



**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.

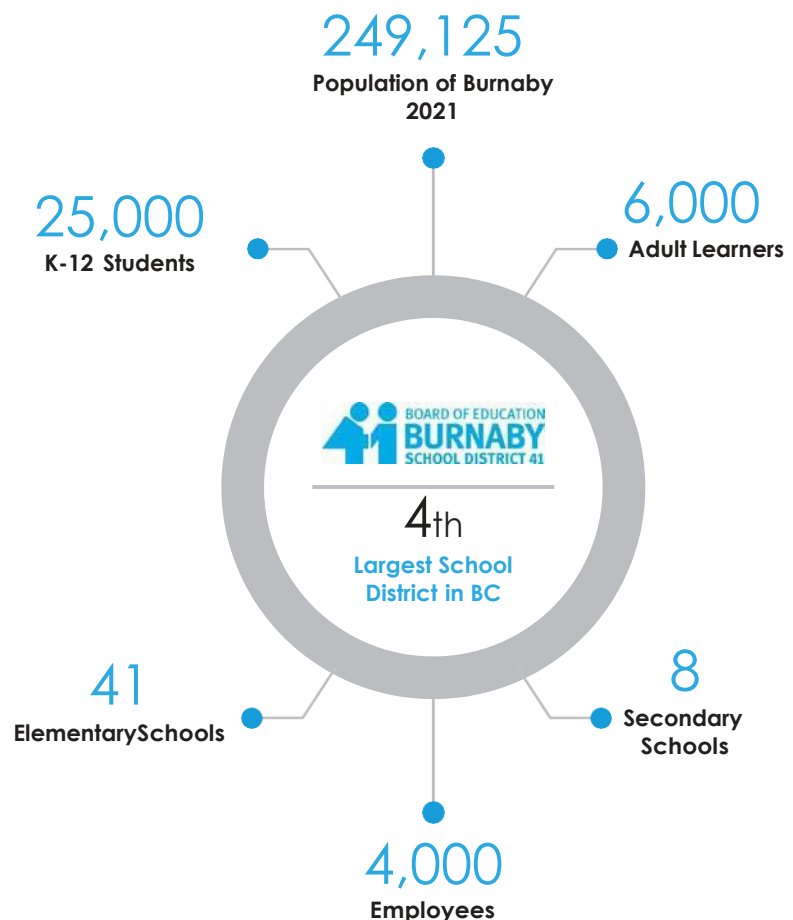
The financial statements represent the consolidation of three separate funds (operating, special purpose and capital). Financial performance of each fund is reported in the supplementary schedules that accompany the financial statements.

## 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

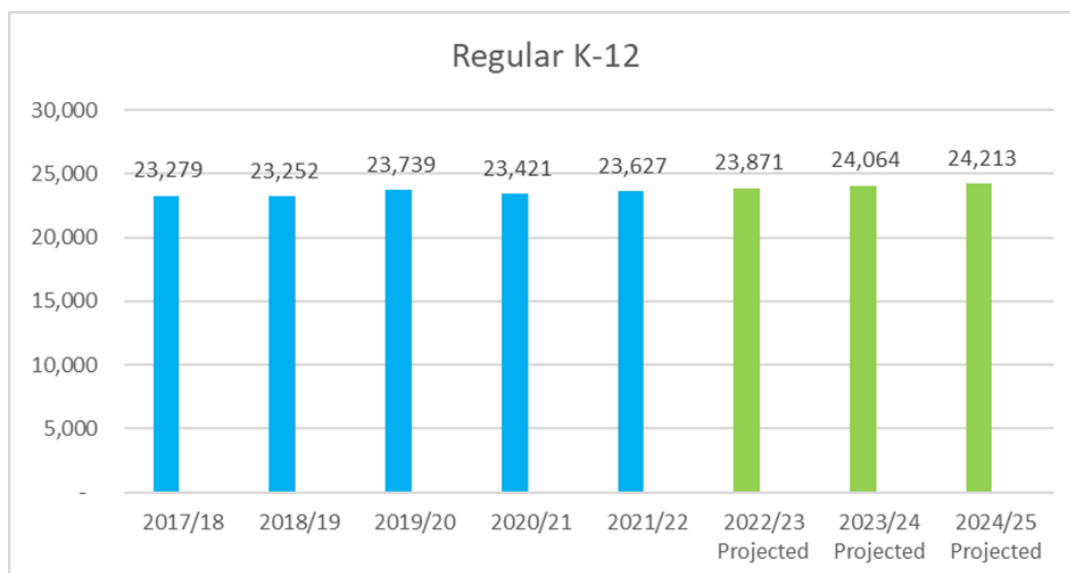
We challenge ourselves and our learners to make their highest contributions, and we foster opportunities to make this possible. We celebrate success and recognize that there are many ways to define and achieve it. Working collaboratively, we challenge ourselves and our learners to improve, as individuals 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

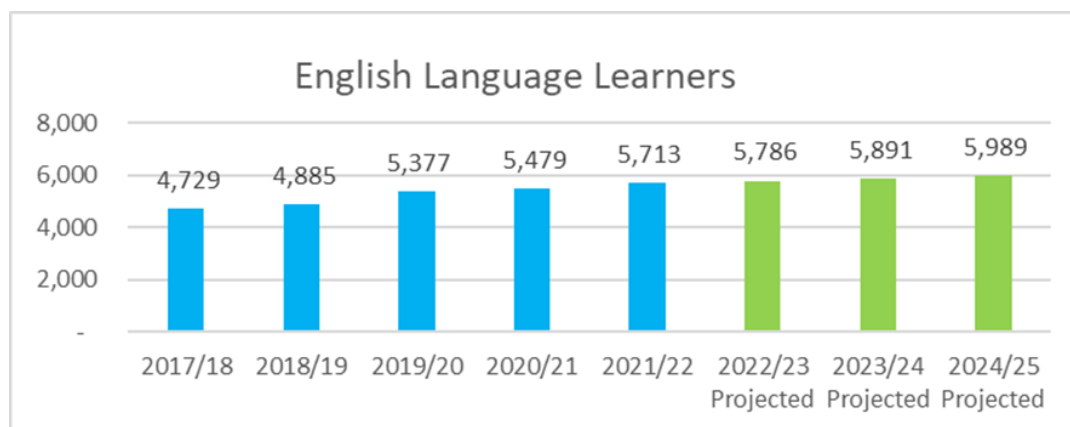
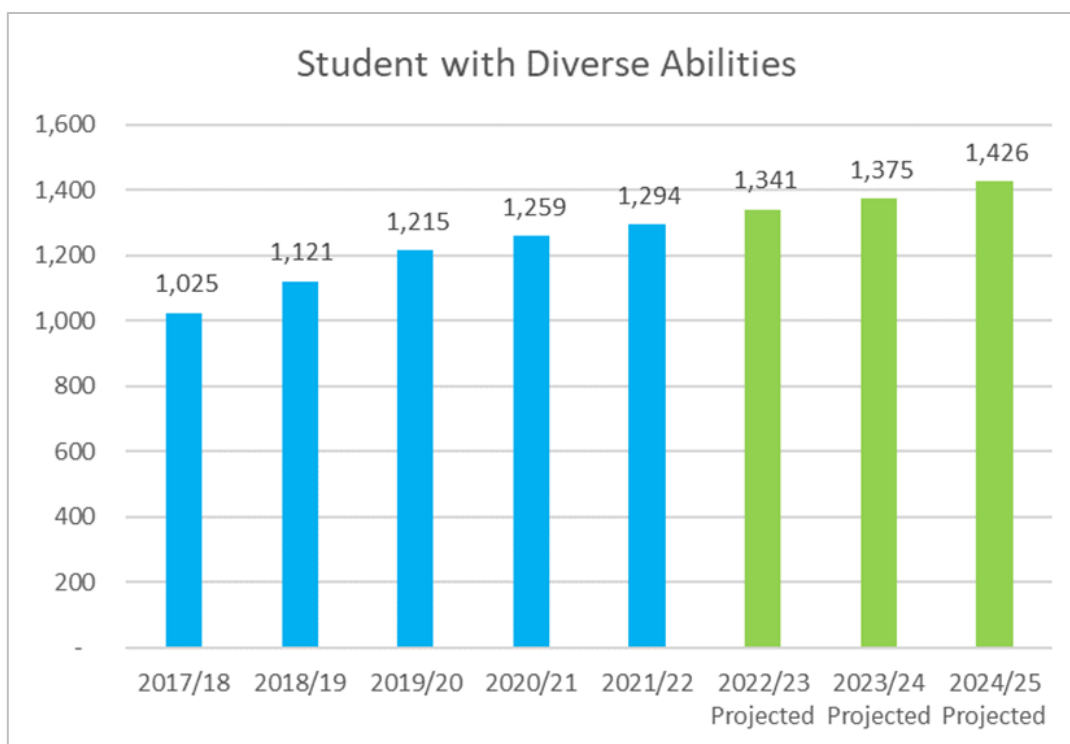
The District is funded primarily through an operating grant received from the Ministry of Education and Child Care (MECC). The grant is based on student enrolment which is compiled through a data collection process called 1701 in September, February, May and July. The District receives a fixed amount 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.

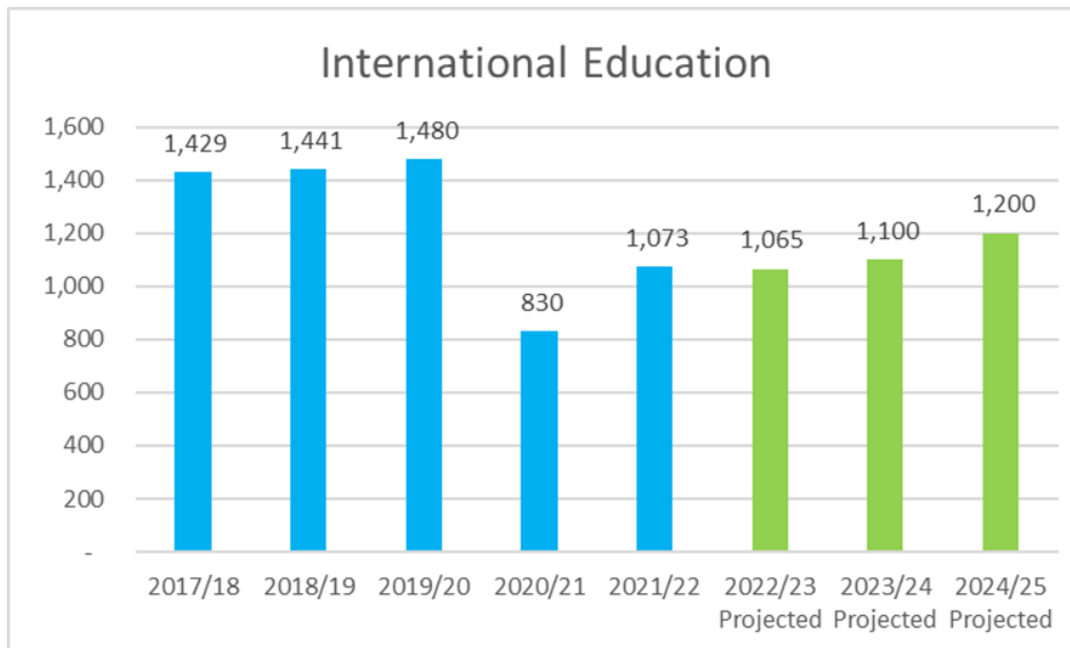
After a decline in student enrollment in 2020/21 and a modest rebound in 2021/22, the student enrollment numbers are projected to pick up. Growth in enrolment is expected to occur at both the elementary and secondary levels.



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%
<b>Total</b>	<b>\$ 251,709,815</b>	<b>\$ 263,563,362</b>	<b>\$ 261,744,488</b>	<b>\$ 1,818,874 0.6%</b>	<b>\$ 11,853,547 4.7%</b>

### 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	
<b>Standard School:</b> \$7,885 per school age FTE	<b>Continuing Education:</b> \$7,885 per school age FTE
<b>Alternate School:</b> \$7,885 per school age FTE	<b>Distributed Learning:</b> \$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		
<b>Level 1 Special Needs:</b> \$44,850 per student	<b>Level 2 Special Needs:</b> \$21,280 per student	<b>Level 3 Special Needs:</b> \$10,750 per student
<b>English/French Language Learning:</b> \$1,585 per student	<b>Indigenous Education:</b> \$1,565 per student	<b>Adult Education:</b> \$5,030 per FTE
<b>Equity of Opportunity:</b> Mental health; youth in care		

**8%**

allocated to recognize unique district factors

Unique District				
Additional funding to address uniqueness of district factors				
<b>Small Community:</b> for small schools located a distance away from the next nearest school	<b>Low Enrolment:</b> for districts with low total enrolment	<b>Rural Factor:</b> located some distance from Vancouver and the nearest large regional population centre	<b>Climate Factor:</b> operate schools in colder/ warmer climates additional heating or cooling requirements	<b>Sparseness Factor:</b> operate schools that are spread over a wide geographic area
<b>Student Location Factor:</b> based on population density of school communities			<b>Supplemental Student Location:</b> Level 1 and 2 special needs enrolment	
<b>Salary Differential:</b> 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
<b>Salaries</b>					
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%
<b>Total Salaries</b>	<b>\$191,815,720</b>	<b>\$200,961,131</b>	<b>\$199,327,647</b>	<b>\$(1,633,484)</b> -0.8%	<b>\$(9,145,411)</b> -4.8%
Benefits	42,069,565	45,292,248	44,355,194	(937,054) -2.1%	(3,222,683) -7.6%
<b>Total Staffing</b>	<b>\$233,885,285</b>	<b>\$246,253,379</b>	<b>\$243,682,841</b>	<b>\$(2,570,538)</b> -1.0%	<b>\$(12,368,094)</b> -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 benefits 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%
<b>Total</b>	<b>\$ 20,049,601</b>	<b>\$ 20,171,835</b>	<b>\$ 23,771,885</b>	<b>\$ 3,600,050 17.9%</b>	<b>\$ (122,234) 0.6%</b>

## 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
<b>Internally Restricted</b>		
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
<b>Total Internally Restricted</b>	<b>\$ 9,730,053</b>	<b>\$ 12,181,093</b>
<b>Unrestricted</b>	1,199,617	4,048,378
<b>Total Accumulated Operating Surplus</b>	<b>\$ 10,929,670</b>	<b>\$ 16,229,471</b>



# 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.

<b>Three-Year Budget Projection</b>	<b>2022/2023</b>	<b>2023/2024</b>	<b>2024/2025</b>
<b>Revenue</b>			
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
<b>Total Revenue</b>	<b>\$ 265,822,886</b>	<b>\$ 268,874,971</b>	<b>\$ 272,916,916</b>
<b>Expenditures</b>			
Salary and Benefits	\$ 246,960,215	\$ 249,484,905	\$ 253,632,210
Services & Supplies	21,428,287	21,527,293	21,566,741
<b>Total Expenses</b>	<b>\$ 268,388,502</b>	<b>\$ 271,012,198</b>	<b>\$ 275,198,951</b>
<b>Net Revenue (Expense) for the Year</b>	<b>\$ (2,565,616)</b>	<b>\$ (2,137,227)</b>	<b>\$ (2,282,035)</b>
Local Capital	(2,377,000)	(3,377,000)	(4,002,000)
<b>Surplus / (Deficit)</b>	<b>\$ (4,942,616)</b>	<b>\$ (5,514,227)</b>	<b>\$ (6,284,035)</b>

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.

<b>District Financial Reserve</b>				
	<b>2021/2022</b>	<b>2022/2023</b>	<b>2023/2024</b>	<b>2024/2025</b>
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)
<b>Fund Balance End of the Year</b>	<b>\$ 10,929,670</b>	<b>\$ 3,324,617</b>	<b>\$ (2,189,610)</b>	<b>\$ (8,473,645)</b>

## 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.

<b>Liquidity</b>					
	<b>2017/2018</b>	<b>2018/2019</b>	<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
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.

<b>Total Accumulated Surplus to Revenue</b>					
	<b>2017/2018</b>	<b>2018/2019</b>	<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
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.

<b>Accumulated Amortization to Buildings</b>					
	<b>2017/2018</b>	<b>2018/2019</b>	<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
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

<b>Accumulated Amortization to Furniture/Equipment and Vehicles</b>					
	<b>2017/2018</b>	<b>2018/2019</b>	<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
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

<b>Accumulated Amortization to Computer Hardware and Software</b>					
	<b>2017/2018</b>	<b>2018/2019</b>	<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
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

<b>Accumulated Amortization to All</b>					
	<b>2017/2018</b>	<b>2018/2019</b>	<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
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
<b>Local Capital</b>	Funds generated by the District to be utilized for capital expenditures as determined by the District	\$943,155	(\$12,778,575)	\$13,721,730
<b>Ministry of Education By Law Capital</b>	Represents funds drawn on Certificates of Approval (COA) for capital projects.	\$1,372,817	\$643,182	\$729,635
<b>Ministry of Education Restricted Other Capital</b>	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
<b>Land Capital</b>	Funds received from the City of Burnaby for School Site Acquisition charges.	\$31,291,395	\$28,409,063	\$2,882,332
<b>Other Provincial Capital Funds</b>	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
<b>Other Capital Funds</b>	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
<b>Total</b>		<b>\$36,464,188</b>	<b>\$18,713,057</b>	<b>\$17,751,131</b>

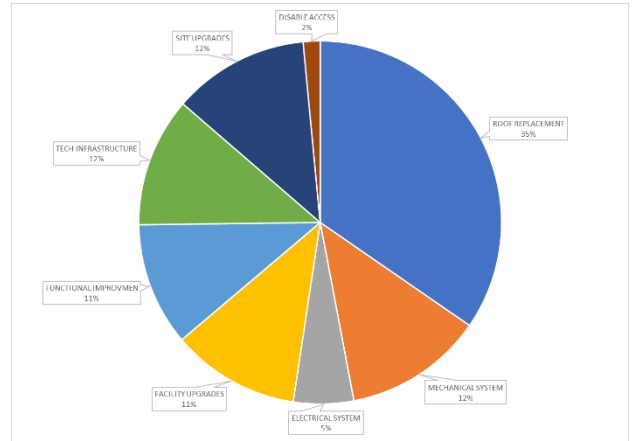
### Other Capital Funded Projects

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.