

**FINANCE COMMITTEE**  
**Reporting to Public Session, Tuesday, September 22, 2009**

The Finance Committee met on Tuesday, September 15, 2009 at 5:15 pm. In attendance were: Trustees Ron Burton (Chair), Tony Coccia, Baljinder Narang, James Wang and Gary Wong; Superintendent of Schools Claudio Morelli, Secretary-Treasurer Greg Frank, Assistant Superintendents Kevin Kaardal and Gina Niccoli-Moen, Associate Superintendent Elliott Grieve and Assistant Secretary-Treasurer Roy Uyeno.

**1. Audited Financial Statements for  
The Fiscal Year ended June 30, 2009**

Secretary-Treasurer Greg Frank introduced to the committee Mr. Brian Szabo, Associate Partner with KPMG, the district's external auditors. Mr. Szabo provided Trustees with an overview of the audit of the school district's financial statements for the year ended June 30, 2009. Mr. Szabo thanked the district's finance staff for their cooperation during the audit.

Assistant Secretary-Treasurer Roy Uyeno provided Trustees with an overview and highlights of the draft 2008/2009 audited financial statements. Highlights included:

- The school district's auditors KPMG have issued an unqualified audit report.
- The financial statements are in full compliance with Generally Accepted Accounting Principles (GAAP) for not-for-profit entities.
- The district ended the year with a \$0.9 million net unrestricted operating fund balance and a \$4.3 million restricted operating fund balance.
- Ministry of Education funding:
  - No change in per pupil funding of \$5,851
  - Annual Facilities Grant for April-June not received
  - Labour Settlement funding \$19.4 million (\$14.5 million in 2007/2008)
- Actual other revenues and expenditures in the operating fund are consistent with budget.
- An increase in capital projects and resulting capital asset additions of \$13.2 million.
- Efficiency savings in energy and transportation.
- Additional disclosure requirements for asset retirement obligations and capital management.

A presentation of the 2008/2009 audited financial statements will be made at the September 22, 2009 Public Session meeting.

Recommendation: THAT the Board receive and approve the audited financial statements of the Board of Education of School District No. 41 Burnaby for the year ended June 30, 2009, as presented.

## **2. Contract Awards**

In accordance with the district's Purchasing Policy that the Finance Committee be informed by the Secretary-Treasurer of all contract awards exceeding \$1,000,000, Mr. Frank advised the committee of the successful proponents in the award of the following contracts:

### Computers and Related Hardware

- Two-year supply contract: IBM Canada Ltd./Lenova (Canada) Inc.

### Construction Contracts

- Brantford Elementary School – addition and seismic upgrade: Pro-Can Construction Group Corporation
- Burnaby Central Secondary School – replacement project: Giffels Partnership Solutions Inc.
- Burnaby South Secondary School – building envelope upgrade: Carillion Pacific Construction Inc.
- Capitol Hill Elementary School – seismic upgrade: Ledcor Construction
- Cariboo Hill Secondary School – seismic upgrade: Scott Construction
- Douglas Road Elementary School – seismic upgrade: HRC Construction
- Edmonds Community Elementary School – seismic upgrade: Triton Construction
- Gilmore Community Elementary School – seismic upgrade: LEC Engineering Contracting Ltd.
- Simon Fraser Elementary School – new school: Envoy Construction Services Ltd.

Recommendation: THAT the Board receive this information.

## **3. Annual Facilities Grant Update**

Mr. Frank provided Trustees with an update on the district's Annual Facilities Grant ("AFG") funding and related expenditures. The Ministry of Education has notified the district that the 2009/2010 grant, which was expected to be \$4.3 million, has been cancelled. Commitments made by the district prior to cancellation of the AFG for capital maintenance projects undertaken over the summer months and during the 2009/2010 school year will result in estimated expenditures of approximately \$2.6 million. Mr. Frank informed the committee that it is anticipated the 2009/2010 expenditures will be funded through AFG reserves, related capital projects and restricted capital reserves. Staff will continue to refine the estimated AFG expenditures and funding sources. Mr. Frank also informed the committee that the school district does not have regular staff working on AFG projects.

Recommendation: THAT the Board receive this information.

## **4. Adjournment**

The Chair adjourned the meeting at 6:42 pm.