

Burnaby School District
Financial Statement
Discussion and Analysis
2022/2023



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Introduction

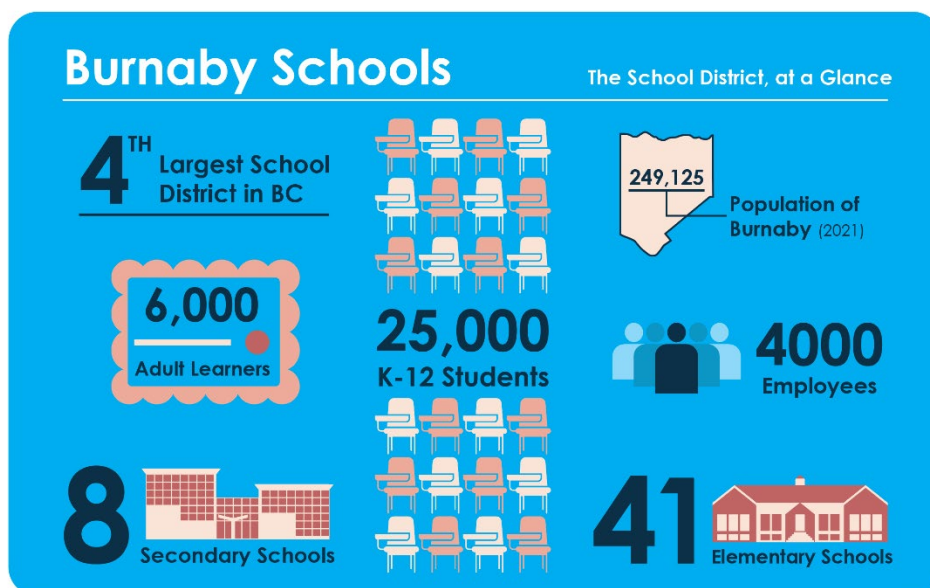
What follows is a discussion and analysis of the financial performance of the Burnaby School District ("the District") for the fiscal year ending June 30, 2023, with a view to providing readers an opportunity to assess any material changes in the financial condition and operating results for the year. 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. The District is now the fourth largest in BC, with over 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 2022.



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

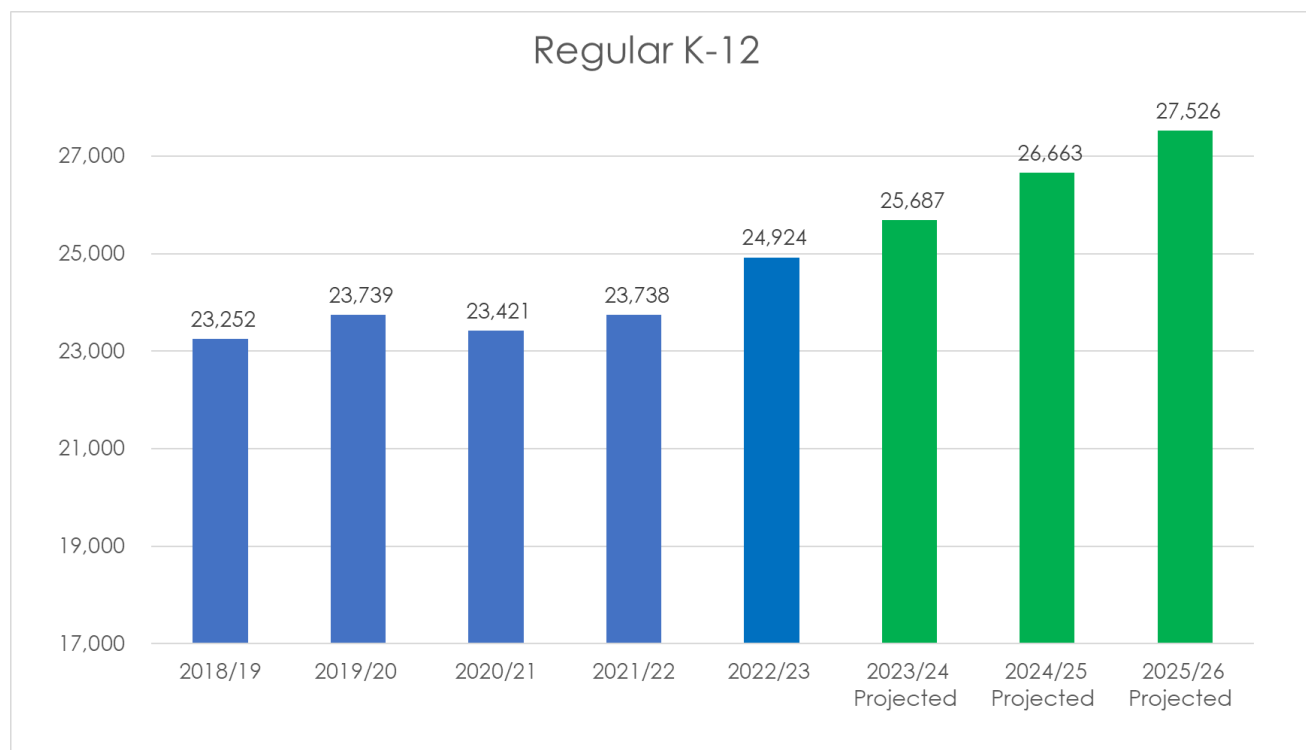
We challenge ourselves and our learners to make their highest contributions, and we foster opportunities to make this possible. We celebrate success and recognize that there are many ways to define and achieve it. Working collaboratively, we challenge ourselves and our learners to improve, as individuals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

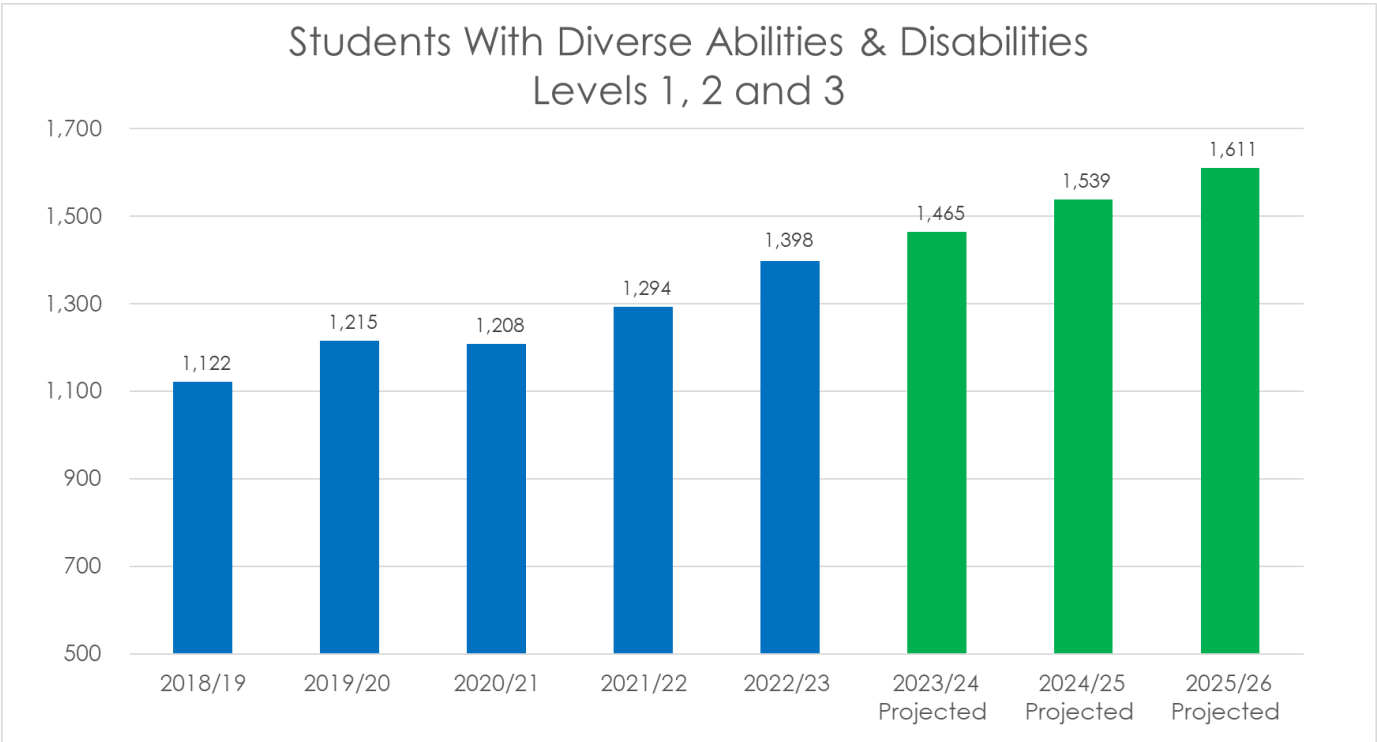
The District is funded primarily through an operating grant received from the Ministry of Education and Child Care (MECC). The grant is based on student enrolment which is compiled through a data collection process called 1701 in September, February, May and July. The District receives a fixed amount per full-time equivalent (FTE) student. The District also receives supplementary grants for students who are identified as having diverse abilities and disabilities in addition to other demographic and geographic factors as outlined in the MECC funding allocation table referenced on Page 11.

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.

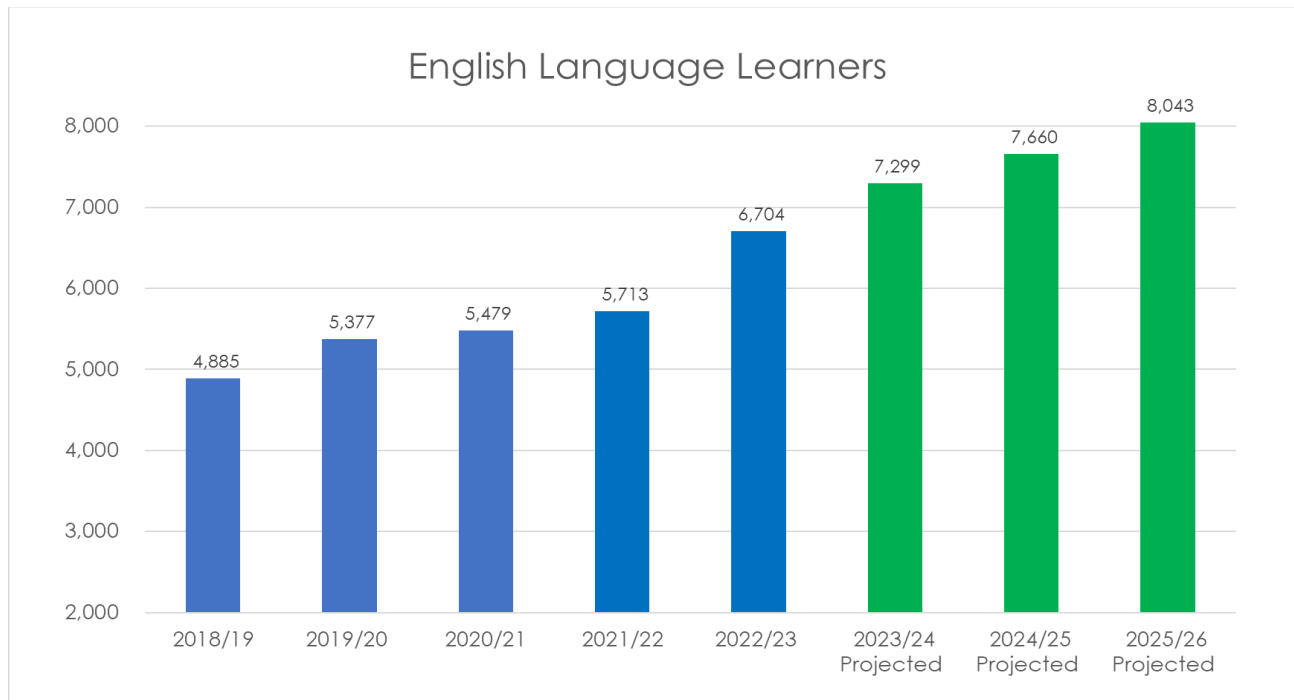
In 2022/23 regular K-12 enrolment increased significantly by 5 percent with the addition of 1,186 new FTE students. This upward trend is expected to continue with an estimated growth of over ten percent during the next 3 years.



Enrolment in students with Diverse Abilities and Disabilities increased during the 2022/23 school year by 104 FTEs or 8 percent, with an upward trend expected to continue.

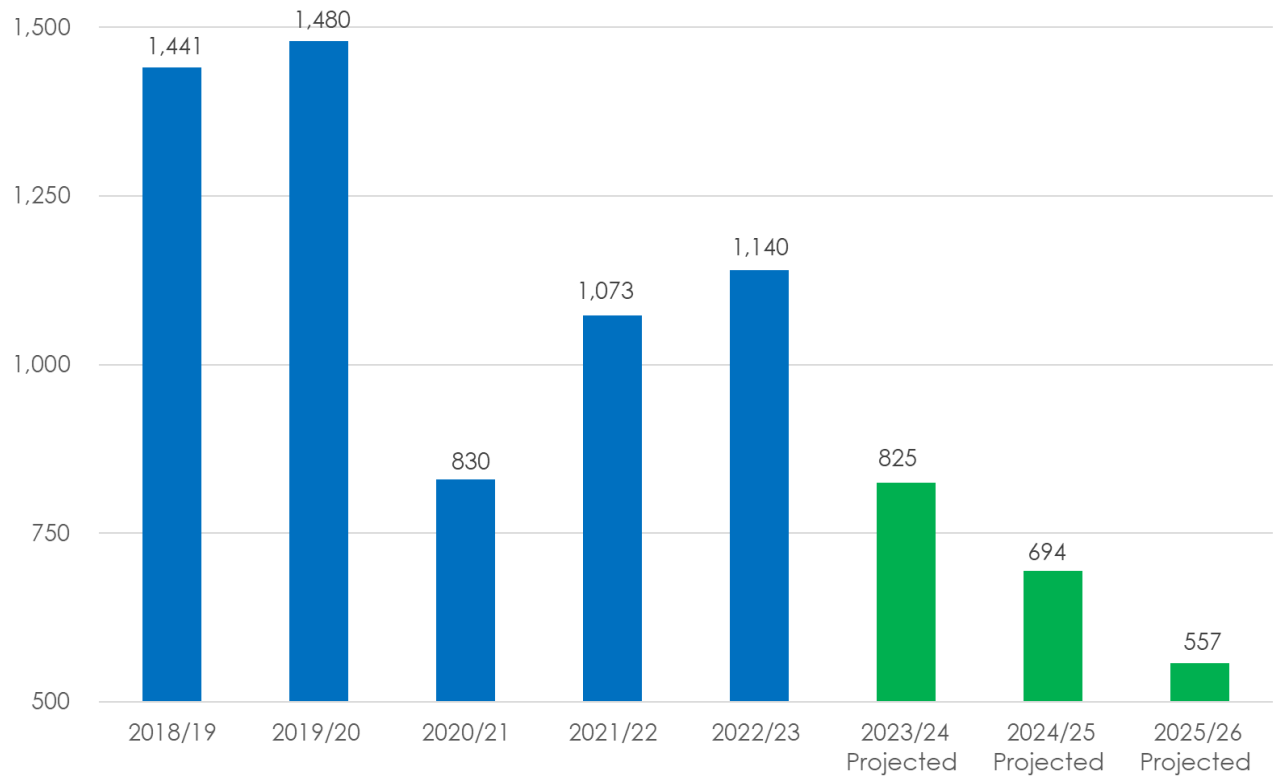


Enrolment in English Language Learners (ELL) also increased during the 2022/23 year by 991 FTEs or 17 percent. This trend in growth is also projected to continue in the coming years.



Enrolment in International education increased gradually in 2022/23 by 67 students or 6 percent over prior year. However, given the increase in local student enrolment growth combined with constraints on existing school facility capacity, the District is expected to limit future enrolment on International students resulting in a gradual decrease to accommodate only 557 students by the 2025/26 year-end.

International Education



Operating Fund

Revenues

District operating revenues for 2022/23 were \$7.60 million higher than budget and \$31.54 million higher than prior year. Below are the details of the revenue increase by category.

	Actual		Budget	Variance to	
	2021/2022	2022/2023	2022/2023	Budget	Prior Year
Ministry of Education and Child Care (MECC)	\$239,762,295	\$262,678,744	\$261,815,364	\$863,380 0.33%	\$22,916,449 9.56%
Other Provincial Grants	283,800	201,070	126,500	\$74,570 58.95%	(\$82,730) -29.15%
Tuition	21,573,116	21,436,180	22,848,156	(\$1,411,976) -6.18%	(\$136,936) -0.63%
Other Revenues	973,432	1,004,761	495,730	\$509,031 102.68%	\$31,329 3.22%
School Generated Funds	-	6,868,532	-	\$6,868,532 100.00%	\$6,868,532 100.00%
Rentals	513,274	901,200	787,685	\$113,515 14.41%	\$387,926 75.58%
Investment Income	457,445	2,008,430	1,425,093	\$583,337 40.93%	\$1,550,985 339.05%
Total	\$263,563,362	\$295,098,917	\$287,498,528	\$7,600,389 2.64%	\$31,535,555 11.97%

Ministry of Education and Child Care (MECC) Grants

The favourable variance of \$0.86 million in MECC grants relative to budget was driven by increased enrolment. Compared to previous year, the district received additional \$22.92 million in MECC funding primarily due to higher enrolment numbers and funding provided to cover costs incurred for wage increases.

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 decrease of \$1.41 million over budget is largely driven by lower than projected net revenue. On a year-over-year basis, tuition revenue has remained consistent.

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 favourable by \$0.51 million driven by increase in grants for energy and other sustainability related projects as well as Equity, Diversity and Inclusion (EDI) initiatives.

School Generated Funds (SGF)

For 2022/23 fiscal, the District reclassified a portion of School Generated Funds (SGF) into operating revenue from special purpose fund deferred revenue, in the amount of \$6.87 million. This change was made to adhere to Public Sector Accounting Standards (PSAS).

Rentals

District rental revenues are generated from short-term rentals of sites and facilities to individuals and community groups. Revenues were \$0.90 million in fiscal 2022/23 which were \$0.11 million higher than budget due to easing of pandemic restrictions overall.

Investment Income

Investment income consists of interest accrued in bank account balances and short-term investments in the Central Deposit Program. The Central Deposit Program allows the District to invest funds safely with the provincial government without any restrictions on withdrawals. The investment income for 2022/23 was \$2.01 million which is higher by \$0.58 million than budgeted, largely propelled by higher interest rates and a larger District investment portfolio resulting from the sale of the Kincaid site.

Expenses

Overall District expenses were \$1.08 million higher than budgeted for 2022/23. Details and explanations have been grouped by staffing and services and supplies.

Staffing

	Actual		Budget	Variance to	
	2021/2022	2022/2023	2022/2023	Actual	Prior Year
Salaries					
Teachers & Teachers Teaching on Call	\$137,498,647	\$146,812,928	\$146,651,107	(\$161,821) -0.11%	\$9,314,281 6.77%
Principals and Vice Principals	10,656,645	11,161,515	11,226,561	65,046 0.58%	\$504,870 4.74%
Education Assistants	24,274,395	27,478,181	27,059,341	(418,840) -1.55%	\$3,203,786 13.20%
Support Staff	22,996,262	24,174,258	23,236,998	(937,260) -4.03%	\$1,177,996 5.12%
Other Professionals	5,535,182	5,250,664	5,577,657	326,993 5.86%	(\$284,518) -5.14%
Total Salaries	200,961,131	214,877,546	213,751,664	(1,125,882) -0.53%	\$13,916,415 6.92%
Benefits	45,292,248	49,097,823	49,302,549	204,726 0.42%	\$3,805,575 8.40%
Total Staffing	\$246,253,379	\$263,975,369	\$263,054,213	(\$921,156) -0.35%	\$17,721,990 7.20%

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). Continued higher Teacher absences due to sick time were the primary driver of increased salaries as absences led to increased substitutes. In addition, 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. These expenses were maintained close to budget for the fiscal 2022/23.

Education Assistants

Education Assistants (EAs) provide support for students with diverse abilities and disabilities in the District. The unfavourable variance to budget and prior year actuals, primarily in permanent EAs, was due to increased support provided to students with diverse abilities and disabilities, increased enrolment and higher than projected replacement costs for EAs.

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 \$0.94 million unfavourable variance to budget is due to increased custodial costs on account of additional hours required to support the rentals of school facilities and upkeep of Covid maintenance standards. In addition, 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. Due to unfilled positions, the District was favourable by \$0.33 million compared to budget.

Benefits

Benefits include 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. Net benefits costs were lower than projected by \$0.20 million.

Services and Supplies

	Actual		Budget	Variance to	
	2021/2022	2022/2023	2022/2023	Actual	Prior Year
Services	\$7,472,085	\$7,409,188	\$8,505,425	\$1,096,237 12.89%	(\$62,897) -0.84%
Student Transportation	812,589	880,113	904,343	24,230 2.68%	\$67,524 8.31%
Professional Development and Travel	454,981	678,039	865,865	187,826 21.69%	\$223,058 49.03%
Rentals and Leases	180,248	179,172	113,230	(65,942) -58.24%	(\$1,076) -0.60%
Dues and Fees	96,205	115,988	102,747	(13,241) -12.89%	\$19,783 20.56%
Insurance	586,787	635,298	634,914	(384) -0.06%	\$48,511 8.27%
Supplies	7,075,271	12,061,770	10,607,038	(1,454,732) -13.71%	\$4,986,499 70.48%
Utilities	3,493,669	4,615,566	4,682,445	66,879 1.43%	\$1,121,897 32.11%
Total	\$20,171,835	\$26,575,134	\$26,416,007	(\$159,127) -0.60%	\$6,403,299 31.74%

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 \$1.10 million 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 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. Despite higher fuel costs and existing Covid protocols, for the 2022/23 fiscal, the District managed to maintain these expenses close to budget.

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 reduction of costs in this area versus budget. The savings of approximately \$0.19 million to budget were largely driven by the availability of more in-house professional development opportunities.

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 District. For 2022/23 fiscal, the District managed to maintain these costs close to budget.

Dues and Fees

This includes membership fees and/or dues in professional organizations as determined by the policies, regulations and needs of the District. For 2022/23 fiscal, these expenses were maintained to budget.

Insurance

This includes the expenditures for all forms and types of insurance coverage, premiums, and deductibles. The District managed to maintain these expenses close to budget.

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 their discretion within certain parameters set by the District. The unfavourable variance of \$1.45 million to budget for the 2022/23 fiscal was primarily due to the partial reclassification of School Generated Funds (SGF) expenses from special purpose fund into operating fund to adhere to PSAS in the amount of \$3.69 million. These expenses were not originally budgeted for and are offset against reclassified revenues under the identifier 'School Generated Funds' the Revenue section above.

Utilities

Included here are the expenditures for utility costs such as electricity, heating, water and sewage, garbage and recycling. the District managed to stay on budget for the 2022/23 fiscal despite higher gas and commodity prices and steady maintenance costs due to continuing Covid protocols for maintaining clean air through pre and post air purging in the schools.

Operating Surplus Analysis

The District closed out the year with a \$8.87 million accumulated operating surplus of which \$8.49 million is internally restricted for specific purposes leaving \$0.37 million as unrestricted. This accumulated operating surplus represents a \$2.06 million decrease over prior year which was primarily due to planned surplus usage to balance the 2022/23 budget.

With higher overall enrolment numbers, the district was able to generate a \$4.55 million operating surplus for 2022/23, or \$6.52 million favourable to budget. However, with increased enrolment comes the requirement to increase Teacher and EA staffing levels to adhere to collective agreement ratios and maintain service levels. Additionally, this has led to a requirement to invest in portables as there has been significant pressure on school facility capacity.

Accumulated Operating Surplus	2022/2023	2021/2022
Internally Restricted		
Ensuing Year Budget Appropriation	\$3,033,082	\$4,942,616
School Funds, Learning Resources, Program Development	1,077,110	753,791
School Generated Funds	3,174,291	-
International Education Reserve	-	2,125,000
Other District Committed Expenditures	1,209,192	1,908,646
Total Internally Restricted	\$8,493,675	\$9,730,053
Unrestricted	374,899	1,199,617
Total Accumulated Operating Surplus	\$8,868,574	\$10,929,670

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
	1-Jul	2022/23	2022/23		30-Jun	2023/24	2024/25
Internally Restricted for Operations Spanning Multiple School Years							
Next Year's Operating Budget							
Bylaw Appropriation – 2022/23 Budget	\$4,942,616	\$4,942,616	\$1,909,534	\$0	\$3,033,082	\$3,033,082	
Percentage of Operating Budget	1.85%				1.15%		
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	74,200	-	299,897	299,897	
Percentage of Operating Budget					0.11%		
Internally Restricted for Operations spanning multiple school years							
Energy Management Grants	398,261	398,261	26,705	-	371,556	371,556	
Detached duty – BTA	100,000	100,000	100,000	-	-		
Early Career mentorship	550,000	550,000	41,149	-	508,851	TBD	
School Block Budgets	482,818	482,818	482,818	1,002,806	1,002,806	TBD	
Program Development Leadership	153,472	153,472	153,472	-	-		
District Learning Resources	203,791	203,791	120,124	-	83,667	83,667	
Portable move	250,000	250,000	250,000	-			
Delayed International Education commission payments	150,000	150,000	150,000	-			
Equity, Diversity and Inclusion	-	-	-	19,525	19,525	19,525	
School Generated Funds	-	-	-	3,174,291	3,174,291	TBD	TBD
Percentage of Operating Budget					1.96%		
Internally Restricted Operating Fund Surplus	9,730,053	9,730,053	1,236,378	-	8,493,675		
Unrestricted Operating Surplus (Deficit)	1,199,617	1,199,617	824,718	-	374,899		
Percentage of Operating Budget	4.08%						
Total Operating Fund Surplus (Deficit)	\$10,929,670				\$8,868,574		
Percentage of Operating Budget	4.08%				3.23%		

Below is a three-year projection of the operating budget and the anticipated surplus (deficit). This projection is based on factors that are known to the District and contain assumptions that current service levels and programs will be maintained. Revenues are primarily based on enrolment projections and the Ministry's current funding formula. International Education enrolment for the next 3 years is projected to decrease by over 51% due to the lack of classroom capacity. This translates to a cumulative reduction of \$22.4 million of revenues over the next three years from 2022/23 levels. Expenses are based on maintaining current service levels and inflation applied to benefits and utilities costs. Salary increases for teachers, educational assistants and support staff have been included at 5.5% for 2023/24 and 2% for both 2024/25 and 2025/26. It is assumed the increased salaries are to be funded from Ministry's operating grant.

Local Capital expenditures have been increased to include \$2.3 million annually for new portables that are required to accommodate the projected enrolment growth as outlined in the District's Long-Range Facilities Plan. It is anticipated the District will need to add up to an additional 16 new portables. In addition, the continued contributions required to support the Education Technology Plan and Vehicle Replacement Plan are also included.

Three-Year Budget Projection	2023/2024	2024/2025	2025/2026
Revenue			
Ministry Operating Grant	\$282,518,753	\$293,179,965	\$302,906,185
Other Ministry of Education Grants	3,284,990	8,612,030	8,612,030
Other Revenue	21,486,464	19,206,444	17,406,444
Total Revenue	\$307,290,207	\$320,998,439	\$328,924,659
Expenditures			
Salary and Benefits	\$281,458,693	\$292,768,700	\$298,478,814
Services & Supplies	23,029,263	22,957,834	23,157,239
Total Expenses	\$304,487,956	\$315,726,534	\$321,636,053
Net Revenue (Expense) for the Year	\$2,802,251	\$5,271,905	\$7,288,606
Local Capital	(5,835,333)	(6,335,333)	(6,835,333)
Surplus / (Deficit)	(\$3,033,082)	(\$1,063,428)	\$453,273

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. 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	2022/2023	2023/2024	2024/2025	2025/26
Fund Balance Beginning of the Year	\$10,929,670	\$8,868,574	\$ 374,899	\$ (688,529)
Allocation of Restricted Surplus	-	(5,460,593)	-	-
Current Year Surplus/(Shortfall)	(2,061,096)	(3,033,082)	(1,063,428)	453,273
Fund Balance End of the Year	\$8,868,574	\$374,899	\$ (688,529)	\$ (235,256)

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 its current liabilities when they become due. A liquidity ratio of less than one indicates that the District may potentially struggle to meet its 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					
	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Financial Assets	\$110,552,521	\$118,901,836	\$100,316,411	\$122,318,988	\$138,849,012
Financial Liabilities	\$66,371,731	\$64,165,813	\$67,182,287	\$76,835,236	\$76,285,412
Liquidity	1.67	1.85	1.49	1.59	1.82

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 increased from 2021/22 by \$31.54 million due to higher enrolment and the partial reclassification of the School Generated Funds (SGF) into revenue, the surplus was reduced by \$2.06 million. The one-time surplus has been declining as the funds are required to balance subsequent budgets that were negatively impacted by the decline of international enrolment as well as build the provision for the future investment in portables to address the increasing capacity pressures on the existing facilities.

Total Accumulated Surplus to Revenue					
	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Unrestricted Surplus	\$3,851,639	\$3,877,942	\$4,042,375	\$1,199,617	\$374,899
Restricted Surplus	\$9,879,903	\$17,415,767	\$12,181,093	\$9,730,053	\$8,493,675
Total Surplus	\$13,731,542	\$21,293,709	\$16,223,468	\$10,929,670	\$8,868,574
Revenue	\$246,850,821	\$261,231,874	\$251,698,412	\$263,563,362	\$295,098,917
Percentage	5.56%	8.15%	6.45%	4.15%	3.01%

Accumulated Amortization to Assets

The accumulated amortization to assets ratio is a financial measurement tool that determines the age, value and remaining useful life of a fixed asset. A low ratio may indicate that the assets have plenty of life remaining while a high ratio could indicate that assets will need replacement. The ratios below show that investments and upgrades have been made to buildings to maintain a good standing over the past five years. This includes significant investments in schools such as the Burnaby North

secondary, Seaforth elementary and Parkcrest elementary. In 2022/23, the District recognized \$41.83 million of building costs into fixed assets due to completion of Seaforth and Parkcrest elementary schools as well as costs incurred for the Burnaby North Secondary school. The increase in computer hardware and software amortization ratio represents a planned computer hardware refresh in 2023/24.

Accumulated Amortization to Buildings					
	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Gross Assets	\$402,155,279	\$429,072,581	\$492,347,432	\$561,130,196	\$620,416,460
Accumulated Amo	\$149,479,201	\$158,594,509	\$167,833,817	\$177,764,031	\$204,878,573
Ratio	0.37	0.37	0.34	0.32	0.33

Accumulated Amortization to Furniture/Equipment and Vehicles					
	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Gross Assets	\$7,373,488	\$7,670,358	\$7,734,141	\$8,261,445	\$9,088,584
Accumulated Amo	\$3,257,803	\$3,889,618	\$3,768,002	\$3,191,345	\$3,307,364
Ratio	0.44	0.51	0.49	0.39	0.36

Accumulated Amortization to Computer Hardware and Software					
	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Gross Assets	\$3,891,432	\$3,596,209	\$10,533,316	\$10,359,275	\$10,641,288
Accumulated Amo	\$1,882,012	\$1,810,959	\$2,294,420	\$3,836,276	\$5,985,879
Ratio	0.48	0.5	0.22	0.37	0.56

Accumulated Amortization to All					
	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Gross Assets	\$413,420,199	\$440,339,148	\$510,614,889	\$579,750,916	\$640,146,332
Accumulated Amo	\$154,619,016	\$164,295,086	\$173,896,239	\$184,791,652	\$214,171,816
Ratio	0.37	0.37	0.34	0.32	0.33

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 2022/23 as related to significant Special Purpose grants:

Grant	Source	2022/23 Grant	Discussion
Annual Facility Grant (AFG) Operating portion	Ministry of Education	\$931,106	Please see discussion in the Capital Projects section under "Annual Facility Grant (AFG) Funding".
Learning Improvement Fund (LIF)	Ministry of Education	\$847,299	Funding used specifically to augment EAs hours providing additional support to complex learners.
Strong Start	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	\$100,450	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	\$350,290	Funding for core French-language programs and curriculum resources.
Community LINK	Ministry of Education and other	\$2,520,455	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	\$15,952,499	Eligible expenses include teacher staffing, overhead staffing and equipment costs resulting from restoration of class size and composition language.

Grant	Source	2022/23 Grant	Discussion
BC Provincial School for the Deaf	Ministry of Education and other	\$5,483,261	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	\$2,510,149	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	\$4,955,986	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.
Student & Family Affordability Fund	Ministry of Education & Child Care	\$2,377,676	One-time funding to increase food security for students and their families and to support students, parents and guardians with affordability concerns and assist those facing hardships.

Capital Fund

Major Capital Projects

The District had five in-progress or substantially complete major capital projects at various stages of progress during the year. The below table outlines the active projects during 2022/23. 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
Burnaby North Secondary	Replacement	6-Feb-18	Oct-23	Jan-24
Parkcrest Elementary	Seismic Partial Replacement	12-Jul-19	Jul-22	Sept-22
Seaforth Elementary	Seismic Strengthening	12-Jul-19	Jul-22	Sept-22
Childcare Facilities (Multiple Locations) - Phase 3	Additional Childcare spaces	16-Apr-20	Dec-23	Jun-24
Stride Elementary	Replacement	1-Apr-20	Sept-25	Jun-26
Brentwood Park Elementary	Expansion	Planning Phase		
Cameron Elementary	Expansion	Planning Phase		
Brentwood Town East	Expansion	Planning Phase		

Capital Fund Balances

The Capital Fund is comprised of Local Capital Reserves (LCR) (Schedule 4) and Unused Deferred Capital Revenue (Schedule 4D). The funds are to be used by the District for capital expenditures.

As at June 30, 2023, the LCR has a \$20.21million fund balance driven by the proceeds from the Kincaid Street site sale and an ongoing transfer from the operating fund. The funds in the LCR are earmarked for the District's anticipated significant local contribution to the upcoming Burnaby North and Stride secondary schools' projects.

Other LCR provisions 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 all Capital Funds.

Capital Fund	Description	June 30, 2023 Balance	June 30, 2022 Balance	Change
Local Capital	Funds generated by the District to be utilized for capital expenditures as determined by the District	\$20,210,143	\$943,155	(\$19,266,988)
Ministry of Education By Law Capital	Represents funds drawn on Certificates of Approval (COA) for capital projects.	\$240,347	\$1,372,817	\$1,132,470
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	\$541,089	\$1,233,755	\$692,666
Land Capital	Funds received from the City of Burnaby for School Site Acquisition charges.	\$34,875,742	\$31,291,395	(\$3,584,347)
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.	\$2,141,031	\$341,636	(\$1,799,395)
Other Capital Funds	Includes capital grants received from and restricted by, any entity not included in the Government Reporting Entity.	\$ -	\$1,281,430	\$1,281,430
Total		\$58,008,352	\$36,464,188	(\$21,544,164)

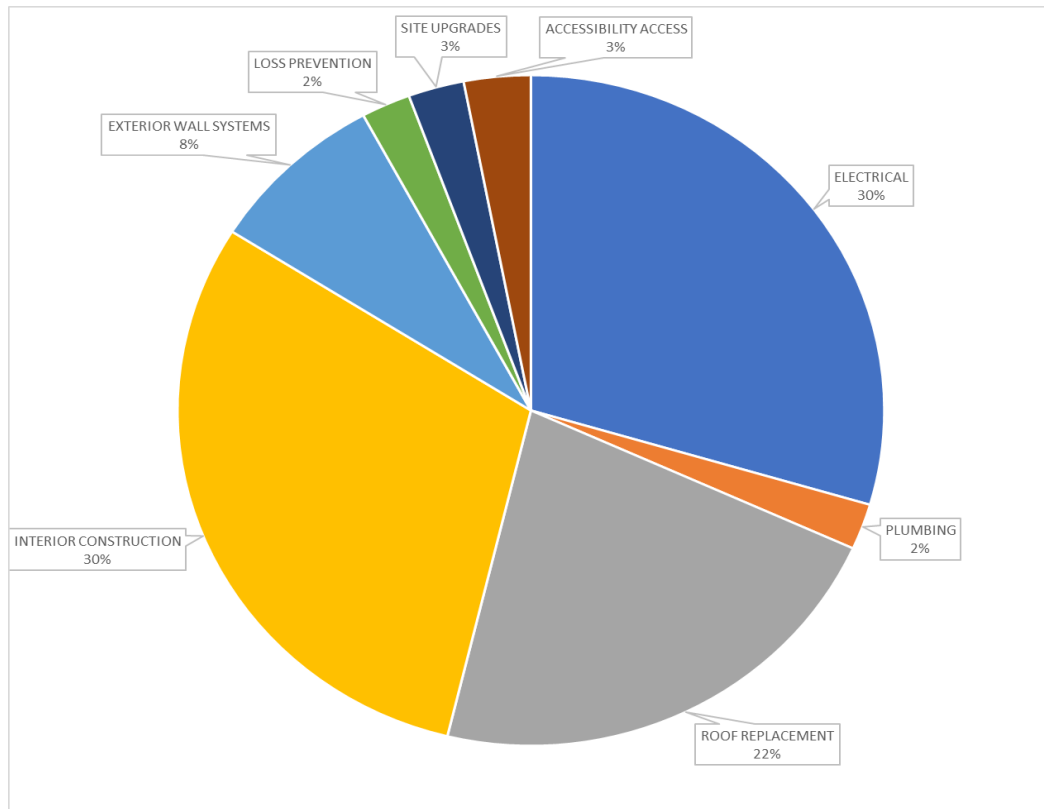
Other Capital Funded Projects

In 2022/23, the District received approximately \$4,774,396 in capital and operating Annual Facilities Grant (AFG) funding. These funds are used throughout District schools to address ongoing maintenance and improvement needs. AFG funding is received and approved on a March 31 fiscal year end. For the 2023-2024 fiscal year, the District has been approved for \$5,828,329 in funding.

2022/23 AFG Funds

Eligible Uses of AFG Funds:

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



In addition to the AFG funding noted above, the District can submit a proposal to the MECC 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 (CNCN) 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.

Below is a summary of approved funding:

March 31st Fiscal Year End	2022/2023 Approved
SEP	\$1,600,000
CNCN	\$563,000
PEP	\$165,000

Long Term Outlook

Budget Outlook

This past year, the district experienced significant enrolment growth which has led to a significant increase in the Operating Grant funded by the Ministry. With this increased enrolment, there has been a need to increase Teacher and Education Assistant staffing to adhere to class size requirements and maintain service levels. Due to constraints in school facility capacity, this increase in student enrolment has led to a large investment in portables which are funded through the operating grant. This strain on the operating grant puts further pressure on the operating budget which also has challenges due to inflationary pressures and increased staff replacement costs due to a higher rate of staff absences that has continued since the onset of COVID-19. The higher rate of staff replacements is putting further pressure on the existing tight labour market that exists for positions at all levels across the District.

School Facility Capacity

The above referenced investment in portables in 2022/23 is expected to continue. The 2023/24 budget included an increased investment from the operating grant to the local capital fund. This ongoing increase was to avoid one-time large investments in portables to mitigate the impact on operating budget in any one year. Primarily as a result of federal immigration policy, enrolment growth is expected to remain higher than previously experienced in the District as immigration continues into Canada and Metro Vancouver.

Long Range Facility Plan

In April of 2023, the Board adopted a new Long Range Facility Plan (LRFP). The plan outlined the need for several school expansions, replacements and new schools over the next 15 years. The plan informed the 2023/24 5-Year Capital Plan Submission which includes an estimated \$440 million request for funding capital projects which will be needed to accommodate the rapid growth of population in the City of Burnaby. The LRFP will require support from the Ministry of Education and Childcare in order to be enacted.

Board of Trustees New Strategic Plan

The work of the district is governed by the Board of Trustees and its strategic plan which covered the years 2019-2024. The current Board was elected in October 2022. The development of a new strategic plan is underway and will provide direction for the district in the years ahead.