



Budget Advisory Committee
Thursday, November 10 2022 @ 6:00-8:00 p.m.
Tolmie Boardroom, 556 Boleskine Road

AGENDA

- 1. Call to Order (5 min)**
- 1. Acknowledgement**
- 2. Election of Chair (10 min)**
- 3. Introductions (30 min)**
- 4. Values/Guiding Principles (15 min)** **Page 2**
- 5. Terms of Reference Review (10 min)** **Page 4**
- 6. April 2023 Deadline (5 min)** **Page 9**
- 7. Budget Development (5 min)** **Page 10**
- 8. Budget Orientation (20 min)**
 - a) 2022-2023 Annual Budget (Preliminary) **Page 13**
 - b) 2021-2022 Financial Statement Discussion & Analysis **Page 28**
- 9. Work Plan (15 min)**
 - a) Topics & Sequence **Page 63**
 - b) Experts and Resource People
- 10. Take Away (2 min)**
- 11. Next Meeting: December 8, 2022 6 pm Microsoft Teams (2 min)** **Page 65**
- 12. Adjournment**

VALUES/GUIDING PRINCIPLES

BOARD APPROVED October 26, 2021 / For November 10, 2022 Committee Review

Students

Students are at the centre of all we do in SD61. Students are our primary stakeholder and must have voice and agency in their learning. The budget will focus on provision of service for every student to succeed, recognizing that all learners are unique and have differing needs. Quantitative and qualitative data are both important.

Relationships

Partnerships and relationships are strengthened by demonstrating respect, recognition of expertise, recognition of diverse opinions and ability to have civil discourse. We assume good intentions on all sides and for all ideas. Trust will be built by having authentic and difficult conversations with transparency and building understanding over time. The budget will be communicated clearly and regularly throughout the process.

Indigenous

The budget will be culturally respectful and responsive to the needs of Indigenous peoples and will include the Four Houses and the Indigenous Education Department within the Budget process. Trustees, the Board and Staff will utilize the Indigenous Education Department's regularly scheduled meetings with the Songhees Nation, Esquimalt Nation, Urban Indigenous Peoples' House Advisory (UPHIA) and the Métis Nation of Greater Victoria as the conduits to share information, consult, seek input and direction. The Board and Staff will attend meetings with Songhees Nation, Esquimalt Nation, UPHIA, the Métis Nation of Greater Victoria and the Indigenous Education Department when invited and/or when any concerns and/or clarity is required.

Alignment

Budget decisions will align to the District's Strategic Plan's goals and strategies and the District Framework for Enhancing Student Learning. Priority will be given to Strategic Plan and Framework for Enhancing Student Learning initiatives and will make financial connections to complete the annual financial report. As a result the organization recognizes constraint and the ability to do many things, but not all things.

Timelines

The Board will adhere to the Board approved budget process timelines in order for the organization to meet its system, staffing and collective agreement obligations to properly place human and financial resources in schools and provide stability in the organization. In the process, the learning community

The Greater Victoria School District wishes to recognize and acknowledge the Esquimalt and Songhees Nations, on whose traditional territories, we live, we learn, and we do our work.

will be informed about the time constraints for the final budget approval. The Board will give third reading to the budget no later than April 11, 2021.

Collaboration

The budget will be an inclusive collaborative process where stakeholders and Rights holders have the opportunity to understand the District budget, be made aware of positive and negative impacts of proposed budget options and to provide input on same, and where possible to co-create solutions. Participants should feel heard at the end of the budget process while also understanding that feedback and input are provided for the Board's consideration in its decision making. Quiet voices will require extra attention.

Sustainability and Ability to Withstand Change

To advance sustainability the Board will:

- commit to administrative and operational efficiencies, and appropriate management of risk including the provision of safe and healthy learning environments and sustainable environmental practices
- move toward matching revenues to expenses so the organization does not rely on surplus to balance on-going costs from year to year
- spend surplus on one-time initiatives and priorities, and not on-going expenses
- recognize that the needs of students change from year to year and so will the budget allocations
- protect reserves and contingency even when there is pressure to spend in times of constraint
- consider long term financial planning and three year budget forecasts

The Greater Victoria School District wishes to recognize and acknowledge the Esquimalt and Songhees Nations, on whose traditional territories, we live, we learn, and we do our work.

One *Learning* Community



Budget Advisory Committee – Terms of Reference

November 15, 2021 Draft 4

December 7, 2021 Draft 5

January 24, 2022 FINAL

November 10, 2022 COMMITTEE REVIEW & SUGGESTED EDITS

PURPOSE

The Budget Advisory Committee (the “Committee”) is a committee of the whole of the Board of Education. The purpose of the Budget Committee is to oversee the School District’s budget process, make recommendations and deliver reports to the Board of Education with a focus on provision of service for every student to succeed, recognizing that all learners are unique and have differing needs.

COMPOSITION & OPERATIONS

- All Trustees of the Board

The Committee shall be composed of:

- Superintendent
- Secretary-Treasurer
- Deputy Superintendent
- Associate Superintendents
- Associate Secretary-Treasurer
- Director of Finance
- Director of Facilities
- Director of Indigenous Education as the conduit to and from the Four Houses
- Two Principals/Vice-Principals
- Two representatives from each of the GVTA, CUPE Local 947, CUPE Local 382, Allied Specialists Association, and VCPAC
- One representative from each of the Songhees Nation, Esquimalt Nation, Urban Peoples’ House Indigenous Advisory (UPHIA) and the Métis Nation of Greater Victoria

All committee members shall commit to: ethical conduct, decorum, and professional conduct.

All committee members will promote and uphold cultural safety as set out the Board’s Values/Guiding principles where the budget will be culturally respectful and responsive to the needs of Indigenous peoples and will include the Four Houses and the Indigenous Education Department within the Budget process. Trustees, the Board and Staff will utilize the Indigenous Education Department’s regularly scheduled meetings with the Songhees Nation, Esquimalt Nation, Urban Peoples’ House Indigenous Advisory (UPHIA) and the Métis Nation of Greater Victoria as the conduits to share information, consult, seek input and direction. The Board and Staff will attend meetings with Songhees Nation, Esquimalt Nation, UPHIA, the Métis Nation of Greater Victoria and the Indigenous Education Department when

invited and/or when any concerns and/or clarity is required. The Committee's working definition of cultural safety as provided by SD61's Indigenous Education Department is attached as Appendix A.

Trustees will elect a Chair at the first meeting of the Committee and select a note taker at each meeting.

The Committee quorum will consist of the Committee Chair or designate plus four Trustees, the Secretary-Treasurer or designate, and one member from any two of the partner groups.

The Committee is advisory in nature and reports to the Board.

The Committee does not make decisions. The Committee will strive to make recommendations by consensus; failing consensus, committee discussions, with opposing views, will be communicated to the Board.

Agendas and minutes will be posted on the District website.

The Committee will meet monthly between November and April each year.

Confidential matters, such as property, personnel, litigation, will not be discussed by the Committee.

DUTIES & RESPONSIBILITIES

Make recommendations for Board approval and/or deliver reports relative to the annual operating, special purpose and capital budgets no later than March 10, 2022.

Make recommendations that have clear linkages to:

1. the District's Strategic Plan's goals and strategies and the District Framework for Enhancing Student Learning for inclusion in the Financial Statement Discussion & Analysis Report; and
2. the Board's Values and Guiding Principles set out in the fiscal year's budget process
3. sustainability:
 - commit to administrative and operational efficiencies, and appropriate management of risk including the provision of safe and healthy learning environments and sustainable environmental practices
 - move toward matching revenues to expenses so the organization does not rely on surplus to balance on-going costs from year to year
 - spend surplus on one-time initiatives and priorities, and not on-going expenses
 - recognize that the needs of students change from year to year and so will the budget allocations
 - protect reserves and contingency even when there is pressure to spend in times of constraint
 - consider long term financial planning and three year budget forecasts

Oversee the annual budget process.

Receive budget input from education partners and the public.

Make recommendations for Board approval relative to improvements to annual budgeting process.

ACCOUNTABILITY

Meetings will not be open to the public. The Committee shall report its discussions to the Board by maintaining minutes of its meetings.

All approved minutes will be posted to the District's website in a timely manner.

Cultural Safety in Public Education

The concept of Cultural Safety originated in New Zealand about 30 years ago by a Maori nursing scholar, Dr. Irahapeti Ramsden. Ramsden's research was responding to an over-representation of Maori people in the country's negative health statistics. Its application is most commonly seen in the health care field relating to the relationship between health care providers and Indigenous people. "The BC Provincial Health Services Authority defines culturally safe care as *an outcome* based on respectful engagement that recognizes and strives to address power imbalances inherent in the healthcare system. It results in an environment free of racism and discrimination, where people feel safe". They define *Indigenous cultural safety* as "the process of making spaces, services and organizations safer and more equitable for Indigenous people by considering current and historical colonial impact and by actively seeking to eliminate structural racism and discrimination".

Culturally unsafe practice is defined by the Nursing Council of New Zealand as: "any actions that diminish, demean or disempower the cultural identity and well-being of an individual" (NAHO Fact Sheet), therefore, we could define cultural safety as any actions that acknowledge, respect and empower the cultural identity and well-being of an individual. While the concept was developed by an Indigenous woman, to apply to relationships between dominant and Indigenous cultures, it may also be applied to relationships between dominant cultural norms, and marginalized groups.

SD61 seeks to apply the theory of cultural safety to public education. Instead of the relationship between patient and health care provider; it applies to the relationship between Indigenous and marginalized students, families and communities and public education staff, teachers and administrators. As an educational framework, cultural safety is an outcome. When steps are taken by public educators to understand dominant worldviews, and can consider the perspective of those impacted by those dominant worldviews, then students, families and communities might feel that effect, and hence, feel culturally safer in those classrooms and schools. The steps towards cultural safety include: cultural awareness; cultural sensitivity and cultural competency. Cultural humility is needed to engage in this process because it needs to start with a core understanding that everyone has a culture, with powerful structures that can marginalize those outside of the dominant culture. The end result of moving through these stages, hopefully results in cultural safety – as defined by the recipients of service.

There are many resources and a free online course in Cultural Safety offered by the University of Victoria.

Resources:

[BC Public Health Services Authority - Maintaining a Safe and Inclusive Culture](#)

[What is Indigenous Cultural Safety and Why Should I Care About It?](#)

[BC Centre for Disease Control Culturally Safe Care](#)

[National Aboriginal Health Organization Cultural Safety Fact Sheet](#)

[The University of Victoria Online Course in Cultural Safety Module 1](#)

[The University of Victoria Online Course in Cultural Safety Module 2](#)

[The University of Victoria Online Course in Cultural Safety Module 3](#)

[Healing Hearts and Fostering Alliances: Towards a Cultural Safety Framework for SD61](#)

Office of the Secretary-Treasurer

Kim Morris - Secretary Treasurer

TO: Budget Advisory Committee
FROM: Kim Morris, Secretary-Treasurer
RE: 2023-2024 Budget Approval Deadline
DATE: November 10, 2022

The purpose of this memo is to advise the Budget Advisory Committee about the importance of the Board's approval of the 2023-2024 Preliminary Budget by April 2023.

Historically, the preliminary budget approval date has been driven by the Greater Victoria Teachers' Association Collective Agreement, specifically Article E.20 Posting and Filling of Vacancies.

Contractually, we have one Mobility Round, an Excess to Needs Process and the June Posting Round. Each round requires time to create, post and fill the position. In between rounds of postings, as per the Collective Agreement, Principals must adhere to the Assignment and Reassignment in Schools process to ensure that teachers who are already on staff have access to vacated positions or vacated full time equivalents (FTEs).

Additionally, the District has a very collaborative staffing process at the school level, involving staffing committees and stakeholders; therefore, schools require at least two to three weeks to complete their staffing.

In order to meet the requirements of the Collective Agreement, the staffing process for the following September starts in early April. Budget approval prior to commencement of the April staffing process ensures that all budgeted staffing is given out during that time, resulting in more job stability and increased workflow efficiency.

Consequences of changes in staffing budgets subsequent to the April staffing process cause inefficiency and additional work at the school and district level. Changes also causes frustration and anxiety among the staff if staffing budgets are held back and given out at a later date as it means some employees may be laid off or be required to change schools, only to have their position reinstated at a later point. Lastly, providing schools with staffing in April ensures:

- staffing is completed before employees leave for the summer;
- employees know where they'll be working in the fall and can prepare for start up,
- sufficient time is provided for financial year end work and
- stability is provided to the system.

The Greater Victoria School District wishes to recognize and acknowledge the Esquimalt and Songhees Nations, on whose traditional territories, we live, we learn, and we do our work.

TO: Budget Advisory Committee
FROM: Kim Morris, Secretary-Treasurer
RE: Budget Development Process
DATE: November 10, 2022

The purpose of this memo is to provide the Budget Advisory Committee with an overview of the Budget Development Process.

The Director of Finance, Budgets & Financial Reporting oversees the preparation of the Annual ("Preliminary") Budget and the Amended Annual ("Final") Budget.

Enrolment Projections:

K-12 regular school-based 3-year enrolment projections are prepared for the upcoming school year in December/January and are submitted to the Ministry of Education and Child Care (the "Ministry") by mid-February. Historically, the district has used two external consultants to prepare enrolment projections. Once the consultants submit the projections to the district, they are reviewed and compared internally by district staff for reasonableness and for local knowledge to be applied. The enrolment projections submitted to the Ministry are then used to prepare the preliminary budget. As part of the Board's 2022/23 budget balancing strategy, one external consultant was reduced; therefore, only one external consultant will be used for the 2023/24 enrolment projections.

Each September, the District submits its student data to the Ministry which reflects actual enrolment. This moves the District's fiscal year from projected enrolment to actual enrolment, the impacts of which are reflected in the final budget.

Indigenous, English Language Learning, Continuing Education, Distributed Learning and Inclusive and Diverse enrolments are also included in the February submission to the Ministry. These enrolment estimates are prepared in consultation with the district team lead/principal who oversees the program area.

Revenue Budgets:

The Ministry announces preliminary school district grants in March of each year. Enrolment drives the majority of the Ministry operating grant revenue. It also drives most of the operating expenditure budget, including school staffing and supply budgets. Any grants not announced by the Ministry in March are not included in the preliminary budget but will be captured in the final budget.

The Greater Victoria School District wishes to recognize and acknowledge the Esquimalt and Songhees Nations, on whose traditional territories, we live, we learn, and we do our work.

International tuition revenue is based on the projected international student enrolments, which is prepared by the Director, International Education. The district retains a gross profit percentage of regular and short-term tuition; the remaining funds are retained by the International Education department to be used for teacher staffing, student recruitment and marketing activities and supporting the International Education office.

Interest income is based on projected interest rates.

Rental and lease revenue is prepared by the Manager, Building Operations based on projected rental capacity and rate changes.

Appropriated surplus is also considered a revenue item as it adds funding to the upcoming year's budget to offset expenditures that otherwise would leave the District in a deficit position. Appropriated surplus is made up of year end contractual and other carry-forwards not at the Board's discretion to redirect, as well as any surplus at the Board's discretion (not targeted for a specific purpose) to put toward the upcoming year's budget.

Expenditure budgets:

Teacher salaries are budgeted based on an average expected salary, which includes contractual increases and projected retirements, hires, contractual movements along the salary grid (increments) and category upgrades. The classroom teacher staffing is based on the enrolment projections.

Substitute salaries (TTOCs and EAs) are budgeted based on an average expected daily rate, which includes contractual increases. The average expected daily rate is then multiplied by the average number of leave days (e.g. sick) taken by teachers and EAs to develop a replacement cost per teacher and EA full time equivalent (FTE).

Educational Assistants and Support Staff salaries are budgeted based on contractual increases for the following year. School-based clerical staffing is projected based on the district funding formula provided to schools, which is driven by enrolment. Budgeted Educational Assistant staffing is based on projected Inclusive and Diverse student enrolment along with some contingency funds for unforeseen enrolment increases in the late fall, winter and spring.

Other Professionals, Principal and Vice-Principal are budgeted based on actual salaries.

Benefit expenses **are** calculated based on projected changes in benefit rates.

The Greater Victoria School District wishes to recognize and acknowledge the Esquimalt and Songhees Nations, on whose traditional territories, we live, we learn, and we do our work.

Department budgets are created in collaboration with department heads. The Director of Finance, Budgets and Financial Reporting meets with department heads in December/January each year to review projected expenditures to year end and review budget requirements for the following year, including possible efficiencies and new initiatives in alignment with the strategic plan and operational plans. Requests over and above the prior year expenditure budgets are brought to the board for approval, with the exception of contractual increases (e.g. utilities, insurance etc.).

Capital Fund:

Each year, Facilities staff members review district facilities and develop a list of high priority projects which are used to develop the five-year capital plan under the various funding categories (Annual Facilities Grant, Major Capital, Minor Capital). The five-year capital plan is prepared and updated by the Director, Facilities Services in conjunction with the Secretary-Treasurer. The Operations, Policy and Planning Committee reviews the five-year capital plan and recommends the plan to the Board. The Board then approves the plan, and it is submitted to the Ministry. The capital plans are developed for the fiscal year after the upcoming budget year because they need a longer period with which to be approved (Ministry provides approvals in March of the following year) and planned. For example, the annual capital plan approved June 2022 was for the 23-24 fiscal year, not the 22-23 budget year.

Special Purpose Funds:

Special purpose grants announced by the Ministry in March are included in the preliminary budget revenue and expenses, in addition to projected revenues and expenses for school generated funds, scholarships and bursaries and estate trusts. Any special purpose grants announced subsequent to the March funding announcement are included in the final budget.

Amended Annual Budget (Final Budget):

The amended annual budget is prepared in the winter each year and is approved by the Board in February. The final budget is based on the actual September 30th enrolment count and includes grants announced subsequent to the Ministry's March funding announcement the previous year and recalculated expenditures **resulting from the budget year's operations**.

The Greater Victoria School District wishes to recognize and acknowledge the Esquimalt and Songhees Nations, on whose traditional territories, we live, we learn, and we do our work.

Annual Budget

School District No. 61 (Greater Victoria)

June 30, 2023

School District No. 61 (Greater Victoria)

June 30, 2023

Table of Contents

Bylaw	1
Annual Budget - Revenue and Expense - Statement 2	2
Annual Budget - Changes in Net Financial Assets (Debt) - Statement 4	4
Annual Budget - Operating Revenue and Expense - Schedule 2	5
Schedule 2A - Annual Budget - Schedule of Operating Revenue by Source	6
Schedule 2B - Annual Budget - Schedule of Operating Expense by Object	7
Schedule 2C - Annual Budget - Operating Expense by Function, Program and Object	8
Annual Budget - Special Purpose Revenue and Expense - Schedule 3	10
Schedule 3A - Annual Budget - Changes in Special Purpose Funds	11
Annual Budget - Capital Revenue and Expense - Schedule 4	13

*NOTE - Statement 1, Statement 3, Statement 5, Schedule 1 and Schedules 4A - 4D are used for Financial Statement reporting only.

ANNUAL BUDGET BYLAW

A Bylaw of THE BOARD OF EDUCATION OF SCHOOL DISTRICT NO. 61 (GREATER VICTORIA) (called the "Board") to adopt the Annual Budget of the Board for the fiscal year 2022/2023 pursuant to section 113 of the *School Act*, R.S.B.C., 1996, c. 412 as amended from time to time (called the "Act").

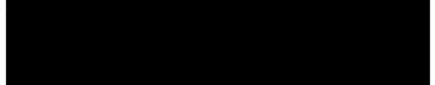
1. The Board has complied with the provisions of the *Act*, Ministerial Orders, and Ministry of Education Policies respecting the Annual Budget adopted by this bylaw.
2. This bylaw may be cited as School District No. 61 (Greater Victoria) Annual Budget Bylaw for fiscal year 2022/2023.
3. The attached Statement 2 showing the estimated revenue and expense for the 2022/2023 fiscal year and the total budget bylaw amount of \$268,456,989 for the 2022/2023 fiscal year was prepared in accordance with the *Act*.
4. Statement 2, 4 and Schedules 2 to 4 are adopted as the Annual Budget of the Board for the fiscal year 2022/2023.

READ A FIRST TIME THE 4th DAY OF APRIL, 2022;


READ A SECOND TIME THE 4th DAY OF APRIL, 2022;

READ A THIRD TIME, PASSED AND ADOPTED THE 7th DAY OF APRIL, 2022;

(Corporate Seal)


Chairperson of the Board
Secretary Treasurer

I HEREBY CERTIFY this to be a true original of School District No. 61 (Greater Victoria) Annual Budget Bylaw 2022/2023, adopted by the Board the 7th DAY OF APRIL, 2022.


Secretary Treasurer

School District No. 61 (Greater Victoria)

Statement 2

Annual Budget - Revenue and Expense

Year Ended June 30, 2023

	2023 Annual Budget	2022 Annual Budget
Ministry Operating Grant Funded FTE's		
School-Age	19,861,887	19,373,995
Adult	24,729	31,344
Other	-	10,500
Total Ministry Operating Grant Funded FTE's	19,886,616	19,415,839
Revenues	\$	\$
Provincial Grants		
Ministry of Education	225,468,923	216,081,028
Other	112,750	112,750
Tuition	15,107,619	12,242,537
Other Revenue	13,539,461	5,529,152
Rentals and Leases	2,696,572	1,779,874
Investment Income	442,760	415,552
Amortization of Deferred Capital Revenue	8,021,537	7,969,213
Total Revenue	265,389,622	244,130,106
Expenses		
Instruction	218,657,177	207,618,206
District Administration	6,617,225	6,329,294
Operations and Maintenance	39,258,707	38,027,511
Transportation and Housing	1,216,025	1,291,815
Total Expense	265,749,134	253,266,826
Net Revenue (Expense)	(359,512)	(9,136,720)
Budgeted Allocation (Retirement) of Surplus (Deficit)	2,300,000	5,658,406
Budgeted Surplus (Deficit), for the year	1,940,488	(3,478,314)
Budgeted Surplus (Deficit), for the year comprised of:		
Operating Fund Surplus (Deficit)		
Special Purpose Fund Surplus (Deficit)		
Capital Fund Surplus (Deficit)	1,940,488	(3,478,314)
Budgeted Surplus (Deficit), for the year	1,940,488	(3,478,314)

School District No. 61 (Greater Victoria)

Statement 2

Annual Budget - Revenue and Expense

Year Ended June 30, 2023

	2023 Annual Budget	2022 Annual Budget
Budget Bylaw Amount		
Operating - Total Expense	219,620,773	213,156,947
Special Purpose Funds - Total Expense	32,238,932	27,658,352
Capital Fund - Total Expense	13,889,429	12,451,527
Capital Fund - Tangible Capital Assets Purchased from Local Capital	2,707,855	1,000,000
Total Budget Bylaw Amount	268,456,989	254,266,826

Approved by the Board

[Redacted Signature]

June 7, 2022

Signature of the Chairperson of the Board of Education

Date Signed

[Redacted Signature]

May 9, 2022

Signature of the Superintendent

Date Signed

[Redacted Signature]

May 6, 2022

Signature of the Secretary Treasurer

Date Signed

School District No. 61 (Greater Victoria)

Statement 4

Annual Budget - Changes in Net Financial Assets (Debt)

Year Ended June 30, 2023

	2023 Annual Budget \$	2022 Annual Budget \$
Surplus (Deficit) for the year	(359,512)	(9,136,720)
Effect of change in Tangible Capital Assets		
Acquisition of Tangible Capital Assets		
From Local Capital	(2,707,855)	(1,000,000)
From Deferred Capital Revenue	(34,492,121)	(49,712,864)
Total Acquisition of Tangible Capital Assets	(37,199,976)	(50,712,864)
Amortization of Tangible Capital Assets	11,389,429	11,451,527
Total Effect of change in Tangible Capital Assets	(25,810,547)	(39,261,337)
	-	-
(Increase) Decrease in Net Financial Assets (Debt)	(26,170,059)	(48,398,057)

School District No. 61 (Greater Victoria)

Schedule 2

Annual Budget - Operating Revenue and Expense

Year Ended June 30, 2023

	2023 Annual Budget \$	2022 Annual Budget \$
Revenues		
Provincial Grants		
Ministry of Education	196,795,611	190,981,576
Other	112,750	112,750
Tuition	15,107,619	12,242,537
Other Revenue	2,239,461	2,029,152
Rentals and Leases	2,696,572	1,779,874
Investment Income	368,760	352,652
Total Revenue	217,320,773	207,498,541
Expenses		
Instruction	187,232,296	180,770,133
District Administration	6,617,225	6,329,294
Operations and Maintenance	24,555,227	24,765,705
Transportation and Housing	1,216,025	1,291,815
Total Expense	219,620,773	213,156,947
Net Revenue (Expense)	(2,300,000)	(5,658,406)
Budgeted Prior Year Surplus Appropriation	2,300,000	5,658,406
Budgeted Surplus (Deficit), for the year	-	-

School District No. 61 (Greater Victoria)

Schedule 2A

Annual Budget - Schedule of Operating Revenue by Source

Year Ended June 30, 2023

	2023 Annual Budget \$	2022 Annual Budget \$
Provincial Grants - Ministry of Education		
Operating Grant, Ministry of Education	194,583,765	188,753,064
ISC/LEA Recovery	(989,902)	(966,444)
Other Ministry of Education Grants		
Pay Equity	2,896,617	2,896,617
Funding for Graduated Adults	68,850	100,287
Student Transportation Fund	20,027	20,027
Support Staff Benefits Grant	198,514	193,437
FSA Scorer Grant	17,740	17,740
Summer School Operating Grant Reduction	-	(33,152)
Total Provincial Grants - Ministry of Education	196,795,611	190,981,576
Provincial Grants - Other	112,750	112,750
Tuition		
Continuing Education	-	7,000
International and Out of Province Students	15,104,719	12,217,537
Distributed Learning	2,900	18,000
Total Tuition	15,107,619	12,242,537
Other Revenues		
Other School District/Education Authorities	2,700	-
Funding from First Nations	989,902	966,444
Miscellaneous		
Odyssey French Language Assistant Funding	-	27,100
Industry Training Authority	175,000	175,000
Cafeteria Revenue	100,000	55,000
International Education Revenues	562,399	639,527
ArtsStarts Grant	17,600	17,600
BC Hydro Commercial Energy Manager Program Funding	-	37,500
Miscellaneous	391,860	110,981
Total Other Revenue	2,239,461	2,029,152
Rentals and Leases	2,696,572	1,779,874
Investment Income	368,760	352,652
Total Operating Revenue	217,320,773	207,498,541

School District No. 61 (Greater Victoria)

Schedule 2B

Annual Budget - Schedule of Operating Expense by Object
Year Ended June 30, 2023

	2023 Annual Budget \$	2022 Annual Budget \$
Salaries		
Teachers	96,707,978	92,198,153
Principals and Vice Principals	13,921,381	14,385,816
Educational Assistants	19,746,848	18,641,764
Support Staff	18,979,392	19,273,071
Other Professionals	4,830,042	4,957,013
Substitutes	8,675,067	8,570,336
Total Salaries	162,860,708	158,026,153
Employee Benefits	37,928,774	36,054,086
Total Salaries and Benefits	200,789,482	194,080,239
Services and Supplies		
Services	7,106,116	6,314,984
Student Transportation	901,500	1,076,545
Professional Development and Travel	881,322	727,897
Rentals and Leases	109,851	109,851
Dues and Fees	109,831	105,199
Insurance	427,403	420,003
Supplies	5,285,907	6,493,917
Utilities	4,009,361	3,828,312
Total Services and Supplies	18,831,291	19,076,708
Total Operating Expense	219,620,773	213,156,947

School District No. 61 (Greater Victoria)

Schedule 2C

Annual Budget - Operating Expense by Function, Program and Object

Year Ended June 30, 2023

	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	72,767,313	5,039,513	2,332,706	209,404	221,556	6,630,814	87,201,306
1.03 Career Programs	731,364	123,124	335,379			30,949	1,220,816
1.07 Library Services	2,185,563			364,810		86,539	2,636,912
1.08 Counselling	2,825,978					108,343	2,934,321
1.10 Special Education	10,378,146	409,128	16,113,562	220,609		732,067	27,853,512
1.30 English Language Learning	2,071,678	84,217		13,497		92,032	2,261,424
1.31 Indigenous Education	506,844		910,048	46,431	155,354	27,456	1,646,133
1.41 School Administration		7,966,235		4,118,875		45,000	12,130,110
1.60 Summer School							-
1.61 Continuing Education	121,425	28,805		58,838		4,575	213,643
1.62 International and Out of Province Students	5,068,822			859,631	751,025	285,705	6,965,183
1.64 Other							-
Total Function 1	96,657,133	13,651,022	19,691,695	5,892,095	1,127,935	8,043,480	145,063,360
4 District Administration							
4.11 Educational Administration		169,542		297,264	741,214	13,898	1,221,918
4.40 School District Governance				53,988	334,387		388,375
4.41 Business Administration		100,817		1,280,720	1,470,004	88,528	2,940,069
Total Function 4	-	270,359	-	1,631,972	2,545,605	102,426	4,550,362
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	50,845		55,153	314,685	901,325	19,996	1,342,004
5.50 Maintenance Operations				9,948,223	143,952	509,165	10,601,340
5.52 Maintenance of Grounds				1,072,188			1,072,188
5.56 Utilities							-
Total Function 5	50,845	-	55,153	11,335,096	1,045,277	529,161	13,015,532
7 Transportation and Housing							
7.41 Transportation and Housing Administration				25,549	111,225		136,774
7.70 Student Transportation				94,680			94,680
Total Function 7	-	-	-	120,229	111,225	-	231,454
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	96,707,978	13,921,381	19,746,848	18,979,392	4,830,042	8,675,067	162,860,708

School District No. 61 (Greater Victoria)

Schedule 2C

Annual Budget - Operating Expense by Function, Program and Object

Year Ended June 30, 2023

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2023 Annual Budget	2022 Annual Budget
	\$	\$	\$	\$	\$	\$
1 Instruction						
1.02 Regular Instruction	87,201,306	20,833,144	108,034,450	3,457,560	111,492,010	107,955,458
1.03 Career Programs	1,220,816	287,015	1,507,831	740,332	2,248,163	2,403,947
1.07 Library Services	2,636,912	628,531	3,265,443		3,265,443	3,222,845
1.08 Counselling	2,934,321	698,819	3,633,140		3,633,140	3,551,244
1.10 Special Education	27,853,512	6,607,903	34,461,415	858,330	35,319,745	34,740,474
1.30 English Language Learning	2,261,424	535,108	2,796,532	147,912	2,944,444	2,922,740
1.31 Indigenous Education	1,646,133	381,324	2,027,457	719,195	2,746,652	2,394,091
1.41 School Administration	12,130,110	2,624,944	14,755,054		14,755,054	14,419,920
1.60 Summer School	-	-	-		-	-
1.61 Continuing Education	213,643	50,008	263,651	3,150	266,801	319,607
1.62 International and Out of Province Students	6,965,183	1,617,327	8,582,510	1,865,584	10,448,094	8,727,057
1.64 Other	-	-	-	112,750	112,750	112,750
Total Function 1	145,063,360	34,264,123	179,327,483	7,904,813	187,232,296	180,770,133
4 District Administration						
4.11 Educational Administration	1,221,918	247,744	1,469,662	58,563	1,528,225	1,971,900
4.40 School District Governance	388,375	45,951	434,326	485,047	919,373	535,229
4.41 Business Administration	2,940,069	630,189	3,570,258	599,369	4,169,627	3,822,165
Total Function 4	4,550,362	923,884	5,474,246	1,142,979	6,617,225	6,329,294
5 Operations and Maintenance						
5.41 Operations and Maintenance Administration	1,342,004	275,758	1,617,762	706,582	2,324,344	2,316,392
5.50 Maintenance Operations	10,601,340	2,190,823	12,792,163	2,824,708	15,616,871	16,153,834
5.52 Maintenance of Grounds	1,072,188	224,087	1,296,275	342,703	1,638,978	1,650,915
5.56 Utilities	-	-	-	4,975,034	4,975,034	4,644,564
Total Function 5	13,015,532	2,690,668	15,706,200	8,849,027	24,555,227	24,765,705
7 Transportation and Housing						
7.41 Transportation and Housing Administration	136,774	27,376	164,150	6,000	170,150	165,480
7.70 Student Transportation	94,680	22,723	117,403	928,472	1,045,875	1,126,335
Total Function 7	231,454	50,099	281,553	934,472	1,216,025	1,291,815
9 Debt Services						
Total Function 9	-	-	-	-	-	-
Total Functions 1 - 9	162,860,708	37,928,774	200,789,482	18,831,291	219,620,773	213,156,947

School District No. 61 (Greater Victoria)

Schedule 3

Annual Budget - Special Purpose Revenue and Expense

Year Ended June 30, 2023

	2023 Annual Budget \$	2022 Annual Budget \$
Revenues		
Provincial Grants		
Ministry of Education	26,173,312	24,099,452
Other Revenue	6,000,000	3,500,000
Investment Income	65,620	58,900
Total Revenue	32,238,932	27,658,352
Expenses		
Instruction	31,424,881	26,848,073
Operations and Maintenance	814,051	810,279
Total Expense	32,238,932	27,658,352
Budgeted Surplus (Deficit), for the year	-	-

School District No. 61 (Greater Victoria)

Schedule 3A

Annual Budget - Changes in Special Purpose Funds

Year Ended June 30, 2023

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Special Education Technology	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
	\$	\$	\$	\$	\$	\$		\$	\$
Deferred Revenue, beginning of year			695,708		3,711,279				200,000
Add: Restricted Grants									
Provincial Grants - Ministry of Education	810,431	662,315		126,310		192,000	68,600	468,090	3,998,998
Other			15,000		6,000,000				
Investment Income	3,620		54,500		15,500				
	814,051	662,315	69,500	126,310	6,015,500	192,000	68,600	468,090	3,998,998
Less: Allocated to Revenue	814,051	662,315	40,000	126,310	6,015,500	192,000	68,600	468,090	4,198,998
Deferred Revenue, end of year	-	-	725,208	-	3,711,279	-	-	-	-
Revenues									
Provincial Grants - Ministry of Education	810,431	662,315		126,310		192,000	68,600	468,090	4,198,998
Other Revenue					6,000,000				
Investment Income	3,620		40,000		15,500				
	814,051	662,315	40,000	126,310	6,015,500	192,000	68,600	468,090	4,198,998
Expenses									
Salaries									
Teachers								68,499	1,249,601
Principals and Vice Principals				2,590				56,144	299,175
Educational Assistants		537,945		95,007		131,710			270,121
Support Staff									110,947
Substitutes		21,740			50,000	6,430		60,000	58,532
	-	559,685	-	97,597	50,000	138,140	-	184,643	1,988,376
Employee Benefits		102,630		22,475	9,500	32,260		37,393	462,699
Services and Supplies	814,051		40,000	6,238	5,956,000	21,600	68,600	246,054	1,747,923
	814,051	662,315	40,000	126,310	6,015,500	192,000	68,600	468,090	4,198,998
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund						34,492			

School District No. 61 (Greater Victoria)

Annual Budget - Changes in Special Purpose Funds

Year Ended June 30, 2023

Schedule 3A

	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Ledger School	Provincial Inclusion Outreach	Estate Trust	TOTAL
	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year					118,284	4,725,271
Add: Restricted Grants						
Provincial Grants - Ministry of Education	702,459	17,728,997	374,544	840,568		25,973,312
Other						6,015,000
Investment Income					9,000	82,620
	702,459	17,728,997	374,544	840,568	9,000	32,070,932
Less: Allocated to Revenue	702,459	17,728,997	374,544	840,568	6,500	32,238,932
Deferred Revenue, end of year	-	-	-	-	120,784	4,557,271
Revenues						
Provincial Grants - Ministry of Education	702,459	17,728,997	374,544	840,568		26,173,312
Other Revenue						6,000,000
Investment Income					6,500	65,620
	702,459	17,728,997	374,544	840,568	6,500	32,238,932
Expenses						
Salaries						
Teachers		14,297,578	194,592	215,953		16,026,223
Principals and Vice Principals			7,681	17,238		382,828
Educational Assistants			69,828	167,804		1,272,415
Support Staff	167,099			27,785		305,831
Substitutes	420,534		9,770			627,006
	587,633	14,297,578	281,871	428,780	-	18,614,303
Employee Benefits	114,826	3,431,419	66,648	100,777		4,380,627
Services and Supplies			26,025	311,011	6,500	9,244,002
	702,459	17,728,997	374,544	840,568	6,500	32,238,932
Net Revenue (Expense)	-	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund	294,219					328,711

School District No. 61 (Greater Victoria)

Schedule 4

Annual Budget - Capital Revenue and Expense

Year Ended June 30, 2023

	2023 Annual Budget			2022 Annual Budget
	Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$
Revenues				
Provincial Grants				
Ministry of Education	2,500,000		2,500,000	1,000,000
Other Revenue		5,300,000	5,300,000	
Investment Income		8,380	8,380	4,000
Amortization of Deferred Capital Revenue	8,021,537		8,021,537	7,969,213
Total Revenue	10,521,537	5,308,380	15,829,917	8,973,213
Expenses				
Operations and Maintenance	2,500,000		2,500,000	1,000,000
Amortization of Tangible Capital Assets				
Operations and Maintenance	11,389,429		11,389,429	11,451,527
Total Expense	13,889,429	-	13,889,429	12,451,527
Net Revenue (Expense)	(3,367,892)	5,308,380	1,940,488	(3,478,314)
Net Transfers (to) from other funds				
Total Net Transfers	-	-	-	-
Other Adjustments to Fund Balances				
Tangible Capital Assets Purchased from Local Capital	2,707,855	(2,707,855)	-	
Total Other Adjustments to Fund Balances	2,707,855	(2,707,855)	-	
Budgeted Surplus (Deficit), for the year	(660,037)	2,600,525	1,940,488	(3,478,314)



FINANCIAL STATEMENT DISCUSSION & ANALYSIS

2021-2022

Table of Contents

1.0 Overview	3
1.1 About Us.....	3
1.2 Board Authority, Roles and Responsibilities	4
1.3 Our Mission Statement.....	4
1.4 Our Vision Statement.....	4
1.5 Our Values.....	4
2.0 Strategic Plan.....	5
3.0 Financial Governance and Planning Cycle.....	6
3.1 Planning Cycle (Timelines 2021/22)	6
3.2 Budget Advisory and Audit Sub Committees.....	7
3.3 Presentations and Information Sharing	10
4.0 Financial Statement Composition Overview	11
4.1 Statement of Financial Position.....	12
5.0 Financial Highlights	14
5.1 Enrolment.....	14
5.2 Revenues.....	15
5.3 Expenditures	16
5.4 Reserves	17
6.0 Financial Analysis of the District	19
6.1 Analysis of Operating Results to Budget and Last Year	19
Revenues.....	19
Salaries & Benefits	20
Supplies and Services.....	22
6.2 Special Purpose Funds	23
6.3 Capital Fund Accounts	27
6.4 Major Capital Projects	28
6.5 Capital Fund Balances	29
6.6 Reserves—Operating and Capital Balances	30
7.0 Context, Assumptions and Other Considerations	33
8.0 Questions or More Information	35

1.0 Overview

This document will discuss and analyze the financial performance of the Greater Victoria School District (“the District”) for the fiscal year ending June 30, 2022 and will provide clarity to the variances from prior years. The District financial statements represent the consolidation of three separate funds: operating, special purpose and capital. This is only an introduction and should be read in conjunction with the District’s audited financial statements and accompanying notes.

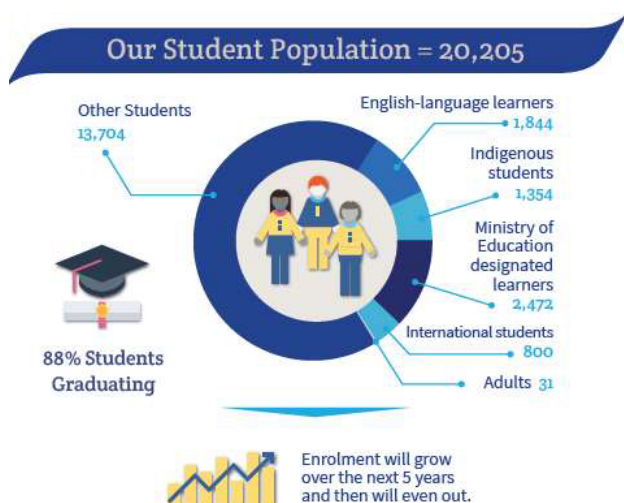
1.1 About Us

The Greater Victoria School District No. 61 (GVSD) resides on the traditional territory of the lək'wəṇən (Lekwungen) people. We would like to acknowledge the Songhees First Nation and the Esquimalt First Nation on whose traditional territory we live, work and play. Hay'sxw'qa—thank you.

The Four Houses represented in the District include the Songhees First Nation, Esquimalt First Nation, Métis Nation Greater Victoria (MNGV) and the Urban Peoples' House Indigenous Advisory (UPHIA). The term Four Houses came from community to the District as a way to activate their relationship for the programs and services for their children.

The District is located in the capital city of British Columbia and covers the municipalities of Esquimalt, Oak Bay, Victoria, View Royal and a portion of Saanich and Highlands.

The District is proud to provide quality education for 20,000 students in 28 elementary schools (kindergarten to grade five), 10 middle schools (grades six to eight), and seven secondary schools (grades nine to twelve). Approximately 1,000 international students from across the globe attend schools in our District, and each year, over 650 adult learners register in the Continuing Education Program. Our District also offers a variety of Programs of Choice, including French Immersion.



1.2 Board Authority, Roles and Responsibilities

The Board of Education has, as its primary role, the governance of the school district and the commitment to student achievement. The Board fulfills this role, in part, through the development and implementation of a strategic plan that establishes a vision, mission and goals **to direct resources** and align the work of staff.

The Board also has a foundational responsibility to competently protect the interests, image and credibility of the District, **to ensure its financial viability** and to act in accordance with all applicable laws, regulations and policies.

The Board's authority is established within the School Act and its regulations. The rights, powers, duties and liabilities of the Board rest only with the legally constituted Board, and not with committees of trustees or individual trustees.

The Board exercises its authority and responsibilities through the development of policy and the **establishment of a balanced annual budget**.

1.3 Our Mission Statement

We nurture each student's learning and well-being in a safe, responsive, and inclusive learning community.

1.4 Our Vision Statement

Each student within our world-class learning community has the opportunity to fulfill their potential and pursue their aspirations.

1.5 Our Values

- Engagement—Students are actively engaged in their education and connected to our learning community.
- Equity—We give each student the opportunity to fulfill their potential.
- Innovation/Positive Change—We are innovative. We constantly seek ways to make positive change.
- Integrity—We are ethical and fair.
- Openness and Transparency—We are open about the decisions we make and how we make them.
- Partnerships—We create open and respectful partnerships with each member of our learning community.
- Respect—We respect ourselves, others, and our environment.
- Social Responsibility and Justice—It is our shared responsibility to work with and inspire students to create a better world.

2.0 Strategic Plan

At its June 22, 2020 Regular Board meeting, the Greater Victoria Board of Education approved [Strategic Plan 2020-2025](#). This Strategic Plan sets priorities and defines the path of our District.

The Strategic Plan has three goals:

1. Create an inclusive and culturally responsive learning environment that will support and improve all learners' personal and academic success.
2. Create a culturally responsive learning environment that will support Indigenous learners' personal and academic success.
3. Create an inclusive and culturally responsive learning environment that will support all learners' physical and mental well-being.

Operational plans for Information Technology for Learning (ITL), Finance and Facilities are in their infancy, and will become the direction for these infrastructure departments in the next strategic plan.

Goal 1

Create an inclusive and culturally responsive learning environment that will support and improve all learners' personal and academic success.

Strategy 1:

Develop and support high quality learning opportunities through the implementation of curriculum in order to improve student achievement.

Strategy 2:

Engage and collaborate with students, families and staff to provide an inclusive learning environment that will enhance and support student learning, identities and well-being.

Strategy 3:

Address the inequity of outcomes for diverse learners in literacy, numeracy, engagement and completion rates.

Goal 2

Create a culturally responsive learning environment that will support Indigenous learners' personal and academic success.

Strategy 1:

Critically examine personal and systemic biases, attitudes, beliefs, values and practices to increase student and staff understanding and appreciation of Indigenous worldviews, histories and perspectives.

Strategy 2:

Engage and collaborate with local Nations, Indigenous educators, Indigenous community leaders, Elders and families to enhance Indigenous student learning and well-being and identity.

Strategy 3:

Address the inequity of outcomes for Indigenous learners in literacy, numeracy, attendance and graduation rates.

Goal 3

Create an inclusive and culturally responsive learning environment that will support all learners' physical and mental well-being.

Strategy 1:

Continue to provide professional learning opportunities to all staff in K-12 to further support implementation of social emotional learning, physical literacy and mental health literacy that improves outcomes for students and classrooms.

Strategy 2:

Work in collaboration with Ministry of Children & Family Development to provide joint educational planning and support for children and youth in care that helps develop the child's personality, talents and mental and physical abilities to the fullest for current and future success.

Strategy 3:

Engage and collaborate with families to encourage awareness of and engagement in physical literacy and mental health literacy that improves outcomes for students in classrooms and at home.

Strategy 4:

Address the inequity of opportunity for all learners to maximize physical health and mental well-being.

3.0 Financial Governance and Planning Cycle

3.1 Planning Cycle

	Budget Advisory Committee	Operations Policy & Planning Committee	Audit Committee	Board
September	Meeting		Review Draft Audited Financial Statements	Approve Audited Financial Statements
Ministry Student Count for Funding				
October	Meeting	Monthly Financial Report		
November	Meeting	Monthly Financial Report	Quarterly Report	Receive Audit Committee Report
December	Meeting	Monthly Financial Report		
Ministry Funding Final				
January	Meeting	Monthly Financial Report		
February	Meeting	Monthly Financial Report	Quarterly Report	Receive Audit Committee Report Approve Amended Budget
Amended Budget Due to Ministry				
March	Meeting	Monthly Financial Report		
Preliminary Ministry Funding Public Budget Presentation				
April		Monthly Financial Report		Approve Preliminary Budget
May		Monthly Financial Report	Quarterly Report & Audit Plan	Receive Audit Committee Report Approve Audit Plan
June				
Preliminary Budget due to Ministry				

3.2 Budget Advisory Committee

The Board of Education values consultation as an important part of budget development and monitoring. The Board also recognizes and accepts its responsibility to approve the annual budget. The Budget Advisory Committee (the “Committee”) is advisory in nature and reports directly to the Board through the chair of the committee.

The Committee was formed in November 2021. The purpose of the Budget Committee is to oversee the District’s budget process, make recommendations and deliver reports to the Board of Education with a focus on provision of service for every student to succeed, recognizing that all learners are unique and have differing needs.

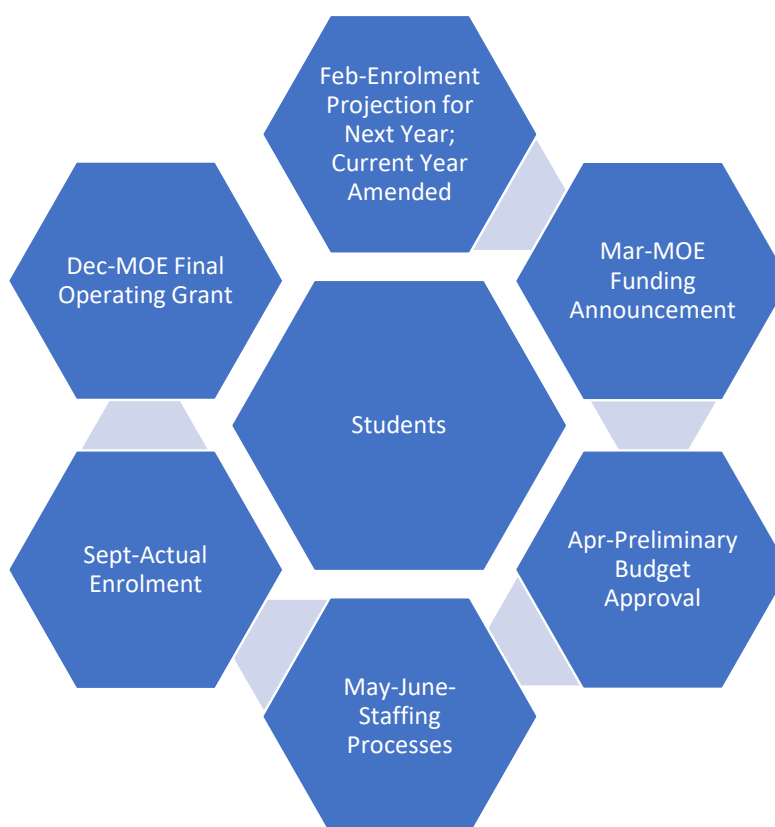
Composition

- All Trustees of the Board
- Superintendent
- Secretary-Treasurer
- Deputy Superintendent
- Associate Superintendent(s)
- Associate Secretary-Treasurer
- Director of Finance, Budgets and Financial Reporting
- Director of Facilities
- Director of Indigenous Education as the conduit to and from the Four Houses
- Two Principals/Vice-Principals
- Two representatives from each of the GVTA, CUPE Local 947, CUPE Local 382, Allied Specialists Association, and VCPAC
- One representative from each of the Songhees Nation, Esquimalt Nation, Urban Peoples’ House Indigenous Advisory (UPHIA) and the Métis Nation of Greater Victoria

Duties & Responsibilities

- Make recommendations for Board approval and/or deliver reports relative to the annual operating, special purpose and capital budgets no later than March of any given year.
- Make recommendations that have clear linkages to:
 1. The District's Strategic Plan's goals and strategies and the District Framework for Enhancing Student Learning for inclusion in the Financial Statement Discussion & Analysis Report; and,
 2. The Board's Values and Guiding Principles set out in the fiscal year's budget process
 3. Sustainability:
 - a. Commit to administrative and operational efficiencies, and appropriate management of risk including the provision of safe and healthy learning environments and sustainable environmental practices
 - b. Move toward matching revenues to expenses so the organization does not rely on surplus to balance on-going costs from year to year
 - c. Spend surplus on one-time initiatives and priorities, and not on-going expenses
 - d. Recognize that the needs of students change from year to year and so will the budget allocations
 - e. Protect reserves and contingency even when there is pressure to spend in times of constraint
 - f. Consider long term financial planning and three year budget forecasts
- Oversee the annual budget process.
- Receive budget input from education partners and the public.

Budget Cycle



Audit Sub-Committee (Bylaw 9130.4)

The Audit Sub-Committee (the “Sub-Committee”) mandate exists to assist the Board in fulfilling its financial oversight responsibilities. The committee is advisory in nature and reports directly to the Board through the Chair of the committee. The Sub-Committee will have direct communication channels with the external auditor to discuss and review issues within its mandate.

The Sub-Committee is comprised of two Trustees appointed by the Chair, the Superintendent and any other staff required, usually the Secretary-Treasurer, the Associate Secretary-Treasurer and the Director of Finance, Budgets and Financial Reporting. Any trustee may attend the Sub-Committee meetings as an observer. The Sub-Committee composition also contemplates up to three (3) community members with financial or business backgrounds determined by the Chair of the Sub-Committee; however, the District has not taken up this public membership to date.

3.3 Presentations and Information Sharing

2021/22 Operating Budget

The 2021-2022 budget development process was challenging due to the fact that the Board faced its first deficit in a decade resulting from enrolment decline both local and international due to COVID-19 (the “Pandemic”). The District had depended on large surpluses remaining at year ends to balance future years’ budgets.

Many presentations were made in public committee and board meetings to build understanding amongst Trustees and the community. A special advisor was contracted as an independent third party to verify information, context and status. The results of the advisor’s findings were made publicly available.

Presentations and information sharing opportunities were as follows:

	February	March	April	May	June
Education Policy & Directions Committee (Public)	Opportunities & Gaps: Alignment to Strategic Plan				
Operations Policy & Planning Committee (Public)		Draft 1: Structural Deficit			
Board Working Sessions			Sessions 1,2 and 3		
Board (Public)	Receive Audit Committee Report	Draft 2: Bylaw Reading 1	Draft 3: Reading 2 Update: Surplus Projection, Enrolment, Public Consultation & Music	Independent Advisor’s Presentation & Report Frequently Asked Questions Publication	Preliminary Budget Approval

4.0 Financial Statement Composition Overview

The District uses fund accounting, and each of these funds has restrictions on accounting for revenues and expenditures. There are three funds that are reported in the financial statements:

Operating Fund

Includes revenue and expense related to the daily operation of the District, including school and administrative functions.

Special Purpose Funds

Funding is restricted for a specific purpose and includes school generated funds. These funds do not report a surplus as revenues are only recognized when the related expenditure occurs. There may be a deficit in this fund which is then transferred to the Operating Fund or Capital Fund depending on the nature of the expenditure.

Capital Fund

This fund includes financial activities for tangible capital assets. The Ministry of Education and Child Care provides capital funding which is accounted for using the deferral accounting methodology whereby capital revenue is recorded over the life of the related asset to match the amortization expense recorded in the financial statements. Therefore, the revenue reported in the financial statements does not match the actual capital funding received in a year.

Assets purchased in the Operating and Special Purpose funds are also recorded on the Capital fund balance sheet.

4.1 Statement of Financial Position

The Statement of Financial Position (balance sheet) presents the District's financial assets and liabilities at the fiscal year end. It provides a comparative analysis of the district's net financial position for fiscal years ending June 30, 2021 and June 30, 2022 along with the year over year dollar and percentage changes.

		2022	2021	Change	%
Financial Assets					
	Cash and Cash Equivalents	66,075,808	62,735,222	3,340,586	5%
	Accounts Receivable				
	Due from Province—Ministry of Education & Child Care	1,240,454	4,851,003	-3,610,549	-74%
	Due from Province—Other	0	476,596	-476,596	-100%
	Due from First Nations	0	306,891	-306,891	-100%
	Other	3,322,280	3,408,670	-86,390	-3%
	Portfolio Investments	499,715	499,658	57	0%
	Total Financial Assets	71,138,257	72,278,040	-1,139,783	-2%
Liabilities					
	Accounts Payable and Accrued Liabilities	34,580,499	33,492,718	1,087,781	3%
	Unearned Revenue	11,497,069	11,955,313	-458,244	-4%
	Deferred Revenue	7,532,465	6,540,627	991,838	15%
	Deferred Capital Revenue	246,275,116	223,573,627	22,701,489	10%
	Employee Future Benefits	3,073,254	2,996,493	76,761	3%
	Total Liabilities	302,958,403	278,558,778	24,399,625	9%
	Net Financial Assets (Debt)	-231,820,146	-206,280,738	-25,539,408	11%
Non-Financial Assets					
	Tangible Capital Assets	287,356,817	265,216,436	22,140,381	8%
	Prepaid Expenses	875,252	957,276	-82,024	-9%
	Total Non-Financial Assets	288,232,069	266,173,712	22,058,357	8%
	Accumulated Surplus (Deficit)	56,411,923	59,892,974	-3,481,051	-6%

Explanation of Components of Financial Position

Cash and Cash Equivalents represent funding available to meet short term obligations such as Accounts Payable. Both Cash and Accounts Payable have increased significantly from the prior year due to the volume of spending on four concurrent building projects.

Accounts Receivable are monies owed to the District and primarily consist of GST rebates and draw claims from the Ministry of Education and Child Care for capital projects.

- **Due from Province** includes reimbursements receivable for expenses made on capital projects.
- **Due from First Nations** relates to the purchase of educational services from the District by local First Nation Bands for their students attending schools in the District.

Unearned Revenue is related mainly to International Education tuition for subsequent years received in advance.

Deferred Revenue refers to the unused money in Special Purpose Funds. The majority of this balance consists of School Generated Funds and Scholarship & Bursary investments.

Deferred Capital Revenue is money provided to the District for capital projects. This account will increase as new building projects are constructed and decrease to match the amortization on those buildings. Note how the increase this year closely relates to that of Tangible Capital Assets.

Employee Future Benefits relate to retirement payments to employees for years of service and are actuarial adjusted on an annual basis.

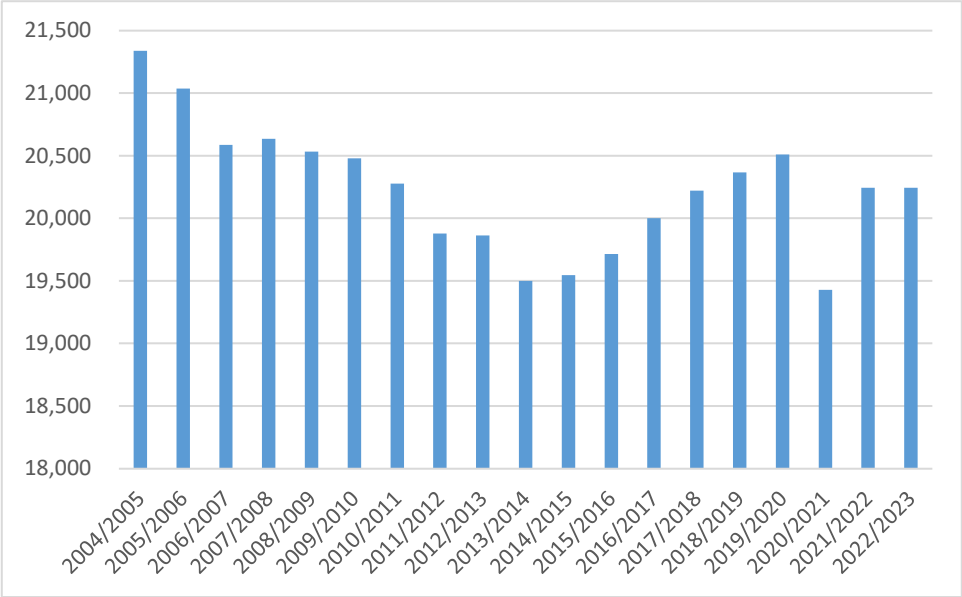
Tangible Capital Assets reflect the unamortized cost of land, buildings and equipment owned by the District.

Prepaid Expenses are expenditures that have been made for a future period (e.g., next year's insurance premiums paid in advance).

5.0 Financial Highlights

5.1 Enrolment

For the ten year period 2004-2005 to 2013-2014 the District experienced declining enrolment similar to much of the province. The District experienced a period of growth for the six year period 2014-2015 to 2019-2020. With the onset of the Pandemic the District experienced severe enrolment decline in 2020-2021 and since then has made a steady recovery to near pre-pandemic levels, but still lower than the highest enrolment in 2004-2005.

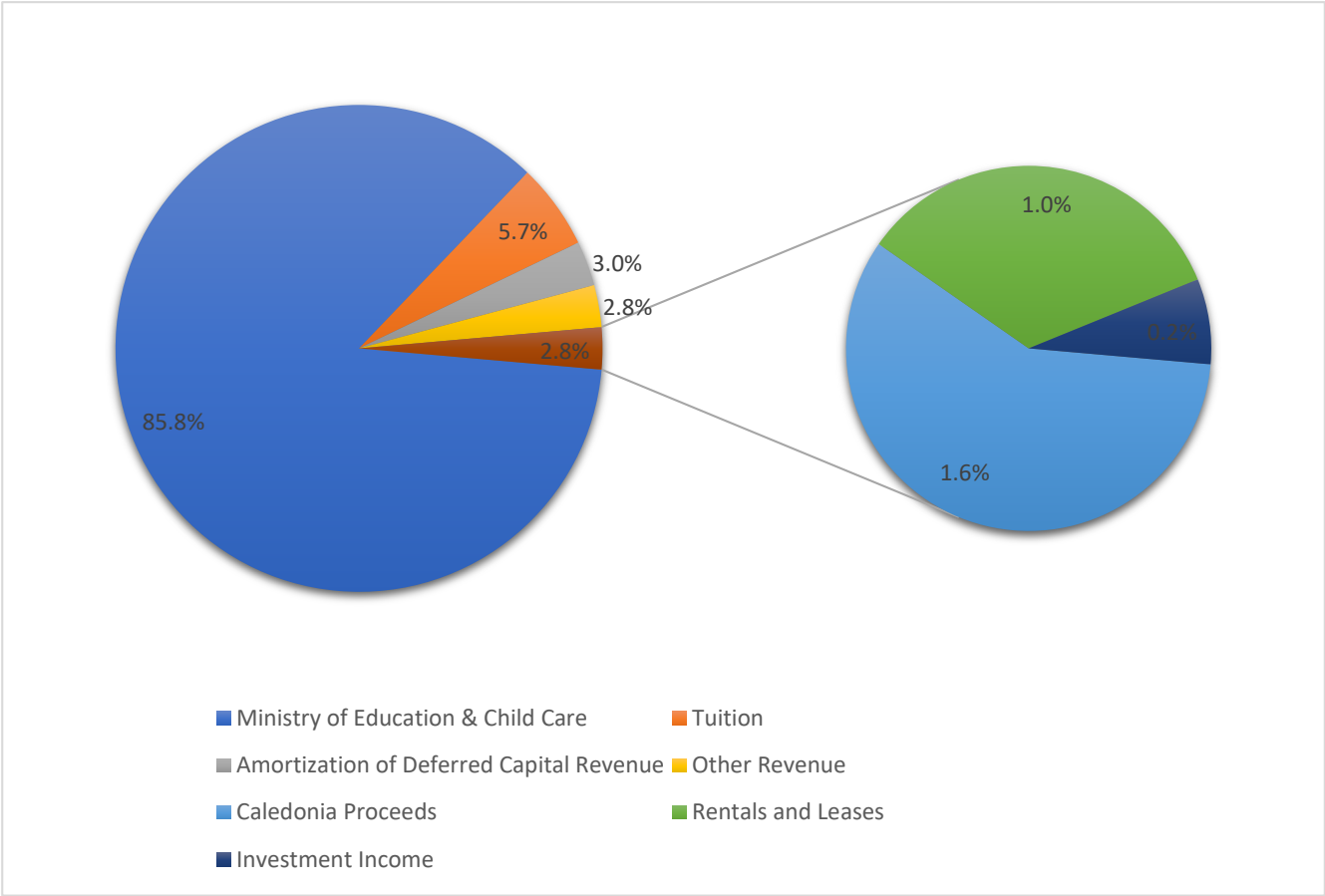


5.2 Revenues

Total revenues for the District were \$265 million for 2021/22. Revenue is heavily reliant upon funding from the Provincial government which is based mainly on student enrolments. The grant is calculated 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 student (FTE). The District also receives supplementary grants for students who are identified as having unique needs and for other demographic and geographical factors.

86% of the District’s revenue is from Ministry of Education and Child Care funding, 6% of revenue is tuition, 1% of revenue is rentals and leases and 3% are funds raised by schools through their non-public funds. 1% of revenue is generated from the proceeds of the conclusion of the Caledonia land exchange, long term lease, land acquisition and land disposal. 3% is associated with the recognition of deferred capital grants, and the balance through other revenue programs such as investment income.

Revenues increased 5.3% versus last year due mainly to the Caledonia proceeds, and increased local and international enrolment increases over 2020/2021, the District’s most impactful COVID-19 year in terms of enrolment. As well rentals and lease revenue increased due to the opening up of facilities after the COVID-19 restrictions.

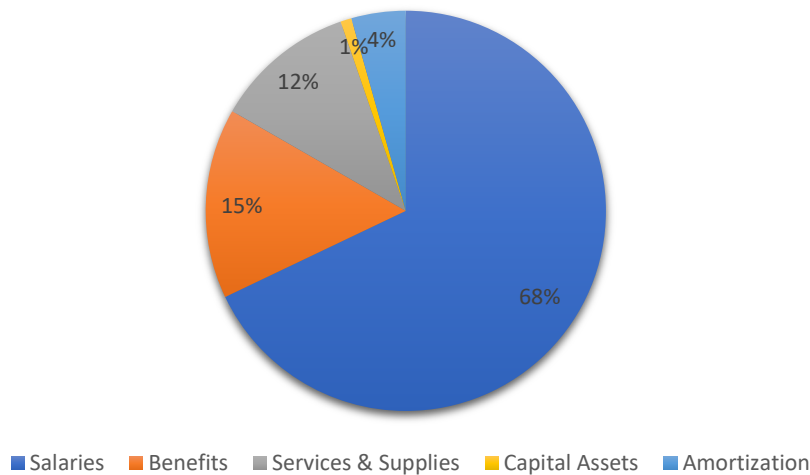


5.3 Expenditures

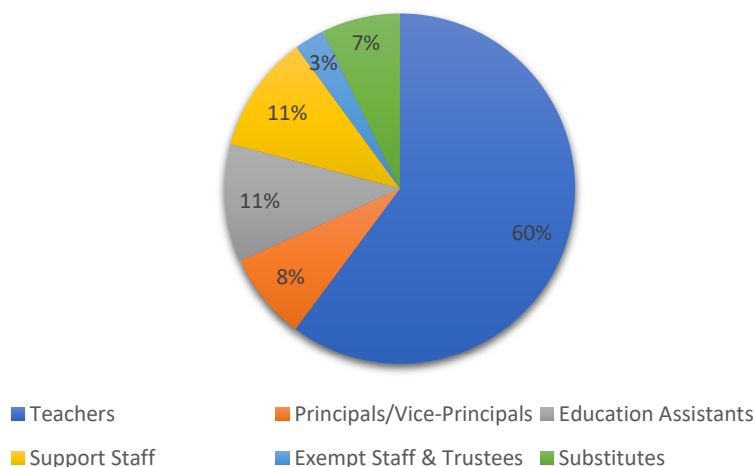
83% of the District's expenditures are associated with salaries and benefits with 60% of salaries for teachers. The balance of expenditures is related to amortization of capital assets and supplies and services including utilities, professional development and maintenance.

Overall expenditures are up by 4.9% versus last year. This is mainly due to increases in staffing and services and supplies to cover enrolment increases, collective agreement wage settlements, benefit premiums and costs for replacement staff.

Expenditure Type



Salaries



Looking at expenditures by Program, 81% of expenditures are on instruction, 3% administration and 16% on operations, maintenance and transportation.

5.4 Reserves

Operating

Unrestricted Reserves (formerly called Operating Reserve and International Education Reserve in the June 30, 2021 financial statement notes) decreased in 2021/22 from \$2,167,641 to \$1,501,254.

In June 2022 the Board updated its Operating Surplus policy to hold between 2% and 4% unrestricted operating surplus (contingency) as a percentage of operating revenue. It is anticipated the Board will need 2-3 years to reach a 2% unrestricted operating reserve as it recovers from the pandemic and enrolment trends continue upward.

Elementary and Middle schools are permitted to carry over \$40,000 budget surpluses to the next year. Secondary schools are permitted to carry over \$80,000. The total school surpluses (which are included in restricted reserves) decreased by \$245,358 this year to \$1,407,776, due to improved spending patterns and schools' anticipation of the new year's allocation reduction based on historical carry forwards to balance the 2022/23 budget.

Surplus projections during the next year's budget process continue to show good trending with variance in projected operating surplus of \$7.1 million versus actual surplus of \$8.2 million. This trending indicates the projected surplus numbers at budget development are reliable plus or minus.

As shown below the 2021/22 surplus is \$4,974,117 less than 2020/21. The District has worked to improve spending patterns (this year's money on this year's students) in the fiscal year and is striving for less reliance on large surpluses to balance annual budgets.

Description	Actual 2021-2022	Actual 2020-2021	Variance	Actual 2021-2022	Est. 2021-2022	Variance
School Funded Balances	1,407,776.00	1,653,133.79	-245,357.79	1,347,625.00	1,545,000.00	-197,375.00
School Funded Balance Exceeding Reserve	-60,151.00	-42,257.00	-17,894.00	0.00	0.00	0.00
The Link	76,694.00	80,000.00	-3,306.00	76,694.00	80,000.00	-3,306.00
International Education	0.00	280,000.00	-280,000.00	0.00	250,000.00	-250,000.00
Continuing Education	0.00	1,812.97	-1,812.97	0.00	0.00	0.00
PO Commitments	1,273,565.00	618,487.00	655,078.00	1,273,565.00	630,000.00	643,565.00
Department Carryforwards (Restricted)	1,719,483.00	2,840,184.00	-1,120,701.00	1,719,483.00	1,804,431.00	-84,948.00
Year 1 of 5 Network Infrastructure Replacement	0.00	406,350.00	-406,350.00	0.00	0.00	0.00
Year 2 of 2 Shops Upgrade	0.00	350,000.00	-350,000.00	0.00	0.00	0.00
Classroom Portable	0.00	200,000.00	-200,000.00	0.00	0.00	0.00
Carry Forward—Dept CF (Unrestricted)	0.00	0.00	0.00	0.00	555,833.00	-555,833.00
Carry Forward—International (Unrestricted)	0.00	0.00	0.00	0.00	233,311.00	-233,311.00
Carry Forward—Surplus to Balance Budget	2,300,000.00	4,837,387.00	-2,537,387.00	2,300,000.00	0.00	2,300,000.00
Carry Forward—Reserve	1,172,813.41	1,542,640.79	-369,827.38	1,172,813.41	1,542,641.00	-369,827.59
Carry Forward—Reserve International	328,441.00	425,000.00	-96,559.00	328,441.00	425,000.00	-96,559.00
TOTAL	8,218,621.41	13,192,738.55	-4,974,117.14	8,218,621.41	7,066,216.00	1,152,405.41

Local Capital Reserve

Restricted Reserve in local capital increased by \$1,604,343 to \$3,477,091 in 2021/22 due to the Caledonia net proceeds being received. It is noted that while the increases to local capital increased, so did the uses of local capital and in particular the acquisition of a city parcel as part of the Caledonia project as well as the Board's use of \$1,000,000 for the purchase of capital assets normally purchased from Operating, in order to decrease the reduction in services and supplies to the annual budget in the first year of deficit.

Balance, Beginning of the Year	1,872,747
Increases:	
Caledonia Development License	4,300,000
Caledonia Lease	1
Caledonia Interest Income	2,087
Fund Investment Income	11,572
Decreases:	
Caledonia Purchase of North Park Lot	(1,089,000)
Caledonia Land Exchange GST	(55,523)
Sundance Elem K Cohort Start-up Costs	(52,665)
Local Capital Purchases - Budget 21-22	(1,000,000)
Shoreline Classroom Addition	(5,918)
Inclusion for Learning Strategy	(93,747)
Student Device Replacement	(412,463)
Balance, End of Year	3,477,091

Ministry Restricted Capital Reserve

The Ministry Restricted Capital reserve remains fairly constant with a \$5,319 increase from the previous year as a result of interest revenue. The 2021/22 year-end balance is \$2,980,325.

6.0 Financial Analysis of the District

6.1 Analysis of Operating Results to Budget and Last Year

The following is a discussion and analysis of the District's financial performance for the fiscal year ended June 30, 2022. This section of the report is a summary of the District's financial activities based on currently known facts, decisions, or conditions. The results of the current year are discussed in comparison with the prior year, as well as in comparison with the current year's budget. These sections are broken down into three areas: Revenues, Salaries and Benefits, and Supplies and Services.

Revenues

Operating Fund	2021/22		2020/21	Increase (Decrease) vs. BUDGET		Increase (Decrease) vs PRIOR YEAR		2021/22 ACTUAL AS A % of TOTAL REVENUE
	BUDGET	ACTUAL	ACTUAL	\$	%	\$	%	%
Provincial Grants, Ministry of Ed & Child Care	190,981,576	197,056,412	191,638,791	6,074,836	3.08%	5,417,621	2.83%	90.5%
Funding from First Nations	966,444	829,034	1,031,724	(137,410)	-16.57%	(202,690)	-19.65%	0.4%
Provincial Grants, Other	112,750	166,975	100,802	54,225	32.47%	66,173	65.65%	0.1%
Tuition	12,242,537	15,070,357	9,496,466	2,827,820	18.76%	5,573,891	58.69%	6.9%
Other Revenue	1,062,708	1,649,914	1,294,109	587,206	35.59%	355,805	27.49%	0.8%
Rentals and Leases	1,779,874	2,519,825	1,587,882	739,951	29.37%	931,943	58.69%	1.2%
Investment Income	352,652	475,034	568,013	122,382	25.76%	(92,979)	-16.37%	0.2%
Total Operating Revenue	207,498,541	217,767,551	205,717,787	10,269,010	4.72%	12,049,764	5.86%	

Both local and international enrolments were higher than projected in February 2021 for local enrolment and Spring 2021 budget projections for the International Program as reflected in increased revenues in Provincial Grants and Tuition revenues.

Provincial Grants, Other are comprised of After School Sport and Arts Initiative (ASSAI) grants from the Ministry of Tourism, Arts, Culture and Sport, the ERASE School District Mentorship Grant from the Ministry of Public Safety and Solicitor General, and from the sale of surplus assets through public auction by the Province of BC Asset Investment Recovery Service.

Rentals and Leases revenue has increased from the prior year as a result of opening up school facilities to external rental clients post-pandemic, as well as clarification of rental policies resulting in improved availability of space to rental clients.

The budget and actual income are lower in the current year as a result of lower interest rates due to the Pandemic. Interest rates started at 1.45% in July 2020 and dropped to 0.95% in July 2021.

Other Revenue includes other grants, fees, commissions, rebates and general donations. The amount and timing of this revenue varies each year. The budget in the current year was increased in anticipation of higher administrative fees in International Education and to incorporate budgets for Industry Training Authority (ITA) grants and vendor rebates. Revenue in the current year is higher than the prior year mostly due to an increase in homestay and activity fees collected by International Education.

Salaries & Benefits

Operating Fund	2021/22		2020/21	Increase (Decrease) vs. BUDGET		Increase (Decrease) vs PRIOR YEAR		2021/22 ACTUAL AS A % of TOTAL SALARIES
	BUDGET	ACTUAL	ACTUAL	\$	%	\$	%	%
Teachers	92,198,153	94,940,648	90,349,744	2,742,495	2.89%	4,590,904	5.08%	58.2%
Principals & Vice-Principals	14,385,816	14,297,258	14,066,958	(88,558)	-0.62%	230,300	1.64%	8.8%
Education Assistants (CUPE 947)	18,641,764	18,601,555	17,265,674	(40,209)	-0.22%	1,335,881	7.74%	11.4%
Support Staff (CUPE 947 & 382)	19,273,071	19,092,704	18,669,864	(180,367)	-0.94%	422,840	2.26%	11.7%
Exempt Staff and Trustees	4,957,013	5,093,299	4,916,468	136,286	2.68%	176,831	3.60%	3.1%
Substitutes	8,570,336	11,140,179	8,663,963	2,569,843	23.07%	2,476,216	28.58%	6.8%
Total Salaries	158,026,153	163,165,643	153,932,671	5,139,490	3.15%	9,232,972	6.00%	
Employee Benefits	36,054,086	36,977,340	34,422,220	923,254	2.50%	2,555,120	7.42%	
Total Salaries and Benefits	194,080,239	200,142,983	188,354,891	6,062,744	3.03%	11,788,092	6.26%	

Teacher and Educational Assistant salaries were lower in the prior year due to lower enrolment and a shortage of Educational Assistants. Substitute salaries are higher in the current year due to an increase in leaves of absence.

Salary budgets and expenses for all employee groups saw an increase in the current year due to bargained or approved wage increases and step increments. In addition increased enrolment resulted in higher Teacher and Education Assistant staffing levels.

Employee benefits are higher in the current year as they are tied to the higher salaries and increased enrolment.

Fully Funded Collective Agreement Increases

Districts are funded primarily on a per student FTE basis. The per pupil amount funded is intended to cover the costs of labour, geographic and climate factors, student composition, population density and socioeconomic measures (FUNDING).

Boards of Education are responsible for allocating their funds to address local needs including staffing levels over and above those required by collective agreements (SPENDING).

If a Board has more staff per student than a Board with comparable student numbers then they will receive a similar amount of labour settlement funding while having increased costs. In some cases, a board has decided to have higher staffing levels rather than fund other programs or maintain higher staffing levels funded from revenues from other sources like international tuition.

Government fully funds the amount of money the collective agreement will cost for teachers and support staff at a provincial level and puts this money into the Ministry of Education and Child Care block. In this way government has met its mandate to fully fund labour costs resulting from collective agreements.

However:

1. When MOE allocates funding out, and a District is in declining enrollment, the District will receive a lesser share (FUNDING MODEL: Ministry), especially if the District is not reducing staff enough to match the enrolment decline (SPENDING MODEL: Board).
2. MOE does not fund statutory benefits increases like CPP and EI which increased.
3. MOE does not fund Principal/Vice-Principal and Exempt salary increases.

SD61 added staffing in years of growing enrolment and maintained staffing levels in years of declining enrolment in 2020-2021. SD61 has higher Operating salary costs per student in various categories than similar districts. Therefore, it can be concluded that SD61 has had the ability to make choices about how it SPENDS its FUNDING and that in the funding allocation from the MOE, SD61 received its proportionate share of the labour settlement funding. Given that SD61 makes decisions to maintain higher staffing levels in its spending model, the labour cost increase is not fully funded.

Supplies and Services

Services and Supplies categories represent approximately 10% of the operating budget expenditures. Overall, services and supplies are 15% higher than budget due to the nature of 2020/21 year end carry forwards and surplus appropriations, as well as the fact that budget figures in the financial statements are preliminary budget amounts, not amended budget amounts.

Operating Fund	2021/22		2020/21	Increase (Decrease) vs. BUDGET		Increase (Decrease) vs PRIOR YEAR		2021/22 ACTUAL AS A % of TOTAL SERVICES & SUPPLIES
	BUDGET	ACTUAL	ACTUAL	\$	%	\$	%	%
Services	6,314,984	9,158,014	7,007,812	2,843,030	45.02%	2,150,202	30.68%	41.7%
Student Transportation	1,076,545	877,741	915,608	(198,804)	-18.47%	(37,867)	-4.14%	4.0%
Professional Development & Travel	727,897	682,992	1,038,194	(44,905)	-6.17%	(355,202)	-34.21%	3.1%
Rentals and Leases	109,851	109,850	126,428	(1)	0.00%	(16,578)	-13.11%	0.5%
Dues and Fees	105,199	121,279	110,536	16,080	15.29%	10,743	9.72%	0.6%
Insurance	420,003	474,094	424,325	54,091	12.88%	49,769	11.73%	2.2%
Supplies	6,493,917	6,376,005	6,188,153	(117,912)	-1.82%	187,852	3.04%	29.0%
Utilities	3,828,312	4,163,454	3,799,926	335,142	8.75%	363,528	9.57%	19.0%
Services & Supplies	19,076,708	21,963,429	19,610,982	2,886,721	15.13%	2,352,447	12.00%	

The annual operating budget for Services was adjusted in the current year for anticipated increases in marketing and recruitment activity in International Education, the movement of the Next Generation Network (NGN) services recovery from Utilities into Services, as well as other service-based expenses such as software maintenance, legal fees and service contracts. The amended annual operating budget in the current year was further increased due to higher than anticipated enrolment in International Education.

Student Transportation expenses were higher in the prior year due to additional bussing costs for Willows students to attend before- and after-school care at Victor as a result of delaying the opening of Sundance-Bank Elementary.

Professional Development and Travel expenses are lower than the prior year due to reduced services from the District/ Learning Team. In 2020/2021 the Equity of Opportunity grant was allocated to the District team for capacity building initiatives. In 2021/2022 the Equity of Opportunity grant was reallocated to general revenue as the Board balanced its deficit for the 2021/22 fiscal year.

The budget for Rentals and Leases expenditures was reduced slightly in the current year to reflect the expected cost of the operating leases on fleet vehicles for Facilities Services. Actual expenditures in the current year are comparable to the prior year.

Supplies' current year expenditures are lower than the prior year mainly due to one-time purchases in the prior year for the opening of Lansdowne Middle School South campus.

Utilities costs, particularly natural gas, have increased compared to the prior year. The District employs an Energy Manager, partially funded by BC Hydro. The efforts of the Energy Manager are making a difference to the District's energy consumption however increasing energy unit costs do not financially reflect the reduced consumption.

6.2 Special Purpose Funds

Special Purpose Funds consist of restricted grants and other funding subject to a legislative or contractual restriction on its use. These revenues are deferred until the relevant expenditures are incurred.

Grant	Source	Amount Received	Amount Expended	Amount Recovered	Discussion
Annual Facility Grant Operating Portion	Ministry of Education & Child Care	\$ 796,185	\$ 796,185		Projects required to maintain facility assets through their anticipated economic life and to prevent premature deterioration of these assets
Changing Results for Young Readers	Ministry of Education & Child Care	\$ 25,000	\$ 9,780		Collaborative professional learning to increase the number of BC children who are engaged, successful readers
Classroom Enhancement—Overhead, Staffing & Remedies	Ministry of Education & Child Care	\$ 20,417,766	\$ 19,191,686	1,220,436	Teacher staffing and overhead costs of restoration of class size and composition teacher collective agreement language in 2017
CommunityLINK	Ministry of Education & Child Care	\$ 3,998,998	\$ 4,162,324		Learning Involves Nutrition and Knowledge; improve learning conditions for priority student academic and social success

Grant	Source	Amount Received	Amount Expended	Amount Recovered	Discussion
Early Childhood Education Dual Credit Program	Ministry of Education & Child Care	\$ 260,000	\$ 210,000		Students in grades 11 and 12 will be able to earn both high school and postsecondary credits toward careers in early childhood education
Federal Safe Return to Class/Ventilation	Ministry of Education & Child Care	\$ 441,192	\$ -		Federal funding in response to COVID-19
First National Student Transportation	Ministry of Education & Child Care	\$ 22,219	\$ 29,985		Support transportation needs of on-reserve First Nation students to/from school and extra-curricular activities
Learning improvement Fund	Ministry of Education & Child Care	\$ 657,183	\$ 657,183		Augment Education Assistants' hours to provide additional supports to priority students
Ledger School	Ministry of Education & Child Care	\$ 366,840	\$ 340,433	20,868	Vancouver Island children and youth attending this in-patient hospital-based psychiatric service
Mental Health in Schools	Ministry of Education & Child Care	\$ 113,395	\$ 82,775		Mental health literacy activities aimed to build safe, caring and inclusive learning environments in schools
Official Languages in Education French Programs (OLEP)	Ministry of Education & Child Care	\$ 468,090	\$ 450,217		Core French and French immersion language programs and curriculum and resources
Provincial Inclusion Outreach	Ministry of Education & Child Care	\$ 824,473	\$ 825,239		Outreach services to educators, students and families for students with severe cognitive and multiple physical disabilities
Ready, Set, Learn	Ministry of Education & Child Care	\$ 68,600	\$ 80,056		Events for 3- to 5-year-olds and parents/guardians to support and facilitate smooth transition to Kindergarten

Grant	Source	Amount Received	Amount Expended	Amount Recovered	Discussion
Safe Return to School/Restart Health & Safety	Ministry of Education & Child Care	\$ 456,742	\$ 456,742		Provincial funding in response to COVID-19
Special Education Technology	Ministry of Education & Child Care	\$ 190,549	\$ 123,334	4,497	Outreach services to educators, students and families for students who require specialized technology
StrongStart	Ministry of Education & Child Care	\$ 192,000	\$ 180,413		Early learning centres to provide school-based, drop-in programs for children aged birth to age 5 and their parents/guardians/caregivers
Ministry Restricted Total		\$ 29,299,232	\$ 27,596,352	\$ 1,245,801	
Estate Trust	Other and investment income	\$ 13,518	\$ 6,594		Estate donations where interest earned is used to provide scholarships and materials related to social students to two schools
Scholarships & Bursaries	Other and investment income	\$ 76,449	\$ 35,715		Collected from donors and then awarded to graduating students
School Generated Funds	Other and investment income	\$ 5,443,642	\$ 4,956,541		Collected by schools for field trips, school sports and clubs, and fundraising for school priorities
Internally Restricted Total		\$ 5,533,609	\$ 4,998,850	\$ -	
Total Ministry Restricted and Internally Restricted		\$ 34,832,841	\$ 32,595,202	\$ 1,245,801	

The District has the following carry forwards in 2021/2022 as related to significant Special Purpose grants where expenditures were less than the deferred revenue received.

Special Purpose Funds	2021/22	2020/21	Increase (Decrease) vs PRIOR YEAR		2021/22 ACTUAL AS A % OF TOTAL SPECIAL PURPOSE
	ACTUAL	ACTUAL	\$	%	%
OLEP Federal French	17,873	-	17,873		0.2%
CommunityLINK	358,325	521,651	(163,326)	-31.31%	4.8%
Special Education Technology	68,215	5,497	62,718	1140.95%	0.9%
StrongStart	13,961	2,374	11,587	488.08%	0.2%
Ready Set Learn	38,267	49,723	(11,456)	-23.04%	0.5%
Change Results for Young Children	43,399	28,179	15,220	54.01%	0.6%
Federal Safe Return to Class/Ventilation	1,055,502	614,310	441,192	71.82%	14.0%
Ledger School	27,407	21,868	5,539	25.33%	0.4%
Provincial Inclusion Outreach	749	1,515	(766)	-50.56%	0.0%
Classroom Enhancement—Staffing	465,436	515,437	(50,001)	-9.70%	6.2%
Classroom Enhancement—Remedy	307,570	251,925	55,645	22.09%	4.1%
First Nation Student Transportation	27,187	34,953	(7,766)	-22.22%	0.4%
Mental Health in Schools	30,620	-	30,620		0.4%
Early Childhood Education Dual Credit Program	50,000	-	50,000		0.7%
Ministry Restricted	2,504,511	2,047,432	457,079	22.32%	33.2%
School Generated Funds	4,198,380	3,711,279	487,101	13.12%	55.7%
Estate Trust	120,064	113,140	6,924	6.12%	1.6%
Scholarships & Bursaries	709,510	668,776	40,734	6.09%	9.4%
Internally Restricted	5,027,954	4,493,195	534,759	11.90%	66.8%
Total Special Purpose Funds	7,532,465	6,540,627	991,838	15.16%	

Overall the Ministry Restricted special purpose carry forwards have increased 22.32% over the prior year mainly due to unspent Classroom Enhancement Funds resulting from labour and replacements shortages, and unspent Federal Safe Return to Class/Ventilation funding in district and school accounts. As the District looks to improve ventilation in schools, the Safe Return to Class carry forward will be added to current year funding for ventilation.

Overall the special purpose carry forwards have increased by 11.9% due to School Generated Funds, or non-public funds held in schools, increasing 13%. During the 2022/23 budget process a one time supplies reduction is being implemented for Operating school allocations to help balance the budget. Schools may have spent less in 2021/22 in their non-public funds in anticipation of the operating allocation reduction in 2022/2023.

6.3 Capital Fund Accounts

Capital fund schedules provide information on the District's tangible capital acquisitions and the net book value of these acquisitions. The Capital Fund includes capital expenditures related to land, buildings, computer hardware and software, vehicles and equipment that are funded from Ministry of Education and Child Care capital grants, land capital, local capital, the operating fund and special purpose funds.

During the year ended June 30, 2022, the District invested \$33.9 million in capital additions including \$23.5 million in Work in Progress for Victoria High School and Cedar Hill Middle School seismic projects.

Capital Asset Additions	2021/22	2020/21	Increase (Decrease) vs PRIOR YEAR		2021/22 ACTUAL AS A % OF TOTAL CAPITAL ASSET ADDITIONS
	ACTUAL	ACTUAL	\$	%	%
Sites (Land)	1,144,523	-	1,144,523		3.4%
Buildings	4,699,270	13,260,631	(8,561,361)	-64.56%	13.9%
Furniture & Equipment	1,653,709	2,390,895	(737,186)	-30.83%	4.9%
Vehicles	15,476	94,320	(78,844)	-83.59%	0.0%
Computer Hardware	1,527,855	2,005,137	(477,282)	-23.80%	4.5%
Increases to Capital Assets	9,040,833	17,750,983	(8,710,150)	-49.07%	26.7%
Work in Progress	24,872,546	13,889,467	10,983,079	79.07%	73.3%
Total Increases & Work in Progress	33,913,379	31,640,450	2,272,929	7.18%	

The 2021/22 funding to provide these additions came from the following sources: \$30.1 million from the Ministry of Education and Child Care, \$0.6 million from District Operating Funds, \$0.5 million from Special Purpose and \$2.7 million from Local Capital.

6.4 Major Capital Projects

Victoria High School Seismic & Expansion is currently under construction and expected to be occupied in September 2023. The project includes a major renovation of our oldest school, added capacity of 200 seats, and a Neighbourhood Learning Centre (NLC) that co-locates the International Community Association, as well as providing enhancements to the new Multi-purpose Room to make it more flexible for school and community use, and the astronomy deck/outdoor classroom. Site works will include additional parking and landscaping and a new artificial turf field as a part of the NLC funding package. The budget of \$79 million is made up of \$76.4 million from the Ministry of Education and Child care, \$3.3 million from the District, and over \$800,000 from community partners for the artificial all weather turf field.



The Cedar Hill Middle School Seismic project is a replacement school for 575 students and a design that will allow for future expansion if mid-long term enrolment growth dictates capacity pressures. The budget for the project is \$46.5 million with \$42.9 million from the Ministry of Education and Child Care and \$3.6 million from the District. In addition to the replacement project District contribution of \$3.6 million, the Board, through its commitment to climate action, is contributing over \$500,000 additional funds for a net zero ready build. The school is scheduled to open in September 2025.

The Ministry of Education and Child Care has also given support for one additional major capital project: a seismic upgrade to Sundance Elementary School. The District is currently developing detailed business cases for presentation to the Ministry.



6.5 Capital Fund Balances

Unspent Deferred Capital Revenue and Local Capital balances in the Capital Fund are as follows:

Capital Fund Balances	2021/22 ACTUAL	2020/21 ACTUAL	Increase (Decrease) vs	
			\$	%
Bylaw Capital	684,169	-	684,169	
Ministry of Education & Child Care Restricted	2,980,325	2,975,006	5,319	0.18%
Other Provincial Capital	3,881,844	4,256,745	(374,901)	-8.81%
Other Capital	602,327	467,082	135,245	28.96%
Local Capital	3,477,091	1,872,748	1,604,343	85.67%
Total Capital Funds	11,625,756	9,571,581	2,054,175	21.46%

Bylaw Capital

Bylaw Capital represents Ministry of Education and Child Care capital grants drawn on Certificates of Approval (COA) for capital projects and includes amounts for specific capital projects funded by the Ministry of Education and Child Care, capital portion of the Annual Facility Grant, carbon neutral capital project funding, playground equipment funding and other project funding paid through a COA.

Restricted Capital

Ministry of Education and Child Care restricted capital represents the Ministry's portion (usually 75%) of the proceeds on disposal of land and buildings, and any bylaw project surpluses on completed projects. The Ministry's permission must be received to spend these funds.

Other Provincial Capital

These funds were provided by the Ministry of Child and Family Development under the Child Care New Spaces Funding.

Other Capital

Other capital is comprised of funds from other non-provincial government sources, such as District of Oak Bay for the Neighbourhood Learning Centre and Bays United capital replacement contributions to artificial turf replacement over time, among others.

Local Capital Reserve

The Board's Local Capital Reserve is designated for local capital expenditures. Most of the balance in the fund at June 30, 2022 is restricted towards the District's share of Victoria High School Seismic Upgrade and technology.

6.6 Reserves—Operating and Capital Balances

Reserves

Internally Restricted Surplus—Operating Grant		
Internally Restricted by the Board for:		
Constraints on funds	476,914	
Anticipated Unusual Expenses	71,000	
Operations Spanning Multiple Years	6,169,453	
Future Capital Cost Share	-	
Sub-Total Internally Restricted:	6,717,367	6,717,367
Unrestricted Operating Surplus—Contingency		1,501,254
Total Internally Restricted Surplus—Operating Fund		8,218,621
Invested in Tangible Capital Assets		44,716,211
Local Capital Surplus		3,477,091
Total Accumulated Surplus		56,411,923

1. Operating Fund Surplus

The Board of Education is responsible for ensuring the District is protected financially from forecasting risk and unforeseen circumstances. Therefore, they have established an Operating Surplus policy that allows the District to budget for an accumulated operating surplus to serve as a contingency reserve for the risks associated with unexpected increases in expenses and/or decreases in revenues related to major emergent operating issues, one-time costs and intermittent projects.

Details of Internally Restricted categories for Constraints on Funds, Anticipated Unusual Expenses and Operations Spanning Multiple Years are as follows:

Restricted due to the Nature of Constraints on the Funds		
Holdback Grant	93,256.00	
Early Learning Framework (ELF) Grant	5,847.00	
ERASE Grant	7,582.00	
Equity Scan Grant	1,792.00	
Indigenous Education Harvest4Knowledge Grant	1,653.00	
Indigenous Education LEA Capacity Building Grant	10,927.00	
Indigenous Education Graduation and Scholarship Fund	4,195.00	
Cooper Smith Music Library Collection	49,151.00	
Speech Language Pathologists (SLP) Professional Development Fund	6,425.00	
Psychologists Professional Development Fund	4,754.00	
Principals and Vice Principals Professional Development Fund	58,310.00	
Allied Specialists (ASA) Professional Development Fund	8,311.00	
CUPE 947 Professional Development Fund	96,768.00	
CUPE 382 Professional Development Fund	18.00	
CUPE 382 Service Improvement Allocation	127,925.00	476,914.00
Restricted for Anticipated Unusual Expenses Identified by the Board		
Shared Minor Capital—New Classrooms due to Enrolment Growth	25,000.00	
Reconciliation and Anti-Racism	41,000.00	
Police Liaison	5,000.00	71,000.00
Restricted for Operations Spanning Multiple School Years		
Schools Operating Surplus	1,347,625.00	
Schools Special Project Carry Forward	174,473.00	
The Link Surplus	76,694.00	
Healthy Schools Initiatives	11,039.00	
Continuing Education Surplus (Deficit)	0.00	
International Education Surplus (Deficit)	0.00	
Indigenous Education Targeted Grant	256,532.00	
Inclusion for Learning Strategy—Supplies	37,492.00	
Incomplete School/Department Funded Facilities Projects	131,859.00	
Sundance-Bank Start-Up Costs—Year 2 (Funding in 22-23)	-19,499.00	
Shop Upgrades	124,629.00	
Quadra Wall	50,000.00	
Vic West Portable	374,113.00	
Childcare Capital Reserve	15,433.00	
Technology Replacement Reserve—Network Infrastructure	15,498.00	
Purchase Order Commitments	1,273,565.00	
Future Years' Operations/Budget; 2022-2023	2,300,000.00	6,169,453.00

The District closed out the year with a \$8,218,621 operating surplus of which \$6,717,367 was internally restricted for specific purposes and \$1,501,254 was unrestricted.

2. Capital Fund Surplus

There are two categories of Capital Fund Surpluses:

The **Local Capital** reserve fund represents a portion of accumulated operating surpluses designated to fund the purchase of Tangible Capital Assets which are not funded directly from the Ministry of Education and Child Care. The Local Capital Reserve fund is increased if the Board of Education passes a motion to transfer operating surpluses to Local Capital.

The **Invested in Tangible Capital Assets** reserve represents capital investments that are funded by operating revenues (recorded as transfers of accumulated operating surplus to the capital fund). Then, as assets are amortized, a deficit is incurred in the capital fund which is applied against the Invested in Tangible Capital Assets reserve. Therefore, the balance in this fund is to cover future amortization costs and is not available for other purposes.

7.0 Context, Assumptions and Other Considerations

Framework for Enhancing Student Learning (FESL)

As accountability and transparency for financial information grows, so does accountability for student success. The Framework for Enhancing Student Learning combines accountability with evidence based decision making to support a system wide program of continuous improvement. It brings a formalized approach to the planning and reporting expectations for all school districts with a focus on improving student learning and enhancing the intellectual, social and career development of all students in the K-12 public system.

As a learning community, we are deeply committed to each student having the opportunity to fulfill their potential and pursue their aspirations. We recognize that achieving this goal will require us to continue to:

- lean into Indigenous perspectives and considerations for systemic alignment through the use of the following guiding documents:
 - Local Education Agreements, Métis Education Agreement and Urban Peoples' House Indigenous Advisory Terms of Reference,
 - Truth and Reconciliation Commission of Canada: Call to Action,
 - Declaration on the Rights of Indigenous Peoples Act (DRIPA),
 - British Columbia Tripartite Agreement (BCTEA),
 - Standard 9—Professional Standards for BC Educators.
- engage with the communities in a culturally responsive way that is open, transparent and collaborative
- focus on aligning the human and financial resources of the system to meet the educational goals of the District
- increase our data literacy across the system

The Board, through its annual budget process, aligns human and financial resources to the Strategic Plan and the FESL.

2021/22 was the Board's first year of this new requirement from the Ministry of Education and Child Care. The 2022/23 FESL draft has been presented in Committee and will be forwarded for the Board to approve in September 2022.

Local, Provincial, Global Economic Context

Inflation, costs escalation for capital projects and supply chain issues continue to challenge districts around the province. The Board should take into consideration contingencies for larger purchases given the dramatic increase in capital project costs as the timing of support for a project from the Ministry to the time a project is designed, costed and tendered can vary. As well, the Board should be prepared for scheduling challenges as supply chain impacts project timelines.

Enrolment Growth

The District's mid-term student enrolment projections show ongoing, moderate growth across the District after which the enrolment will flatten. Some schools in the District are experiencing capacity pressures during a period of high capacity utilization in buildings as enrolment growth that the District has realized over the past few years, the Pandemic excluded, moves through the grade configurations. Once the enrolment levels out, pressure at elementary should lessen.

Funding Model Review

The majority of the District's operating funding is provided by the Ministry of Education and Child Care and is based on student enrolment and other factors. The current funding formula has been in place since 2002. In 2018, the MOE began a review of the formula and work is currently underway on the development, review and consultation on a potential new formula. While it was expected that the new formula would be announced and implemented for 2020/21, the Ministry has postponed the decision to implement any changes at this time. It is not known whether a new formula will have a positive or negative impact on the operating budget. In particular any movement from per course funding to per student funding (FTE versus Headcount) will result in a \$3 million+ decrease in funding and may reduce the courses offered to students. The District should continue to take this risk into account as it builds its unrestricted operating surplus to between 2% and 4% of operating revenue.

Pandemic

While the impacts of the Pandemic appear to have lessened, from a student and staff perspective, assessing learning growth points and mental health issues will be a major focus of staff and administration this next year.

It will take some time to rebuild operational areas back to pre-pandemic levels (e.g. International Program). The District has adjusted operating budgets accordingly, and in some cases, opportunities have been found to do things differently such as more on-line meetings which reduce travel costs.

Strategic Plan

At its June 22, 2020 Regular Board meeting, the Greater Victoria Board of Education approved Strategic Plan 2020-2025. This Strategic Plan set priorities and defines the path of the District. The Board is committed aligning resources to the Strategic Plan to reach the goals of the plan. Operational plans for Human Resources, Finance and Operations are in progress, and will support the education initiatives contained in the Strategic Plan.

8.0 Questions or More Information

This financial report is designed to provide a general but more detailed overview of the District's finances and to demonstrate increased accountability for the public funds received by the District.

If you have questions about this financial report or need additional financial information, please contact the Secretary Treasurer's office at 250-475-4108.

Topic	Theme	Suggested Sequence	SUGGESTED Resource People/Experts
Music: K-12 curriculum; Middle School	Learning	January & February	Music Teachers, Middle School Principals, Learning Team Staff, Associate Superintendent Caldwell
Daytime Custodial	Staffing	January	Operations Staff, Secretary-Treasurer, Director of Facilities, Daytime Custodian
CUPE 947 Recruitment/Retention/Training	Human Resources	January	Human Resources staff, Education Assistants, CUPE 947 Executive
Network Infrastructure & Tech Evergreening	Infrastructure	January	Info Tech for Learning Staff
Transportation Business Case: In house or third party and costs and service provision	Infrastructure	January	Manager of Transportation, Director of Facilities
Climate Action, including Energy Manager	Infrastructure	January	Energy Manager, Engaged parents with expertise, Director of Facilities, Learning Team Staff, Students
Facilities - are we keeping up with healthy, safe, engaging learning environments?	Infrastructure	January	Director of Facilities & Team
Capital - how do we plan for future project contributions and other?	Infrastructure	January	Director of Facilities, Energy Manager, Secretary-Treasurer
Revenue Generation: Rentals	Revenue Generation	January	Operations Manager & Rental Staff
Revenue Generation: Campaigns? Specific Purposes?	Revenue Generation	January	Financial Services Staff and ?
Changes to Potential Changes to Funding Model	Revenue Generation & Ir	January	Secretary-Treasurer, Ministry Recourse?

TOPICS FROM 2022-2023 Budget Advisory Committee; review for repeat or new topics

Topic	Theme	Suggested Sequence	SUGGESTED Resource People/Experts
Equity	All	February	District Allocation Working Group
Equitable Access for Students With Disabilities & Complex Learners	Inclusion	February	Tracy Humphries, BCEdAccess, Learning Team Staff
Wrap Around Services - what is it?	Inclusion	February	Learning Team, School Based Team: PVP and teachers
Overview of First Nations Priorities	Indigenous	February	Director of Indigenous Education Department & Team
Music: K-12 curriculum; Middle School	Learning	January & February	Music Teachers, Middle School Principals, Learning Team Staff, Associate Superintendent Caldwell
Music: K-12 curriculum; Middle School	Learning	January & February	Music Teachers, Middle School Principals, Learning Team Staff, Associate Superintendent Caldwell
Strategic Plan & Framework for Enhancing Student Learning	Learning	February	District Team; Ministry Resource
Literacy Program Options	Learning	February	2020-2021 Equity Committee Members
Online/Distributed Learning in SD61	Learning	February	Leah Moreau, SJ Burnside Principal, Learning Team, Students
School Allocations from District	Learning	February	Principals, Financial Services Staff, Secretary-Treasurer
Mental Health	Learning & Staffing	February	Learning Team, Students, and ?
Exempt and Principal Vice-Principal Staffing including VP Admin time	Staffing	February	Superintendent/Secretary-Treasurer
Daytime Custodial	Staffing	February	Operations Staff, Secretary-Treasurer, Director of Facilities, Daytime Custodian
Review of expenditures: Food for meetings, gatherings, cell phone purchases, laptop standardization to work requirements, cartage for in-school moves	Infrastructure	February	Financial Services Staff , Budget Managers
Revenue Generation: Room to Grow International?	Revenue Generation	February	Director of ISP, Principals, Teachers, Students

TOPICS FROM 2022-2023 Budget Advisory Committee; review for repeat or new topics

2023-2024 BUDGET PROCESS/TIMELINE - BOARD APPROVED SEPTEMBER 26, 2022

Date	Event Description	Meeting Type	Agenda Deadline	Reach	What can the
					learning community expect?
September 26	Approval of Proposed Budget Process	Regular Open	September 22	Public	
September 30	Media Release			Unlimited	
November 10	BAC Meeting #1	Committee	November 8	Internal	Agenda & Minutes
		Trustees Staff			
		Partner			
November 24	Talking Tables - Rightsholders & Stakeholders	Representatives		60-70	Report
December 8	BAC Meeting #2	Committee	December 6		Agenda & Minutes
January 13	Student Symposium	Students		60-70	Report
January 19	BAC Meeting #3	Committee	January 17	Internal	Agenda & Minutes
February 9	BAC Meeting #4	Committee	February 7	Internal	Agenda & Minutes
February 23	BAC Meeting #5	Committee	February 21	Internal	Agenda & Minutes
March 2	BAC Meeting #6 - RECOMMENDATIONS	Committee	March 7	Internal	Agenda & Minutes
March 7	Public Townhall	Public Trustees Staff		100	Preliminary Budget
March 9	BAC Meeting #7 - if needed	Committee	March 7	Internal	Agenda & Minutes
March 14	Present BAC Recommendations to Public	Special Open Board	March 10	Public	Information
March 7-17	Public Feedback Period	Public			Input & Feedback
April 4	1st or 1st and 2nd Bylaw Reading	Special Open Board	March 31	Public	Information
April 6	3rd or 2nd and 3rd Bylaw Reading/ BUDGET PASSED	Special Open Board	April 4	Public	Information
April 20	BAC Meeting #8	Committee	April 18	Internal	Agenda & Minutes