as public carriers, other school districts and any others who provide transportation to and from school, for curricular and extracurricular activities, on a contract basis. The 2021/2022 deficit resulted from increased costs for cleaning buses due to COVID-19 health & safety protocols and higher fuel costs.

Professional Development and Travel

This includes costs incurred for training and travel. Costs included are registration fees, transportation, mileage allowances, meals, accommodation, per diem payments and other expenses. The District experienced a significant reduction of costs in this area versus budget. The savings were driven by \$360,671 in district professional development, \$50,605 in travel and training, \$75,487 of mileage and \$94,117 in teacher and administrator professional development. These lower costs were largely driven by less professional development opportunities and non-essential travel due to COVID-19.

Rentals and Leases

Included here are the operating expenditures for the rental or lease of land, buildings, vehicles and equipment for temporary or long-term use by the Districts. The variance to budget resulted from \$29,172 paid towards rental support for the Outlook program.

Dues and Fees

This includes membership fees and/or dues in professional organizations as determined by the policies, regulations and needs of the District. Higher than budgeted costs in this account were attributed to costs for speech language pathologist fees incurred here offset by budgets in other accounts.

Insurance

This includes the expenditures for all forms and types of insurance coverage, premiums, and deductibles. The District experienced \$28,071 in cost savings versus budget which was driven largely by lower general insurance costs.

Supplies

This item consists of expenditures for supplies and materials of a consumable and/or non-capital nature. This includes consumable supplies, learning resources, non-capitalized furniture and equipment and computer equipment. Each year the schools are allocated funds called block budgets for consumable supplies, furniture and equipment and educational technology. These allocations are spent at the school's discretion within certain parameters set by the District. The variance was primarily due to supply-chain disruptions and prolonged delays in orders fulfillment. Given the situation, requested commitments in school's budgets have been carried forward to next year's budget.

Utilities

Included here are the expenditures for utility costs such as electricity, heating, water and sewage, garbage and recycling. The District experienced an overage in utility cost primarily on account of higher gas prices.

Operating Surplus Analysis

The District closed out the year with a \$10,929,670 accumulated operating surplus of which \$9,730,053 is internally restricted for specific purposes and \$1,199,617 is unrestricted. This accumulated operating surplus represents a \$5,299,801 decrease over 2020/2021. This decrease was primarily due to planned surplus usage to balance the 2021/2022 budget.

Even though COVID-19's harsh effect on diminished student headcount and International enrollments is dissipating, its effect on absences and replacement cost was felt in 2021-2022 with staffing budget exceeding budget allocation by \$2,570,538. Higher gas prices have also led to a surge in heating costs. Although the persistent supply-chain disruptions have led to a supply account savings of \$2,046,056.

Accumulated Operating Surplus	2021/22	2020/21
Internally Restricted		
Ensuing Year Budget Appropriation	\$ 4,942,616	\$ 6,843,830
School Funds, Learning Resources, Program Development	753,791	743,723
International Education Reserve	2,125,000	2,125,000
Other District Committed Expenditures	1,908,646	2,468,540
Total Internally Restricted	\$ 9,730,053	\$ 12,181,093
Unrestricted	1,199,617	4,048,378
Total Accumulated Operating Surplus	\$ 10,929,670	\$ 16,229,471

Restricted Operating Reserve

Multi-Year Operating Surplus Planning and Reporting							
Schedule of Accumulated Operating Surplus	Opening Balance	Planned Use	Actual Use	Additions	Closing Balance	Planned	Planned
	July 1	2021/22	2021/22		June 30	2022/23	2023/24
Internally Restricted for Operations Spanning Multiple School Years							
Next Year's Operating Budget							
Bylaw Appropriation – 21/22 Budget	\$ 6,843,830	\$ 6,843,830	\$ 6,843,830	\$ 4,942,616	\$ 4,942,616	\$ 4,942,616	\$ 2,662,437
Percentage of Operating Budget	2.64%				1.85%		
Internally Restricted for Anticipated Unusual Expenses identified by the Board							
International Education Reserve	2,125,000				2,125,000	2,125,000	
Strategic plan Board	374,097				374,097	TBD	
Strategic plan Sustainability	300,000	300,000	300,000	-	-	-	
Percentage of Operating Budget	1.08%					0.93%	
Internally Restricted for Operations spanning multiple school years							
Energy Management Grants	267,277	267,277	267,277	398,261	398,261	398,261	
Detached duty – BTA	232,100	232,100	-	(132,100)	100,000	100000	
Early Career mentorship	570,000	570,000	12,000	(8,000)	550,000	TBD	
School Block Budgets	743,723	743,723	328,277	67,370	482,816	472,241	
Holdback allocation	725,066	725,066	725,066	-	-	-	
Program Development Leadership	-	-	-	153,472	153,472	153,472	
District Learning Resources	-	-	-	203,791	203,791	203,791	
Portable move	-	-	-	250,000	250,000	250000	
Delayed International Education commission payments	-	-	-	150,000	150,000	150,000	
Percentage of Operating Budget	0.98%					0.86%	
Internally Restricted Operating Fund Surplus	\$ 12,181,093			\$ (2,451,040)	\$ 9,730,053	\$ 7,605,053	\$ 2,125,000
Unrestricted Operating Surplus (Deficit)	\$ 4,048,378			\$ 2,848,761	\$ 1,199,617	\$ -	\$ 1,199,617
Percentage of Operating Budget	6.26%				4.08%		
Total Operating Fund Surplus (Deficit)	\$ 16,229,471			\$ (5,299,801)	\$ 10,929,670	\$ 7,605,053	\$ 3,324,617
Percentage of Operating Budget	6.26%				4.08%		

The table below presents a three-year projection of the operating surplus as it relates to funds that are available to balance the budget. This projection is prepared to assist in long-term financial planning and to guide decisions during the annual budget process. The projection is based on factors that were known to the District in May 2022 and contains assumptions that the District will maintain current service levels and programs. Revenues are primarily based on enrolment projections and the MECC funding formula. Expenses are based on maintaining current service levels with projected changes to teacher and education assistant staffing levels tied to enrolment as well as inflation applied to benefits and utilities costs. Local Capital expenditures are increased to reflect the contributions required to support the Education Technology Plan.

Three-Year Budget Projection	2022/2023	2023/2024	2024/2025
Revenue			
Ministry Operating Grant	\$ 239,956,486	\$ 242,241,043	\$ 244,615,488
Other Ministry of Education Grants	2,636,132	2,636,132	2,636,132
Other Revenue	23,230,268	23,997,796	25,665,296
Total Revenue	\$ 265,822,886	\$ 268,874,971	\$ 272,916,916
Expenditures			
Salary and Benefits	\$ 246,960,215	\$ 249,484,905	\$ 253,632,210
Services & Supplies	21,428,287	21,527,293	21,566,741
Total Expenses	\$ 268,388,502	\$ 271,012,198	\$ 275,198,951
Net Revenue (Expense) for the Year	\$ (2,565,616)	\$ (2,137,227)	\$ (2,282,035)
Local Capital	(2,377,000)	(3,377,000)	(4,002,000)
Surplus / (Deficit)	\$ (4,942,616)	\$ (5,514,227)	\$ (6,284,035)

The table below details the usage of surpluses and reserves over three years. An allocation of prior year's surpluses and reserves is required to balance the budget and position the district to financially recover from the impact of the COVID-19 crisis. The usage of those surplus funds is shown below for illustrative purposes only and would require Board approval during the budget process in future years.

District Financial Reserve				
	2021/2022	2022/2023	2023/2024	2024/2025
Fund Balance Beginning of the Year	\$ 16,229,471	\$ 10,929,670	\$ 3,324,617	\$ (2,189,610)
Allocation of Restricted Surplus		(2,662,437)		
Current Year Surplus/(Shortfall)	(5,229,801)	(4,942,616)	(5,514,227)	(6,284,038)
Fund Balance End of the Year	\$ 10,929,670	\$ 3,324,617	\$ (2,189,610)	\$ (8,473,645)

Financial Health

Liquidity

Liquidity is measured by taking financial assets over liabilities excluding deferred capital revenue. A liquidity ratio of greater than one is desirable as this means that the District can pay current liabilities as they are due. A liquidity ratio of less than one indicates that the District will potentially struggle to meet short term obligations. A higher liquidity ratio means that the District can meet its short-term obligations and can better respond to changing circumstances. Liquidity improved this year due to sale of the Duthie Union site.

Liquidity					
	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Financial Assets	\$ 107,349,300	\$ 110,552,521	\$ 118,901,836	\$ 100,316,411	\$ 122,318,988
Financial Liabilities	\$ 66,197,951	\$ 66,371,731	\$ 64,165,813	\$ 67,182,287	\$ 76,835,236
Liquidity	1.62	1.67	1.85	1.49	1.59

Accumulated Surplus to Revenue

The chart below shows the District's operating revenues and accumulated net operating surplus (deficit) over a five-year period. Although the revenue has increased and improved in 2021/22 over 2020/21 by \$11,853,547, the Surplus is reduced by \$5,299,801. The surplus had grown in 2019/20 to 8.15% as the district experienced lower than expected costs due to public health required suspension of in-person learning in the Spring of 2020. The one-time surplus has since been declining as the funds were required to balance subsequent budgets that were negatively impacted by the decline of general and international enrolment.

Total Accumulated Surplus to Revenue					
	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Unrestricted Surplus	\$ 5,255,932	\$ 3,851,639	\$ 3,877,942	\$ 4,042,375	\$ 1,199,617
Restricted Surplus	\$ 7,082,454	\$ 9,879,903	\$ 17,415,767	\$ 12,181,093	\$ 9,730,053
Total Surplus	\$ 12,338,386	\$ 13,731,542	\$ 21,293,709	\$ 16,223,468	\$ 10,929,670
Revenue	\$ 238,787,086	\$ 246,850,821	\$ 261,231,874	\$ 251,698,412	\$ 263,563,362
Percentage	5.17%	5.56%	8.15%	6.45%	4.15%

Accumulated Amortization to Assets

The accumulated amortization to assets ratio is a financial measurement tool that calculates the age, value and remaining useful life of a fixed asset. A low ratio may indicate that the assets have plenty of life left while a high ratio could indicate that assets will need replacement in the near future.

The ratios below show that investments have been made in buildings to maintain a consistent status over the past five years. In 2021/22, we recognized and increase of \$68.78 million in buildings. This increase is primarily on account of completion of the school district office and four childcare spaces in addition to projects in progress such as the replacement of Burnaby North Secondary and seismic upgrades to Parkcrest Elementary and Seaforth Elementary. The ratios also indicate that a portion of the District's computer hardware and software assets were nearing the end of useful life by 2017/2018. This prompted significant investments in this area as a result of the eight-year technology plan put in place to ensure staff and students can access up to date technology. The next cycle of computer refresh is beginning in 2022/23.

Accumulated Amortization to Buildings					
	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Gross Assets	\$ 379,915,590	\$ 402,155,279	\$ 429,072,581	\$ 492,347,432	\$ 561,130,196
Accumulated Amortization	\$ 140,928,571	\$ 149,479,201	\$ 158,594,509	\$ 167,833,817	\$ 177,764,031
Ratio	0.37	0.37	0.37	0.34	0.32

Accumulated Amortization to Furniture/Equipment and Vehicles					
	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Gross Assets	\$ 6,950,568	\$ 7,373,488	\$ 7,670,358	\$ 7,734,141	\$ 8,261,445
Accumulated Amortization	\$ 2,821,367	\$ 3,257,803	\$ 3,889,618	\$ 3,768,002	\$ 3,191,345
Ratio	0.41	0.44	0.51	0.49	0.39

Accumulated Amortization to Computer Hardware and Software					
	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Gross Assets	\$ 3,170,045	\$ 3,891,432	\$ 3,596,209	\$ 10,533,316	\$ 10,359,275
Accumulated Amortization	\$ 2,287,574	\$ 1,882,012	\$ 1,810,959	\$ 2,294,420	\$ 3,836,276
Ratio	0.72	0.48	0.50	0.22	0.37

Accumulated Amortization to All					
	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Gross Assets	\$ 390,036,203	\$ 413,420,199	\$ 440,339,148	\$ 510,614,889	\$ 579,750,916
Accumulated Amortization	\$ 146,037,512	\$ 154,619,016	\$ 164,295,086	\$ 173,896,239	\$ 184,791,652
Ratio	0.37	0.37	0.37	0.34	0.32

Special Purpose Funds

The Special Purpose Fund consists of restricted grant and other funding subject to a legislative or contractual restriction on its use. These revenues are deferred until the relevant expenditures are incurred. The School District incurred the following expenditures in 2021/2022 as related to significant Special Purpose grants:

Grant	Source	2021/22 Grant	Discussion
Annual Facility Grant (AFG) Operating portion	Ministry of Education	\$911,296	Please see discussion in the Capital Projects section under “Annual Facility Grant (AFG) Funding”.
Learning Improvement Fund (LIF)	Ministry of Education	\$800,400	Funding used specifically to augment EAs hours providing additional support to complex learners.
StrongStart	Ministry of Education and other	\$384,000	Strong Start early learning centers provide school-based, drop-in programs for children from birth to age five and their parents or caregivers.
Ready, Set, Learn (RSL)	Ministry of Education and other	\$115,450	Eligible RSL events for children aged 3 to 5 and their parents are hosted to support early learning and facilitate a smooth transition to Kindergarten.
Official Languages in Education French Programs (OLEP)	Ministry of Education and other	\$306,032	Funding for core French-language programs and curriculum resources.
Community LINK	Ministry of Education and other	\$4,065,323	Funding for programs and initiatives to improve the education performance of vulnerable students, including both academic achievement and social functioning.
Classroom Enhancement Fund (CEF) – Overhead, Staffing and Remedies	Ministry of Education	\$14,239,763	Eligible expenses include teacher staffing, overhead staffing and equipment costs resulting from restoration of class size and composition language.

Grant	Source	2020/21 Grant	Discussion
Safe Return to School Grants	Ministry of Education	\$621,673	In response to the COV ID-19 pandemic government contributed funds to school districts for masks, computers and assistive technology, additional cleaning and hand hygiene.
Safe Return to Class Grant	Federal Government	\$452,920	In response to the COV ID-19 pandemic government contributed funds to school districts for classroom ventilation.
BC Provincial School for the Deaf	Ministry of Education and other	\$5,719,390	The BC Provincial School for the Deaf is a Kindergarten to Grade 12 school for the Deaf or hard-of- hearing.
Fraser Park Maples	Ministry of Education	\$2,115,059	A secondary program which provides assessment, consultation services and classroom instruction to youth referred to the Maples Adolescent Centre.
Immigration, Refugees and Citizenship Canada - LINC, SWIS and Youth Wraparound	Immigration, Refugees and Citizenship Canada	\$3,436,204	These programs are funded by Immigration, Refugees and Citizenship Canada (IRCC). Language Instruction for Newcomers to Canada (LINC) provides language instruction for adults who are newly settled in Canada. Settlement Workers in Schools (SWIS) places settlement workers in schools that have high numbers of newcomer students. Youth Wraparound provides various services to newcomers to Canada.

Capital Fund

Major Capital Projects

The District had nine major capital projects at various stages of progress during the 2021/2022 school year. The below table outlines the active projects during 2021/2022. Capital expenditures are primarily funded by the Province of British Columbia, with additional funding provided through locally generated District capital funds and third-party contributors.

Capital Projects	Project Scope	Date of Approval	Construction Completion	Target Occupancy
District Board Office	Replacement	6-Feb-18	Sep-21	Nov-21
Burnaby North Secondary	Replacement	26-Sep-18	Jun-23	Jun-23
Parkcrest Elementary	Seismic Partial Replacement	12-Jul-19	Jul-22	Sep-22
Seaforth Elementary	Seismic Strengthening	12-Jul-19	Jul-22	Sep-22
Childcare Facilities (Multiple Locations) - Phase 2	Additional Childcare spaces	11-Feb-20	Sep-21	Oct-21
Childcare Facilities (Multiple Locations) - Phase 3	Additional Childcare spaces	16-Apr-20	Dec-22	June-23
Stride Elementary	Replacement	1-Apr-20	Nov-23	August-24
Brentwood Park Elementary	Expansion	Planning Phase		
Cameron Elementary	Expansion	Planning Phase		

Capital Fund Balances

The Capital Fund is comprised of local capital reserves (Schedule 4) and Unused Deferred Capital Revenue (Schedule 4D). The funds are to be used by the schoolDistrict for capital expenditures.

The Local Capital Reserve had a \$12,778,575 deficit as at June 30, 2021. The District received Ministry of Education approval to run a Local Capital Fund deficit in 2020/2021 to fund the construction of a new district office. During the 2021/2022 school year, the district disposed a surplus property, Duthie Union, to the Conseil Scolaire Francophone De La Colombie-Britannique school district and received \$24 million in proceeds. As at June 30, 2022, the Local Capital Reserve has a \$943,155 fund balance. It is anticipated that the site of the previous district office, on Kincaid Street, will be disposed of in 2022/2023.

Other Local Capital reserves are maintained for areas such as classroom portables, technology, vehicles and general furniture & equipment. Allocations to Local Capital are approved by the Board of Education through the approval of the Annual Budgets or specific resolution. The table on the next page shows the balances in the Capital Fund.

Capital Fund	Description	June 30, 2022 Balance	June 30, 2021 Balance	Change
Local Capital	Funds generated by the District to be utilized for capital expenditures as determined by the District	\$943,155	(\$12,778,575)	\$13,721,730
Ministry of Education By Law Capital	Represents funds drawn on Certificates of Approval (COA) for capital projects.	\$1,372,817	\$643,182	\$729,635
Ministry of Education Restricted Other Capital	Represents the Ministry's portions of the proceeds on disposal of land and buildings and any bylaw project surplus on capital projects	\$1,233,755	\$1,222,145	\$11,610
Land Capital	Funds received from the City of Burnaby for School Site Acquisition charges.	\$31,291,395	\$28,409,063	\$2,882,332
Other Provincial Capital Funds	Represents capital grants received from and restricted by, other Ministries, Crown Corporations or School Districts, Universities, Colleges and Health (SUCH) sector entities.	\$341,636	\$0	\$341,636
Other Capital Funds	Includes capital grants received from and restricted by, any entity not included in the Government Reporting Entity.	\$1,281,430	\$1,217,242	\$64,188
Total		\$36,464,188	\$18,713,057	\$17,751,131

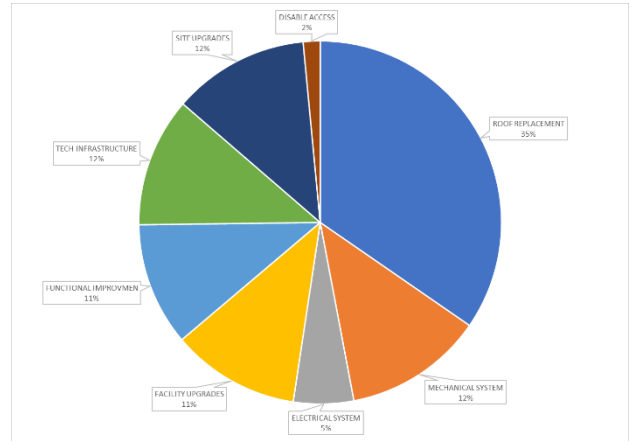
Other Capital Funded Projects

In 2021/2022, the District received approximately \$4,695,104 in capital and operating Annual Facilities Grant (AFG) funding. These funds are used throughout schools to address ongoing maintenance and improvement needs. AFG funding is received and approved on a March 31 fiscal year end. For the 2022-2023 fiscal year, the District has been approved for \$4,695,153 in funding.

2021/2022 AFG Funds

Eligible Uses of AFG Funds:

- Roof Replacements and Major Repairs
- Mechanical System Upgrade and Repair
- Electrical System Upgrade and Repair
- Facility Upgrades
- Loss Prevention-Fire and Security Alarms
- Technology Infrastructure Upgrades
- Site Upgrades
- Disabled Access
- Asbestos Abatement
- Health and Safety Upgrades
- Site Servicing



In addition to the AFG funding noted above, the District can submit a proposal to the MOE for additional funding for capital projects as described below.

School Enhancement Program (SEP) projects are investments that contribute to the safety and function of the school while extending the life of the asset.

Carbon Neutral Capital Program (CNCP) projects are investments that contribute to measurable emission reductions and operational costs savings expected as a result of completed projects.

Various School Playground Equipment Projects (PEP) are investments in various playground equipment.

March 31st Fiscal Year End	2021/2022 Spending
SEP	\$823,094
CNCP	\$429,141
PEP	\$308,308

Long Term Outlook

Budget Outlook

This past year, the District is continuing to feel the financial impact from the COVID-19 pandemic. Staff absences leading to higher than normal replacement costs continued throughout 2021-2022. In addition, there have been inflationary pressures in benefits costs due to the higher cost of health and dental benefits as well as higher than normal increases in Employment Insurance and Canada Pension Plan costs. These two areas, along with general inflationary pressures, will continue to be monitored in future budgets. Indications are that student enrolment in September 2022 has grown significantly higher than projected, which could potentially have a positive impact on the budget for 2022-2023 and beyond. However, this enrolment growth will impact capacity in school buildings which will be reflected in the District's Long-Range Facilities Plan scheduled to be published in June 2023.

Collective Agreement Expiration

On June 30, 2021, the collective agreements between the provincial government with the BCTF and CUPE have expired. Negotiations on a new contract have been ongoing.

Health & Safety

The COVID-19 pandemic has brought on a higher standard of cleaning requirements. The past two years, the Districts has received increased funds from the Ministry to put towards additional cleaning and other health & safety related costs. Funds have not been budgeted and are not expected to be received for 2022-2023 for these costs, however the higher standards from the school community remain.

Financial Reporting & Surplus Policy

In order to enhance transparency and understanding of school district financial statements, the Ministry released new recommendations/requirements to all school districts on developing policies surrounding financial management and surplus management. This required the district to make minor edits to its existing financial management policy and administrative procedure (Financial Management 3.00) to comply with the changes.

Starting in the 2022-2023 year, there are additional requirements to link budgets with operational and strategic plans as well as to align with the district's enterprise risk management strategies. These changes are expected to be reflected in the 2023-2024 budget cycle which begins in the Spring of 2023.

Board Report

Date: September 27, 2022
To: Board of Education – Public Meeting
From: Ishver Khunguray, Deputy Secretary-Treasurer
Janice Nakatsu, Acting Assistant Superintendent
Subject: Student and Family Affordability Fund Allocation

Background:

On August 29, 2022, the Ministry of Education and Child Care announced a new, one-time allocation of funds to school districts to increase food security for students and their families and to support students, parents and guardians with affordability concerns. A total of \$60 million is being allocated to public school districts with Burnaby's allocation being \$2,377,676.

This one-time funding is required to be spent by June 30, 2023 with no funds being carried over to future years. The funding can be used to:

1. Improve students' access to nutritional food / meals, before, during and after the school day
2. Directly offset costs to parents, guardians, and students, such as school supplies or other cost pressures they are facing using existing mechanisms such as hardship policies

School Districts are to engage in local processes including Indigenous rightsholders, District Parent Advisory Councils and equity-deserving communities to ensure that the unique needs of all diverse student populations are met.

Schools are required to keep track of how money is spent because the district will need to meet reporting requirements outlined by the Ministry.

Recommendation:

THAT the Board of Education receive this information.

Board Report

Date: September 27, 2022
To: Board of Education – Public Meeting
From: Russell Horswill, Secretary-Treasurer
Subject: Revised Minor Capital Plan Submission

Background

The District recently discovered a building envelop failure at Edmonds Community School. The exterior stucco has been reviewed by a consultant and determined that a complete failure has occurred. The current condition represents a serious risk as the finish could easily separate from the building and collapse. Temporary risk mitigation strategies have been put in place to limit the potential risk/liability should the exterior stucco release from the building.

Our estimated budget for repair of the building envelop is \$3.0 million. The Ministry of Education and Child Care does not support emergent funding requests to address building failure components of this nature. The District requested that the Ministry approve a modification to the Edmonds Community Elementary HVAC Upgrade funding from the 2022/23 Minor Capital Plan submission of \$1,100,000 as follows:

- Design and development of tender documents – Edmonds HVAC Upgrade - \$134,500; and,
- Phase 1 – Edmonds Building Envelop Failure - \$965,500.

The 2023/24 School Enhancement Project submission includes the resubmittal of the Edmonds HVAC Upgrade in the amount of \$965,500 as the highest priority request. The Design for the HVAC Upgrade will be “tender ready”, which will allow the district to move forward with this project as soon as funding is confirmed.

The plan to address the remaining building envelop failure is as follows:

- Phase 2 – 2023/24 AFG and/or SEP - \$1,000,000
- Phase 3 – 2024/25 AFG and/or SEP - \$1,000,000

The work will be completed using Construction Management as a procurement strategy and should be complete by August 31, 2024.

Recommendation:

THAT the Board of Education approve the revised 2022/23 Minor Capital Plan submission to include the following School Enhancement Projects:

- Phase 1 of building envelope upgrades at Edmonds Community School with a budget of \$965,500; and,
- Phase 1 of HVAC upgrades at Edmonds Community School with a revised budget of \$134,500.

Board Report

Date: September 27, 2022
To: Board of Education – Public Meeting
From: Ishver Khunguray, Deputy Secretary-Treasurer
Subject: 2023/2024 Minor Capital Plan Submission

Background:

The Burnaby Board of Education's 2019-2024 Strategic Plan contains the following goals under the key priority "**A Modern, Safe, and Sustainable Learning Environment**": Goal 2 - Develop a Long-Range Facility Plan consistent with Ministry Guidelines; Goal 3 - Increase District awareness of climate change and decrease the District's environmental impact.

The Board is required to submit an Annual Minor Capital Plan to the Ministry of Education and Child Care. There are three categories of projects that the District could apply to receive funding for.

1. School Enhancement Program (SEP) projects are investments that contribute to the safety and function of the school while extending the life of the asset.
2. Carbon Neutral Capital Program (CNCPP) projects are investments that contribute to measurable emission reductions and operational costs savings expected as a result of completed projects.
3. Playground Equipment Projects (PEP) are investments in various playground equipment.

The District can apply to receive funding for up to five projects per year in both SEP and CNCPP. The district can apply for receive funding for up to three PEP projects. SEP projects must be valued at more than \$100,000 but cannot exceed \$2,000,000. Projects that are approved must be completed, and the funds expended by March 31 each year.

Below is a summary of the 2023/2024 Minor Capital Plan Submissions. The details in each program are attached to this report.

Program	\$ Amount
Playground Equipment Projects	495,000
School Enhancement Program	5,315,000
Carbon Neutral Capital Program	860,000
Total Application	6,670,000

Recommendation:

THAT the Board of Education receive this information and approve in accordance with provisions under section 142 (4) of the School Act, the proposed Five-Year Capital Plan (Minor Capital Programs) for 2023/2024, as provided on the Five-Year Capital Plan Summary for 2023/2024 submitted to the Ministry of Education and Child Care.

Submission Summary

Submission Summary:	Minor 2023/2024 2022-09-30
Submission Type:	Capital Plan
School District:	Burnaby (SD41)
Open Date:	2022-04-01
Close Date:	2022-09-30
Submission Status:	Draft

Submission Category	Sum Total Funding Requested
PEP	\$495,000
SEP	\$5,315,000
CNCP	\$860,000
Total	\$6,670,000

CNCP					
SD Category Rank	Project Number	Facility/Site	Project Type	Project Description	Total Funding Requested
1	159474	Burnaby Mountain Secondary	Electrical (CNCP)	Complete HVAC and Ventilation Upgrade for school including replacing aging equipment - Must Include SEP \$900k (159475) - Phase 2 SEP \$800k 2024/25	\$500,000
2	159319	SD Core	Energy (CNCP)	Electric vehicles for district's mail delivery fleet	\$100,000
3	159479	Confederation Park Elementary	Electrical (CNCP)	Lighting Upgrade	\$70,000
4	159480	Second Street Community Elementary	Electrical (CNCP)	Lighting Upgrade	\$100,000
5	159481	Ecole Inman Elementary	Electrical (CNCP)	Lighting Upgrade	\$90,000
Submission Category Total:					\$860,000
PEP					
SD Category Rank	Project Number	Facility/Site	Project Type	Project Description	Total Funding Requested
1	152363	Morley Elementary	Replacement (PEP)	Replacement of aging playground with accessible play structure	\$165,000
2	152366	Ecole Marlborough Elementary	Replacement (PEP)	Replacement of aging playground with accessible play structure	\$165,000
3	152364	Buckingham Elementary	Replacement (PEP)	Replacement of aging playground with accessible play structure	\$165,000
Submission Category Total:					\$495,000

Submission Summary

SEP					
SD Category Rank	Project Number	Facility/Site	Project Type	Project Description	Total Funding Requested
1	159478	Edmonds Community Elementary	HVAC (SEP)	Supplying classroom ventilation to entire school with use of ERV (Energy Recovery Ventilation) with Heat Pump, MERV 13 filtration and site enable Carbon reduction.	\$965,000
2	159475	Burnaby Mountain Secondary	HVAC (SEP)	Complete HVAC / Ventilation upgrade for school Phase 1 - Must Include CNCP \$500k (159474) - Phase 2 SEP \$800k 2024/25	\$900,000
3	155145	Gilmore Community Elementary	HVAC (SEP)	Upgraded passive ventilation to conforming standards with MERV 13 filtration for all classrooms, through re-engineering of existing infrastructure	\$1,200,000
4	155151	Gilpin Elementary	HVAC (SEP)	HVAC installation of 12 ceiling suspended ERV units in non-ventilated classrooms. Data measurement and verification performed post install to measure operational performance.	\$400,000
5	155152	Second Street Community Elementary	HVAC (SEP)	HVAC Upgrade including electric boilers, air source heat pumps, classroom ventilation.	\$1,850,000
				Submission Category Total:	\$5,315,000

Board Report

Date: September 27, 2022
To: Board of Education – Public Meeting
From: Russell Horswill, Secretary-Treasurer
Subject: School Site Acquisition Capital Bylaw No. 2022-1

Background:

The Board of Education has authorized through a previously approved Bylaw the collection of School Site Acquisition Charges (SSAC) for each proposed new dwelling unit within the City of Burnaby boundaries. The City of Burnaby collects the SSAC and remits them to the school district.

The 2023/24 5-Year Capital Plan submission included the purchase of 5 school sites with a total estimated cost of \$123,000,000. The Ministry of Education and Child Care prescribes that 35% of the land acquisition be funded through the collection of SSACs. The SSAC Regulation includes a maximum amount that can be charged per unit density; the amounts calculated for this Bylaw exceed these amounts resulting in the maximum amount being collected.

As required, the City of Burnaby has been consulted on the development of the SSAC Bylaw. Data to determine the enrolment from Eligible Dwelling Units was determined in consultation with various departments to accurately estimate the SSAC charge.

The effect of the School Site Acquisition Capital Bylaw No. 2022-1 will be the continuation of the existing SSAC. There will be no increase to the amount collected by the City of Burnaby for the various unit types.

Recommendation:

THAT the Board of Education consider and approve the School Site Acquisition Capital Bylaw No. 2022-1 as presented.

- | | |
|----------|---|
| Motion 1 | THAT School Site Acquisition Capital Bylaw No. 2022-1 receive three readings at this Board meeting held September 27, 2022. |
| Motion 2 | THAT School Site Acquisition Capital Bylaw No. 2022-1 be read a first time. |
| Motion 3 | THAT School Site Acquisition Capital Bylaw No. 2022-1 be approved a first time and read a second time. |
| Motion 4 | THAT School Site Acquisition Capital Bylaw No. 2022-1 be approved a second time and read a third time. |

Motion 5 THAT School Site Acquisition Capital Bylaw No. 2022-1 be approved a third time.

Motion 6 THAT School Site Acquisition Capital Bylaw No. 2022-1 having been read a first, second, and third time, be finally passed and adopted the 27th day of September 2022, and that the Chair of the Board and the Secretary-Treasurer be authorized to sign the bylaw; and that the bylaw be sealed with the corporate seal of the Board.

**THE BOARD OF EDUCATION OF
SCHOOL DISTRICT NO. 41 (BURNABY)**

SCHOOL SITE ACQUISITION CAPITAL BYLAW NO. 2022-1

A BYLAW BY THE BOARD OF EDUCATION OF SCHOOL DISTRICT NO. 41 (BURNABY) (hereinafter called the "Board") to confirm the School Site Acquisition Charges. The School Site Acquisition Charge Capital Bylaw No. 2022-1 sets the school site acquisition charges for the prescribed categories of eligible development pursuant to Part 14, Division 20, Sections 571 to 581 of the *Local Government Act* and British Columbia School Site Acquisition Charge Regulation 17/00.

WHEREAS, School District No. 41 (Burnaby) is an eligible school district pursuant to Part 14, Division 20, Sections 571 to 581 of the *Local Government Act* for which the Board has indicated an eligible school site requirement in its approved capital plan beginning in 2003;

AND WHEREAS, the Board has consulted with stakeholders and local governments and passed the 2023 Eligible School Site Proposal, incorporated in the school district's 2023-2024 Five Year Capital Plan submission to the Ministry of Education;

AND WHEREAS, the Eligible School Site Proposal included in the 2023-2024 Five Year Capital Plan for School District No. 41 (Burnaby) was submitted to the Ministry of Education by the Board of Education;

NOW THEREFORE, the Board of Education for School District No. 41 (Burnaby) in open meeting assembled, ENACTS AS FOLLOWS:

1. "Eligible Development" means
 - a) a subdivision of land in School District No.41 (Burnaby), or
 - b) any new construction, alteration or extension of a building in School District No.41 (Burnaby) that increases the number of self-contained dwelling units on a parcel.
2. "School Site Acquisition Charge" is a charge collected by local government, for each new residential parcel to be created by subdivision and for new multiple family residential units to be constructed on an existing parcel, for the purpose of providing funds to assist school boards to pay the capital costs of meeting eligible school site requirements pursuant to Part 14, Division 20, Sections 571 to 581 of the *Local Government Act* and British Columbia School Site Acquisition Charge regulations.
3. Pursuant to Part 14, Division 20 of the *local government act*, the Board establishes the charges applicable to the prescribed categories of eligible development for the school district in accordance with the following formula:

$$SSAC = [(A \times B) / C] \times D$$

Where

SSAC = the school site acquisition charge applicable to each prescribed category of eligible development;

- A = \$107,010,000 (cost attributable to eligible development units);
B = 35% (set by Provincial regulation);
C = 42,120 (Eligible development units projected for the 2023 capital plan submission); and
D = a factor set by Provincial Regulation for the prescribed categories of eligible development.

4. The charges applicable to the categories of eligible development as prescribed by British Columbia Regulation 17/00 for the school district are set in the table below:

Prescribed Category of Eligible Development (BC Regulation 17/00)	D = (Factor set by BC Regulation 17/00)	School Site Acquisition Charge (per unit) SSAC =[(A x B)JC] x D
Low Density (less than 21 units/ gross ha.)	1.250	\$1,000
Medium Low (21-50 units/ gross ha)	1.125	\$900
Medium (51 -125 units / gross ha)	1.000	\$800
Medium High (126-200 units/ gross ha)	0.875	\$700
High Density (greater than 200 units / gross ha)	0.750	\$600

5. A school site acquisition charge is not payable if any of the following applies:
- (a) The eligible development is within a category that is exempt from school site acquisition charges pursuant to BC School Site Acquisition Charge Regulations;
 - (b) A school site acquisition charge has previously been paid for the same eligible development unless, as a result of further subdivision or issuance of a building permit more eligible development units are authorized or will be created on a parcel;
 - (c) Where a building permit is issued on an existing parcel, which after construction, alteration or extension, the parcel will contain three or fewer self-contained dwelling units.

This bylaw may be cited as "School Site Acquisition Capital Bylaw 2022-1"

NOW THEREFORE be it resolved that the School Site Acquisition Charges be confirmed by the Board.

BE IT FURTHER resolved that the Secretary Treasurer be and is hereby authorized, on behalf of the Board, to execute and deliver any documents pertaining to the School Site Acquisition Charges.

READ A FIRST TIME THE 27TH DAY OF SEPTEMBER, 2022.

READ A SECOND TIME THE 27TH DAY OF SEPTEMBER, 2022.

READ A THIRD TIME, PASSED AND ADOPTED THE 27TH DAY OF SEPTEMBER, 2022.

Seal

Chairperson of the Board

Secretary Treasurer

I HEREBY CERTIFY this to be a true and original of School District No. 41 (Burnaby) "School Site Acquisition Capital Bylaw No. 2022-1" adopted by the Board the 27th day of September 2022.

Secretary Treasurer

School Site Acquisition Charge - 2022 Calculation

	Shared Site w/ City	Size (Ha)	2022 Market	
Brentwood Town Centre	No	2.500	\$ 30,000,000	(1)
Burnaby South - 2000 Agreement	No	Direct Cost	\$ 3,000,000	
Edmonds Town Centre	No	2.500	\$ 30,000,000	(1)
Lougheed Town Centre	No	2.500	\$ 30,000,000	(1)
Bainbridge Town Centre	No	2.500	\$ 30,000,000	
			<u>\$ 123,000,000</u>	

(1) - Land Options - Tower School, Site Aggregation Purchase, Expropriation, Shared Development

Calculation of Average (EDU) Unit SSAC Rate For 10 Year Period 2022 to 2032

Ten Year Enrolment Increase	3,293	
Plus Pent-Up Demand	(550)	
Net Increase Requiring New Facilities	2,743	
Enrolment from Eligible Dwelling Units (EDU's)	2,743	(100% with Full-day K)
Enrolment Increase Projection	111.7%	
New (EDU) Development Proportion	87%	
Estimated Net Cost of New Property	\$ 123,000,000	
Attributable to EDU	\$ 107,010,000	
Proportion to be Paid through SSAC	35%	
Estimated Shared to be Paid through SSAC	\$ 37,453,500	
Total EDU's	42,120	
Average per Unit SSAC	\$ 889	

		SSAC Charge	Maximum Charge
Low Density (<21 Units/ha)	1.250	\$ 1,112	\$ 1,000
Medium Density (221-50 units/ha)	1.125	\$ 1,000	\$ 900
Medium (51-125 units/ha)	1.000	\$ 889	\$ 800
Medium High (126-200 Units/ha)	0.875	\$ 778	\$ 700
High Density (>200 units/ha)	0.750	\$ 667	\$ 600

Board Report

Date: September 27, 2022
To: Board of Education – Public Meeting
From: Russell Horswill, Secretary-Treasurer
Subject: Board Policy Approval

Background:

Trustee Code of Conduct and Ethics

In April 2021 the Board of Education (Board) moved the existing *Policy #1.05 – Trustee Code of Ethics* from the Foundational Policy, resulting in a standalone policy on this matter. The Board, through their governance work, requested an updated draft be presented for consideration that incorporated changes to further clarify acceptable conduct and to make more clear ethical considerations.

Childcare Policy

In 2020 the BC Government amended *The School Act* to require Boards of Education to establish policies promoting the use of board property by childcare providers between the hours of 7:00 am and 6:00 pm. Additionally, the Minister of Education and Child Care issued Ministerial Order M326 – Childcare Order, which established further requirements for the Board to adopt a childcare policy consistent with *The School Act* and the order.

Notice of Motion

At the June 2022 Regular Meeting the Board approved through resolution Notice of Motion for *Policy #1.05 – Trustee Code of Conduct and Ethics* and *Policy #7.60.00 – Childcare Programs in District Facilities*. Between the June and September meetings both policies were circulated, and no comments were received. Both policies are being presented to the Board for final approval.

Recommendation:

THAT the Board of Education approve *Policy #1.05 – Trustee Code of Conduct and Ethics* as presented.

AND THAT the Board of Education approve *Policy #7.60.00 – Childcare Programs in District Facilities* as presented.

TRUSTEE CODE OF CONDUCT AND ETHICS

The *School Act* states that the rights, powers, duties, and liabilities of the Board of Education (Board) rest only with the legally constituted Board as a whole, not with committees of the Board or with individual trustees. Members of the Board exercise their powers and responsibilities as a matter of public trust, and only when the Board is officially in session.

However, it is recognized that Board members hold considerable influence as a result of being elected to public office as a trustee. It is also understood that the Board's ability to influence public policy in matters of education is related to the community perception of the Board as an effective corporate entity through its conduct of the public business.

Therefore, it is important that the Board and its individual members conduct themselves in an ethical and business-like manner. This commitment includes proper use of authority, appropriate decorum in individual and group behaviour, and fair and respectful treatment of students, parents, staff, members of the community, and other Board members. Board Policy #1.00 – Foundation Statement shall guide trustees in their deliberations.

POLICY

THE BOARD OF EDUCATION OF THE BURNABY SCHOOL DISTRICT, COMPRISED OF ELECTED MEMBERS OF THE COMMUNITY, IS FUNDAMENTAL TO THE EFFECTIVENESS OF THE PUBLIC EDUCATION SYSTEM FOR THE BURNABY COMMUNITY. IN ACCORDANCE WITH THE SCHOOL ACT, THE BOARD'S DUTY IS TO GOVERN THE DISTRICT AND SCHOOLS IN ACCORDANCE WITH SPECIFIED POWERS IN A FISCALLY RESPONSIBLE AND COST-EFFECTIVE MANNER.

IN ORDER TO FULFILL THE BOARD'S RESPONSIBILITIES IN AN ETHICAL AND BUSINESS-LIKE MANNER, A TRUSTEE CODE OF CONDUCT AND ETHICS IS CONSIDERED CRITICAL FOR:

- **ABIDING BY THE SCHOOL ACT, THE OATH OF ALLEGIANCE, AND THE OATH OF OFFICE;**
- **GUIDING TRUSTEE BEHAVIOR IN THEIR INTERACTIONS AS A MEMBER OF THE BOARD, AND WITH MEMBERS OF THE COMMUNITY;**
- **DETERMINING HOW TRUSTEES UNDERTAKE THEIR ROLE AND THE EXPECTATIONS REQUIRED OF THEM;**
- **ADVOCATING FOR LEARNERS IN THE COMMUNITY; AND**
- **INSTILLING THE COMMUNITY'S TRUST IN THE PUBLIC EDUCATION SYSTEM.**

THE BOARD OF EDUCATION IS COMMITTED TO ETHICAL CONDUCT AND TO THE RESPONSIBILITY OF TRUSTEES TO PROPERLY DISCHARGE THEIR DUTIES AND TO CONDUCT THEMSELVES WITH DECORUM AND PROFESSIONALISM.

REGULATIONS

Therefore, the following is the Trustee Code of Conduct and Ethics for the Burnaby Board of Education:

1. Confidentiality

Trustees will deal appropriately with sensitive issues and maintain the confidentiality of discussions that take place during in-camera sessions.

2. Decision Making

Trustees will base decisions upon all available facts in each situation and vote their honest and unbiased conviction in every case, recognizing that their primary duty is to represent the district in the best interests of learners and the Burnaby community. Trustees will respect and abide by the majority decisions made by the Board.

3. Ethical and Respectful Behavior

Trustees will maintain the highest standards of civility and respect accorded to public office and refrain from unwarranted criticism of fellow Board members, or district employees. Trustees will work with their fellow board members in a spirit of harmony and co-operation.

4. Legal Authority

As individuals, Trustees will have no Board authority outside the meetings of the Board unless the Board has so delegated.

5. Integrity

Trustees will do everything possible to maintain the integrity, confidence, and dignity of the office of School Trustee and will not use their position for personal advantage or for the advantage of friends and/or family.

6. Inclusivity

Trustees will welcome and encourage active participation by community residents, organizations, learners, parents, and staff in the district in order to develop and support the best programs, which meet the educational needs of all learners.

7. Responsibility

Each trustee will devote time, thought, and study of the issues in order to provide effective decision-making.

8. Duty of Board

A primary function of the Board is to establish the policies by which the school district is administered. The day-to-day administration of the educational program and conduct of the school operation is the responsibility of the Superintendent of Schools and district staff.

9. Board Communication

The Board Chair shall provide official communication on behalf of the Board. Individual Trustees will refrain from speaking on behalf of the Board, but may express their own views in a manner consistent with this Code of Conduct and Ethics. Trustees who are asked a question by the media pertaining to Board decisions shall refer the enquiry to the Board Chair for a response.

10. Delegation of Authority

The Board will establish policies by which the District and schools are administered. Board members recognize that the education program and the conduct of school business will be left to the Superintendent/Chief Executive Officer and Secretary-Treasurer/Corporate Financial Officer as designated by the School Act, Regulations, Ministerial Orders, and Board Policy.

11. Working Relationships

Trustees shall work with fellow board members in a spirit of harmony and cooperation and be respectful of differences of opinion. Trustees shall refrain from making discrediting comments about others, engaging in unwarranted criticism, or taking private action that could compromise the integrity or authority of the Board. Trustees shall observe proper decorum and encourage full, open, and courteous discussions in all matters with other Trustees.

12. Social Media

Trustees are individually responsible for the content of their comments, posts and “likes” on social media and must ensure that their use of social media is consistent with the Trustee Code of Conduct and Ethics.

13. Financial Stewardship

Trustees acknowledge that the expenditure of funds is a community trust and will endeavor to see that funds are expended efficiently, economically, and in the best interest of the learners. Trustees shall carry out this function in an open and collaborative manner.

14. Conflict of Interest

Whenever a decision is required on any matter, Trustees are to declare any conflict of interest and will not participate in, vote on, or exert influence on, the decision in which the trustee has a conflict of interest. Trustees shall familiarize and comply with the *School Act* (Part 5 – Conflict of Interest). Other trustees, the Superintendent, and the Secretary-Treasurer, may bring forward to a trustee a concern with respect to a real, potential, or perceived conflict of interest. A trustee may request guidance from other trustees, the Superintendent, and the Secretary-Treasurer in regard to conflict-of-interest matters.

15. Superintendent Evaluation

Trustees recognize that only the Board and not individual trustees may assess the Superintendent's performance.

The board shall review this policy within six months of the Inaugural Board Meeting.

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Date Adopted: 2008-09
Date(s) Revised: 2021-04-27

Cross References:
Statutory: School Act – Part 5
Other:

CHILDCARE PROGRAMS IN DISTRICT FACILITIES

PREAMBLE

The purpose of this policy is to provide guidance with respect to how the Board of Education (Board) will promote the use of board property for the provision of childcare programs between the hours of 7 a.m. and 6 p.m. on business days by either the Board or third-party licensees. The use of board property by licensed childcare providers must not disrupt or otherwise interfere with the provision of educational activities including early learning programs and extracurricular school activities.

POLICY

THE BOARD OF EDUCATION IS SUPPORTIVE OF THE POSITIVE COMMUNITY BENEFITS THAT OCCUR WHEN APPROPRIATE SCHOOL DISTRICT SPACES OR SITES ARE UTILIZED BY NON-PROFIT*, LICENSED CHILDCARE PROVIDERS.

*A corporation or an association that conducts business for the benefit of the general public without shareholders and without a profit motive.

Date Adopted: 2014-04
Date(s) Revised: 2021-09

Cross References:
Statutory: *School Act, Section 85.1-.4*
Ministerial Order M326
Other:

REGULATIONS AND PROCEDURES

POLICY #7.60.01

CHILDCARE PROGRAMS IN DISTRICT FACILITIES

POLICY

THE BOARD OF EDUCATION IS SUPPORTIVE OF THE POSITIVE COMMUNITY BENEFITS THAT OCCUR WHEN APPROPRIATE SCHOOL DISTRICT SPACES OR SITES ARE UTILIZED BY NON-PROFIT, LICENSED CHILDCARE PROVIDERS.

REGULATIONS

OBJECTIVES

1. Maximize the positive use of school district vacant spaces or sites to serve community needs, when available.
2. Provide appropriate school district spaces or sites to non-profit, licensed childcare providers when a need is confirmed to the Board and the Board confirms space is to be made available.

DEFINITIONS

1. In this Policy, the terms “Board property”, “business day”, “childcare program”, “educational activities”, and “licensee” have the meanings given to those terms in the School Act.
2. “Direct and indirect costs” include:
 - a. utilities;
 - b. maintenance and repair;
 - c. a reasonable allowance for the cost of providing custodial services; and,
 - d. a reasonable allowance for time school district administrators and other staff spend on matters relating to the use of Board property by licensed childcare providers.

GUIDING PRINCIPLES

1. Program Review

The Board will, on an ongoing basis, assess community need for childcare programs on Board property, through a process of engagement with employee groups, parents and guardians, Indigenous community representatives, Indigenous rightsholders, Indigenous service providers, existing district contracted childcare operators, and the City of Burnaby. The process for periodic engagement will be reviewed on an ongoing basis and shall be conducted in a manner acceptable to the Board.

2. Board Operated Childcare

If childcare programs are to be provided on Board property, the Board will consider, on an ongoing basis, whether those programs are best provided by licensees other than the Board, the Board, or a combination of both. Prior to entering into or renewing a contract with a licensee other than the Board to provide a childcare program on Board property, the Board will consider:

- a. whether it is preferable for the Board to become a licensee and operate a childcare program directly;
- b. the availability of school district staff to provide before and after school care; and,
- c. whether, with respect to a licensee seeking renewal or extension of a contract, the licensee has performed its obligations under this Policy and its contract with the Board, with specific regard to performance in respect of providing an inclusive childcare program and one that promotes indigenous reconciliation in childcare.

If the Board decides to operate a childcare program, the Board will ensure that it is operated in a manner that:

- a. fosters Indigenous reconciliation in childcare – in particular, the childcare program will be operated consistently with the following principles of the British Columbia Declaration on the Rights of Indigenous Peoples Act;
- b. recognizes Indigenous peoples have the right, without discrimination, to the improvement of their economic and social conditions, including in the area of education;
- c. “recognizes Indigenous peoples have the right to the dignity and diversity of their cultures, traditions, histories, and aspirations which shall be appropriately reflected in education”; and,
- d. is inclusive and consistent with the principles of non-discrimination set out in the British Columbia Human Rights Code.

3. Licensed Operator Childcare

In selecting licensees other than the Board to operate a childcare program, the Board through a Request for Proposal process will give special consideration to the candidates' proposals that:

- a. provide inclusive childcare;
- b. foster Indigenous reconciliation in childcare;
- c. maintain a program philosophy and management concept congruent with the values of this policy and the Board Strategic Plan;
- d. demonstrate successful experience as a licensed childcare operator;
- e. willing to offer extended hours of operation, including weekends when demand exists;
- f. are willing to opt into the Provincial Fee Reduction Initiative; and,
- g. demonstrate financial stability.

4. Program Fees

Childcare programs, if operated by the Board, will be operated for a fee no greater than the direct costs the Board incurs in providing the childcare program. Fees for the use of Board property by licensees other than the Board will not exceed the direct and indirect costs the Board incurs in making Board property available for the childcare program, as provided for in the *School Act* and set by the Secretary-Treasurer from time to time.

5. License to Occupy

Any contract with a licensee other than the Board, to provide a childcare program on Board property, must be in writing and subject to review no less than every two (2) years. The contract, which be in the form of a License to Occupy, must contain:

- a. a description of the direct and indirect costs for which the licensee is responsible;
- b. an agreement by the licensee to comply with this policy and all other applicable policies of the Board;
- c. a provision describing how the agreement can be terminated by the Board or the licensee;
- d. an allocation of responsibility to ensure adequate insurance is in place to protect the interests of the Board;
- e. a statement that the agreement can only be amended in writing, signed by the Board and the licensee;
- f. a requirement for the licensee to maintain appropriate standards of performance; and,
- g. a requirement that the licensee must at all times maintain the required license to operate a childcare facility.

6. Change of Property Use

The Board shall provide written notification to the Minister of Education and Child Care when the Board decides to change the use of board property that is being used for providing childcare programming.

Date Adopted: 2014-04
Date(s) Revised: 2021-09

Cross References:
Statutory: *School Act, Section 85.1-.4*
Ministerial Order M326
Other: