



**Chilliwack
School District**

THE BOARD OF EDUCATION

School District #33 (Chilliwack)

Regular Public Board Meeting

AGENDA

September 20, 2016

7:00 pm

1. CALL TO ORDER – School District Office

- 1.1. Call to Order - **Welcome and acknowledgment of Stó:lō territory**
- 1.2. Adoption of the Agenda
(THAT the agenda be adopted as circulated.)
- 1.3. Approval of the Minutes
(THAT the minutes of the August 11, 2016 meeting be approved as circulated.)
(THAT the minutes of the June 21, 2016, meeting be approved as circulated.)

2. PRESENTATIONS

- 2.1. Summer Learning Report

3. PUBLIC PARTICIPATION

(Items from the floor are limited to 5 minutes per speaker to a maximum of 30 minutes.)

4. ACTION ITEMS

- 4.1. 2015-2016 Audited Financial Statements
- 4.2. Audit Committee Report
- 4.3. Reappointment of Financial Auditors
- 4.4. Revised Capital Plan

5. INFORMATION ITEMS

- 5.1. Enrolment Update
- 5.2. Operations Report Summer Maintenance Activities
- 5.3. School Sites - Security
- 5.4. BCSTA Report
- 5.5. Superintendent's Report

5.6. Trustee Reports

5.7. Meeting Summary

5.8. Future Board of Education Meeting Date September October 4, 2016

6. PUBLIC PARTICIPATION

(Items from the floor are limited to 5 minutes per speaker to a maximum of 30 minutes.)

7. ADJOURNMENT



MINUTES OF THE REGULAR MEETING
The Board of Education
School District #33 (Chilliwack)

Date of Meeting: Tuesday, August 11, 2016

Location: School District Office

Members Present:

Chair	Mrs. S. Dyck
Vice-Chair	Mr. D. Coulter
Trustee	Mr. P. McManus
Trustee	Mrs. H. Maahs
Trustee	Mr. W. Krahn (via tele-conference)
Trustee	Mr. B. Neufeld

Regrets

Trustee	Mr. B. Patterson
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Staff Present:

Superintendent	Ms. E. Novak
Secretary Treasurer	Mr. G. Slykhuis
Executive Assistant	Ms. C. Pratt

1. CALL TO ORDER - School District Office

1.1. Call to Order

The Board Chair called the meeting to order at 2:01 p.m. - **Welcome and Acknowledgment of Traditional Stó:lō Territory.**

1.2. Adoption of the Agenda

147.16 Moved by: Trustee Neufeld
Seconded by: Trustee Maahs

THAT the agenda be approved as circulated.

CARRIED

2. ACTION ITEMS

2.1. Ministry Announcement – Transportation Funding

148.16 Moved by: Trustee Neufeld
Seconded by: Trustee Coulter

THAT the Board of Education approve the following, in accordance with Policy 710 Transportation and its Administrative Regulations, effective with the 2016/17 school year:

- The elimination of fees for Regular bus riders;
- The reduction of fees for Courtesy bus riders from \$350 to \$250 per year;
- Add \$28,000 to the budget allocations for schools for curricular and extra-curricular trips.

CARRIED**2.2. Letter to the Minister**

149.16 Moved by: Trustee Krahn
Seconded by: Trustee Neufeld

THAT senior administrators and board send a letter to the minister expressing gratitude for the additional funding which will relieve a great deal of concern for parents concerning funding of transportation.

DEFEATED

For: Krahn, Neufeld, Maahs
Opposed: McManus, Coulter, Dyck

5.1 Future Board of Education Meeting Date

Tuesday, September 20, 2016
7:00 pm
School District Office

6. ADJOURNMENT

150.16 Moved by: Trustee Maahs
Seconded by: Trustee Coulter

THAT the meeting be adjourned at 2:21 p.m.

CARRIED

Board Chair

Secretary-Treasurer



**MINUTES OF THE REGULAR MEETING
The Board of Education
School District #33 (Chilliwack)**

Date of Meeting: Tuesday, June 21, 2016

Location: School District Office

Members Present:

Chair	Mrs. S. Dyck
Vice-Chair	Mr. D. Coulter
Trustee	Mr. P. McManus
Trustee	Mrs. H. Maahs
Trustee	Mr. W. Krahn
Trustee	Mr. B. Patterson
Trustee	Mr. B. Neufeld

Staff Present:

Superintendent	Ms. E. Novak
Secretary Treasurer	Mr. G. Slykhuis
Assistant Superintendent	Mr. R. Arul-pragasam
Executive Assistant	Ms. C. Pratt

1. CALL TO ORDER - School District Office

1.1. Call To Order

The Board Chair called the meeting to order at 7:08 p.m. - **Welcome and Acknowledgment of Traditional Stó:lō Territory and National Aboriginal Day.**

1.2. Adoption of the Agenda

139.16 Moved by: Trustee Coulter
Seconded by: Trustee Patterson

THAT the agenda be approved as circulated.

CARRIED

1.3. Approval of Minutes

140.16 Moved by: Trustee Neufeld
Seconded by: Trustee Coulter

THAT the minutes of the June 6, 2016 meeting be approved as circulated.

CARRIED

2. The presentation scheduled for this meeting was cancelled.

3. PUBLIC PARTICIPATION

An opportunity was provided for public participation.

4. ACTION ITEMS**4.1. Capital Project Bylaw**

141.16 Moved by: Trustee Coulter
Seconded by: Trustee Krahn

THAT the Board approve three readings of Capital Project Bylaw No. 15/16-CP-SD33-01 at the June 21, 2016 Regular Board Meeting.

CARRIED

142.16 Moved by: Trustee Coulter
Seconded by: Trustee Krahn

That the Board approve first reading of Capital Project Bylaw No. 15/16-CP-SD33-01.

CARRIED

143.16 Moved by: Trustee Coulter
Seconded by: Trustee Krahn

That the Board approve second reading of Capital Project Bylaw No. 15/16-CP-SD33-01.

CARRIED

144.16 Moved by: Trustee Coulter
Seconded by: Trustee Neufeld

That the Board approve third reading and adoption of Capital Project Bylaw No. 15/16-CP-SD33-01.

CARRIED

4.2. Five Year Capital Plan

145.16 Moved by: Trustee Neufeld
Seconded by: Trustee Coulter

THAT the Board approve the 2016/2017 Five Year Capital Plan as presented.

CARRIED

4.3. One Time Funding Proposals

146.16 Moved by: Trustee Krahn
Seconded by: Trustee Coulter

THAT the Board of Education approve the allocation of reserve funding for the following two proposals:

1. Early Intervention Support
2. Student Numeracy Assessment & Practice (SNAP)

CARRIED

For: Krahn, McManus, Neufeld, Coulter, Dyck, Patterson
Opposed: Maahs

5. INFORMATION ITEMS

5.1 District Math Assessment Update

Kirk Savage, Director of Instruction, provided an update on the new District Math Assessment – SNAP (Student Numeracy Assessment and Practice) as it relates to the Strategic Plan.

5.2 BCSTA Report

Trustee Neufeld provided a report on the B.C. School Trustees Association.

5.3 Superintendent's Report

Superintendent Novak in her report to the Board of Education, provided some highlights of 2015-2016 school year. Highlights included beginning the year with All Leaders focusing on the Strategic Plan priority of Social Emotional Wellness and Positive Climate and Culture and Strategic Plan. Other highlights included reflecting on the Board approval of the completed Strategic Plan, some of the curriculum changes that were shared throughout the year and the innovative ideas that staff had brought forward in meeting student learning needs. Superintendent Novak recognized and emphasized that all of the good work in the district happened because of the hard work, dedication, passion, and innovation of staff. She wished everyone an enjoyable summer break time of relaxation and rejuvenation with family and friends.

5.4 Trustee Reports**Trustee Coulter reported on the following:**

- Attended Chair Vice Chair meetings
- Attended graduation and awards ceremonies at GW Graham, Education Centre, Fraser Valley Distance Education, Chilliwack Senior and Sardis Secondary
- Attended All Leaders meeting
- Attended Retirement Tea
- Attended Cheam Band Education Awards
- Attended Aboriginal Mentorship Awards Ceremony

Trustee Dyck reported on the following:

- Attended Chair Vice Chair meetings
- Attended awards and commencements at GW Graham, Secondary Senior, Chilliwack Senior and Education Centre
- Attended district tour and meeting with Minister of Education

Trustee McManus reported on the following:

- Attended Sardis Secondary Graduation and Awards Ceremonies
- Attended Chilliwack Senior Graduation and Awards Ceremonies
- Attended FVDES Graduation and Awards Ceremony

Trustee Krahn reported on the following:

- Attended year end graduation celebrations

Trustee Patterson reported on the following:

- Attended and Presented at the Sardis Secondary School's Awards Evening
- Attended and Presented at the Chilliwack Secondary School's Awards Evening

- Attended the FVDES Awards Celebration
- Attended the Sardis Secondary School's Commencement Ceremony
- Attended the Celebration of Life Ceremony for Jim Latham – former Assistant Superintendent of School for the Chilliwack School District

Trustee Maahs

- Attended Sardis Secondary Awards and Commencement
- Attended Chilliwack Senior Awards and Commencement
- Attended FVDES Awards and Commencement
- Attended Retirement and Appreciation Tea
- Attended GW Graham Awards and Commencement
- Attended Education Centre Commencement
- Attended CHANCE Commencement
- Attended Human Services Career Program celebration at CSS
- Attended meeting with Minister Bernier

Trustee Neufeld

- Attended grad ceremonies
- Attended scholarship committee meeting and commended the committee for their hard work

5.5 May 17, 2016 In-Camera Board Meeting Summary

Trustees: Silvia Dyck, Heather Maahs, Dan Coulter, Paul McManus, Walt Krahn, Bob Patterson

Staff: Evelyn Novak, Gerry Slykhuis, Rohan Arul-pragasam, Maureen Carradice, Cathy Meeres

1. Administrative Appointments
2. Exempt Staff Compensation Report
3. Human Resources Report
4. BCPSEA Report

5.6 Future Board of Education Meeting Date

Tuesday, September 20, 2016

7:00 pm

School District Office

6. SUPPLEMENTARY PUBLIC PARTICIPATION

Leanne Clarke, CTA President, shared concerns about the way financial issues are presented at board meetings, engagement with Trustees and the relationship between the CTA and the Board of Education. Leanne also shared her concerns about support for students at all levels.

7. ADJOURNMENT

THAT the meeting be adjourned at 8:14 p.m.

CARRIED

Board Chair

Secretary-Treasurer

BOARD OF EDUCATION

PRESENTATION

DATE: September 20, 2016

TO: Board of Education

FROM: Brian Fehlauser / Jeff Dartnell / Diane Chapman

RE: **2016 SUMMER LEARNING PROGRAM**

BACKGROUND


The Chilliwack School District's 2016 Summer Learning (SL) Program was held at the Chilliwack Secondary / FVDES site at 46361 Yale Road. The program administrators were Principal Brian Fehlauser and Vice Principals Diane Chapman and Jeff Dartnell.

The total number of students that attended the SL program was approximately 600. The majority of these students were elementary level. This is an area of the SL program that is growing substantially every year.

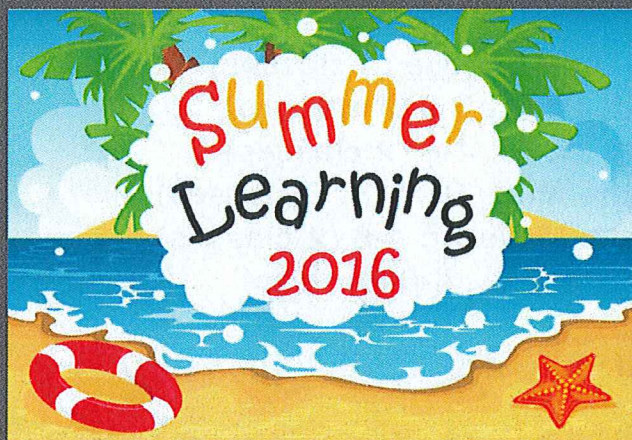
A number of new programs like the Agriculture Program and the Math 7 Skill-Building class were started this year. A major component of the SL program continues to be the Summit Program. The purpose of this program is to help struggling Middle School students with their academics and to get them engaged and motivated with their education and learning. Nearly 110 students from around the district attended this program with a completion rate of almost 95%.

SD33 Summer Learning 2016



 **SUMMER
LEARNING**

SUMMER LEARNING 2016



KUDOS

1. FVDES staff, especially Joan Simpson / Rosanne McKnight and other clerical for doing all the registrations, creating posters/brochures, 1701, etc.
2. FVDES admin – hiring process, supervision, etc.
3. Tech staff (Will, Jeff, and Josh) – helped with setting up Moodle blogs, tech issues, etc.
4. School district – ensuring that we had janitorial assistance this year
5. Deneen and David at Bernard and Jonathan and Noel at Stathcona for lending furniture/PE equipment
6. Corinne Barber – Helping to get two Ab. EA's to help students and teachers
7. Hollie Redden – Lit. Helping Teacher – Training session with SL teachers
8. Lynda-Lee at CSS – helping with room keys, etc at CSS
9. CSS staff – for being welcoming to SL staff using their classes.

WHAT PROGRAMS WERE OFFERED?

Elementary Programs

1. The 3 R's on the Move (4 classes)
2. Be Fit with Lit Gr. 2-3 (3 classes)
3. Be Fit with Lit Gr. 4-6 (2 classes)
4. Math on the Move Gr. 2-3 (2 classes)
5. Math on the Move Gr. 4-6 (2 classes)
6. Digital Literacy Gr. 4-6 (1 class)

Total = 14 Elem. Classes

WHAT PROGRAMS WERE OFFERED?

Middle School Programs

1. Summit 7-9 (Preview and Completion)
2. Math 7 Skill-Building

Secondary Programs

1. Gr. 10 Pre-Calc Math Preview
2. Agricultural Programs (Gr. 9 -11)

STUDENT DATA OF SUMMER LEARNING

1. 383 Elementary Students (Gr.K-6)
2. 150 Middle School Students (Gr.7-9)
3. 23 Gr. 10-11 Secondary Students

Total # of Summer Learning students = 556

Additional Data:

63 students with Ab. Ancestry

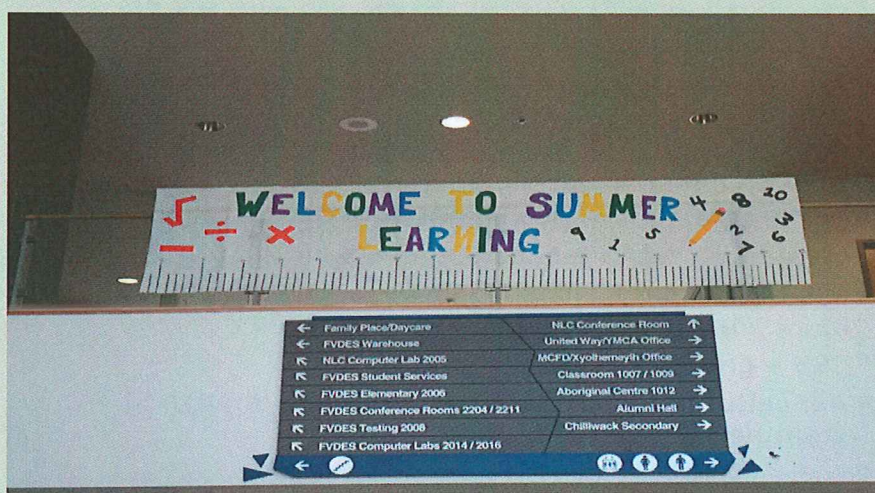
POSITIVES OF SL PROGRAM

- Students and parents were very happy with the SL Elementary program (2 week programs)
- Attendance throughout all the SL programs was very high.
- Summit program – very successful, lots of engagement from students. 90-95% completion rate.
- Elem. program ran smoother – more EA's, student mentors to assist teacher/students.
- More info from Elem. schools so teachers had more knowledge of students coming into class.
- CSS – great site with gyms, etc.
- Agricultural Program – 1st year running through SL – great new partnership within district.

CONCERNS WITH SL PROGRAM

- Lots of the new programs that we tried to initiate did not run.
- Band 7/8/9 did not run. Was it the change in venue?
- Lack of space at CSS – hard to run additional blocks / new classes with limited “classroom” space
- CSS building – not built for in/out movement of SL (700-800 kids, parents, strollers, etc)
- Equipment – Could we purchase SL equipment and store it at CSS instead of borrowing equipment

SUMMER LEARNING 2016



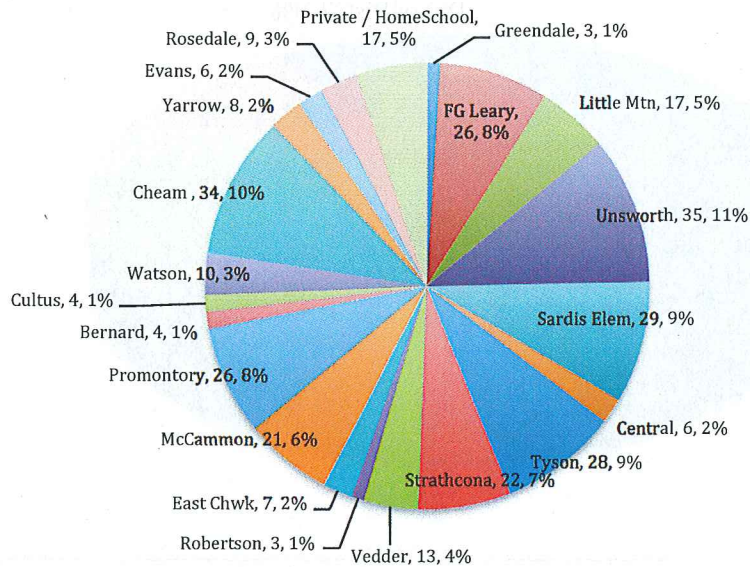
SUMMER LEARNING 2016



SUMMER LEARNING 2016



Summer Learning - Elementary Total # of Students: 328

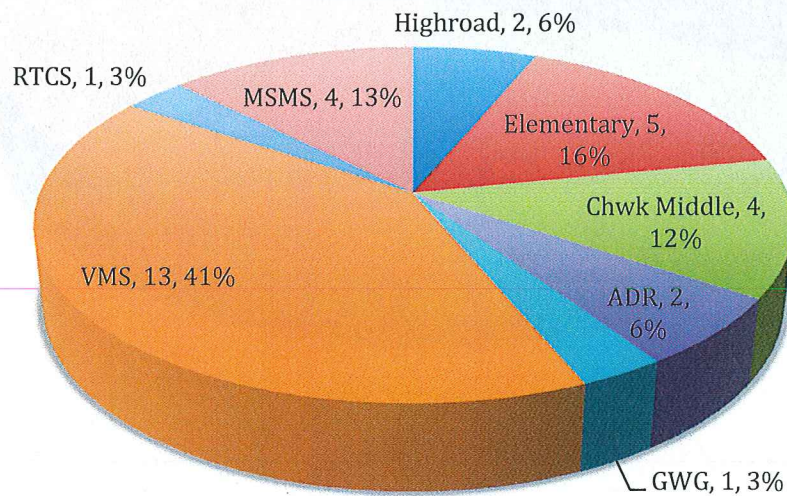


This pie chart reflects the number/percentage of students from each Elementary school within SD#33 that attended the Summer Learning program at the CSS/FVDES site.

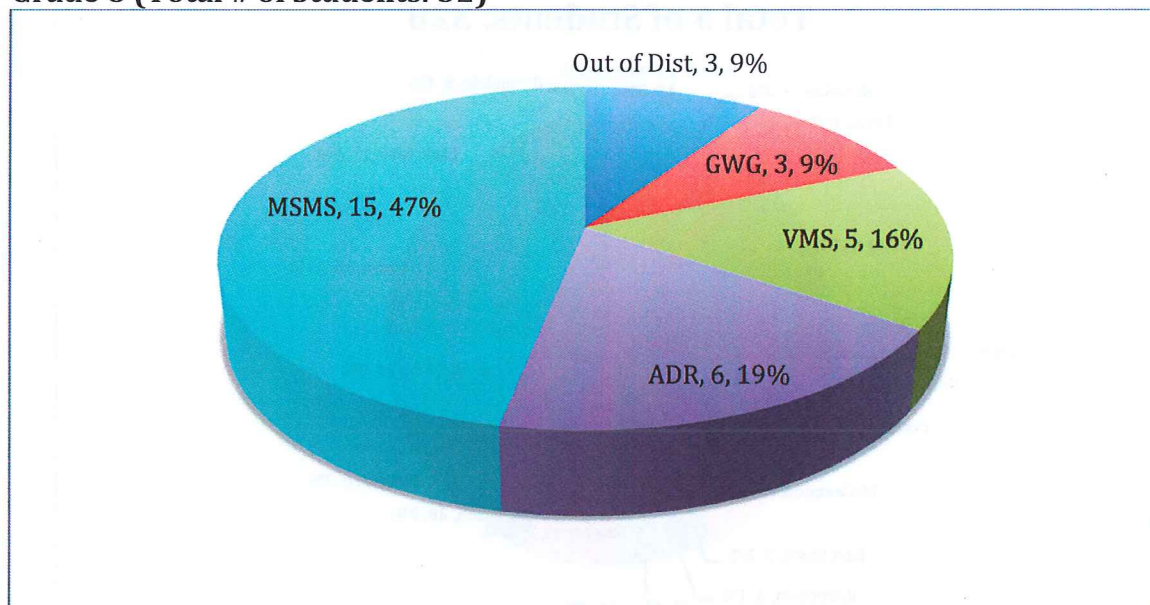
Summit Program (Gr.7-9)

53 of the 103 Summit students were completion students. Attendance and completion of the Summit program was successful for 90% of the students that registered and attended the program. There were 13 completion students that did not register or attend the program.

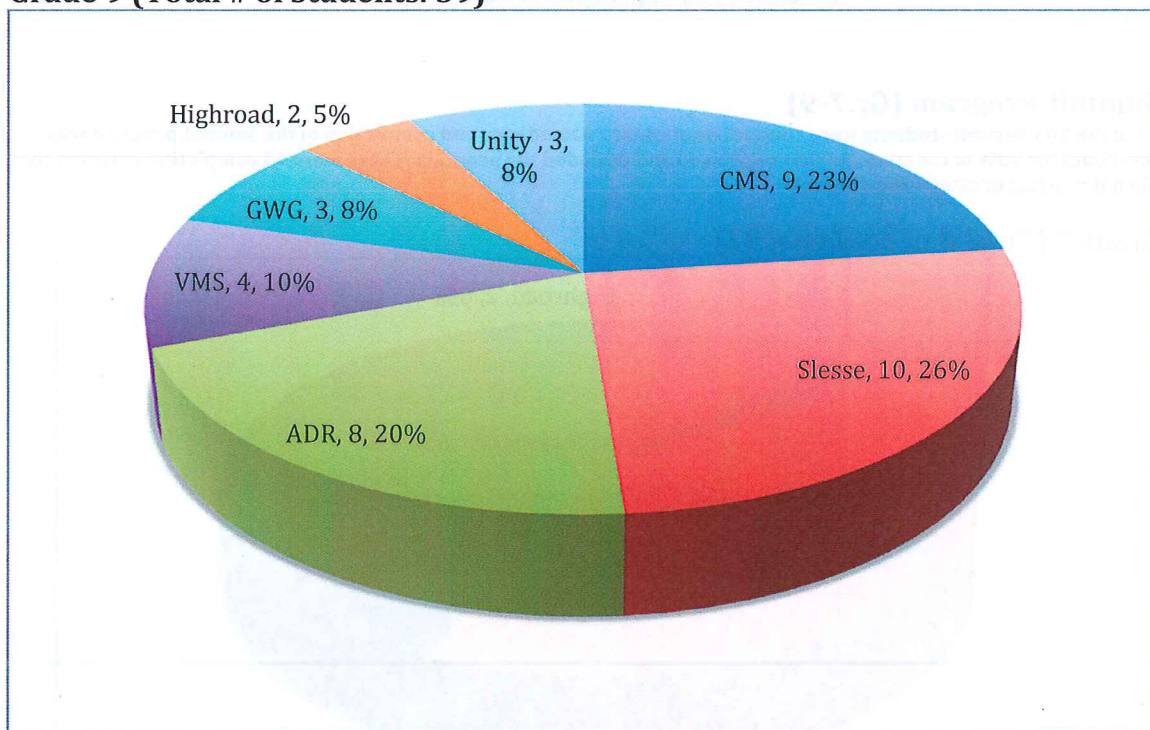
Grade 7 (Total # of Students: 32)



Grade 8 (Total # of Students: 32)



Grade 9 (Total # of Students: 39)



In addition to the Elementary program and the Summit Program we also ran a Pre-Calc 10 Preview class and a Math 7 Skill-building class. The Agriculture program at Sardis Secondary also ran under the Summer Learning umbrella this year. Close to 40 students have been participating throughout the months of July and August at the two Ag. Sites that Sardis Secondary uses for this program. In total Summer Learning had 556 students attend the various programs at the CSS/FVDES site and the Ag. Program sites.

BOARD OF EDUCATION

DECISION REPORT

DATE: September 20, 2016
TO: Board of Education
FROM: Gerry Slykhuis, Secretary Treasurer
RE: **2015-2016 AUDITED FINANCIAL STATEMENTS**

RECOMMENDATION

THAT the Board approve the 2015-2016 Audited Financial Statements and forward to the Ministry of Education.

INFORMATION

The Secretary Treasurer and Tim Holloway, Lead Audit Engagement Partner – KPMG, will present the 2015-2016 Audited Financial Statements and Audit Findings Report included in this package.



School District No.33 (Chilliwack)

Audit Findings Report
For the year ended June 30, 2016

KPMG LLP

For the meeting on September 20, 2016

kpmg.ca/audit



The contacts at KPMG in connection with this report are:

Tim Holloway
Lead Audit Engagement
Partner
Tel: 604.854.2282
tholloway@kpmg.ca

Heidi Owen
Audit Senior Manager
Tel: 604.854.2288
heidiowen@kpmg.ca

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Executive summary

Purpose of this report*

The purpose of this Audit Findings Report is to assist you, as a member of the audit committee, in your review of the results of our audit of the financial statements of School District No. 33 (Chilliwack) ("the District") as at and for the year ended June 30, 2016.

Materiality

We determine materiality in order to plan and perform the audit and to evaluate the effects of identified misstatements on the audit and of any uncorrected misstatements on the financial statements. For the current period, we have determined a materiality of \$3,500,000.

Audit risks and results

As part of our audit planning, we identified significant financial reporting risks that, by their nature, require special audit consideration. By focusing on these risks, we established an overall audit strategy and effectively targeted our audit procedures. We are satisfied that our audit work has appropriately dealt with the risks.

Critical accounting estimates

Overall, we are satisfied with the reasonability of critical accounting estimates taken. The most critical areas of estimates relate to the amortization of tangible capital assets and deferred capital contributions, estimates for contingent liabilities and estimates for employee future benefits.

Significant accounting policies and practices

There have been no initial selections of, or changes to, significant accounting policies and practices to bring to your attention.

*This Audit Findings Report should not be used for any other purpose or by anyone other than the audit committee. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Findings Report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Executive summary

Finalizing the audit

As of the date of this report, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include amongst others:

- completing our discussions with the audit committee;
- obtaining the signed management representation letter;
- obtaining evidence of the Board's approval of the financial statements; and
- reporting to the Office of the Auditor General for the purposes of reliance on our audit opinion in the audit of the summary financial statements of the Province.

We will update the audit committee, and not solely the Chair (as required by professional standards), on significant matters, *if any*, arising from the

completion of the audit, including the completion of the above procedures. Our auditors' report will be dated upon the completion of any remaining procedures.

Control and other observations

We did not identify any control deficiencies that we determined to be significant deficiencies in ICFR.

Critical accounting estimates

Overall, we are satisfied with the reasonability of critical accounting estimates.

The critical areas of estimates relate to: amortization of tangible capital assets, estimates for contingent liabilities and estimates for employee future benefits.

Independence

As required by professional standards, we have considered all relationships between KPMG and the District that may have a bearing on independence. We confirm that we are independent with respect to the District within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation from July 1, 2015 up to the date of this report.

Significant accounting policies and practices

There have been no initial selections of, or changes to, significant accounting policies and practices to bring to your attention.

Audit risks and results

Inherent risk of material misstatement is the susceptibility of a balance or assertion to misstatement which could be material, individually or when aggregated with other misstatements, assuming that there are no related controls.

We highlight our significant findings in respect of significant financial reporting risks as identified in our discussion with you in the Audit Plan, as well as any additional significant risks identified.

Significant financial reporting risks

Our significant findings from the audit

Fraud risk from revenue recognition and management override of controls

- KPMG performed detailed testing over journal entries at period end in order to assess the risk of fraud and error with respect to preparation of financial statements.
- KPMG performed a retrospective review of management estimates and evaluated the business rationale of significant unusual transactions.

We noted no issues or concerns arising from either of these procedures.

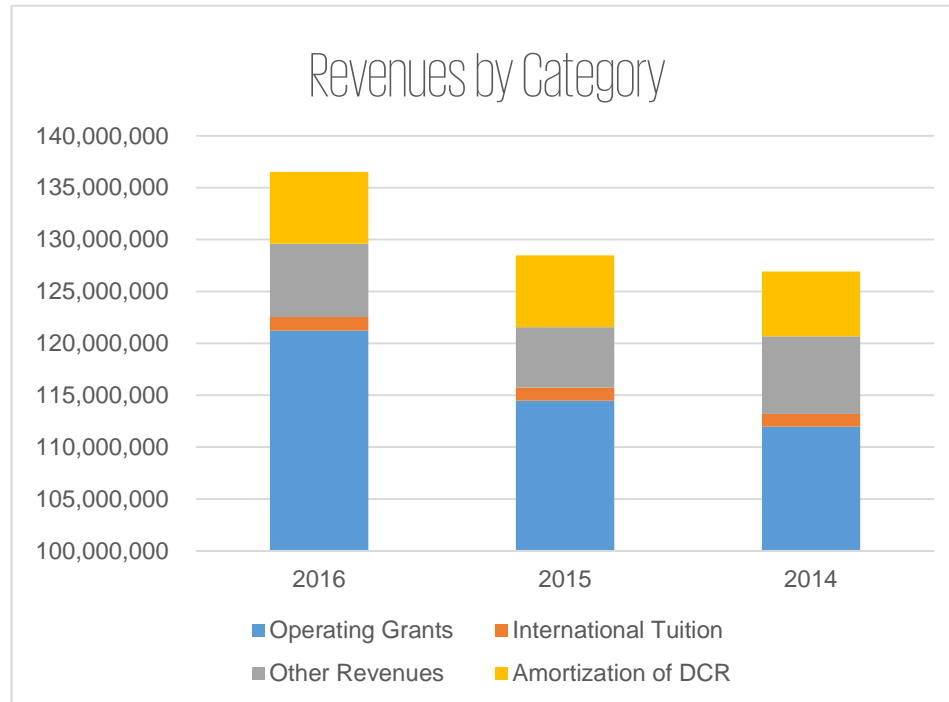
Liability for Contaminated Sites

- In fiscal 2015, the Public Sector Standards Board introduced a new standard requiring public sector entities to recognize liabilities for contaminated sites that are not in productive use. In situations where contamination exceeds an environmental standard and the District accepts responsibility for remediation, a liability for costs to be incurred is recognized.
- Management provided KPMG with its assessment of the applicability of the standard to the District. A definition of productive use was determined by management which resulted in three of the District's properties being identified as not in productive use; McGrath Road, Ryder Lake Road, and Edwards Road.
- Management analysed the existence and potential for contamination at the non-productive sites and noted that inspection of the site by facilities staff did not indicate any known issues with respect to contamination.
- KPMG reviewed management's assessment process and concur with management's assessment.

Analysis of financial performance

As part of the audit, there are certain key ratios and trends that we look at to assess audit risk and likelihood of error and/or misstatement. We share these ratios with the Board and Management and welcome any questions related to our interpretation of trends.

Note: the following financial information is taken from the annual audited financial statements prepared in accordance with Public Sector Accounting Standards and Treasury Board Regulations.

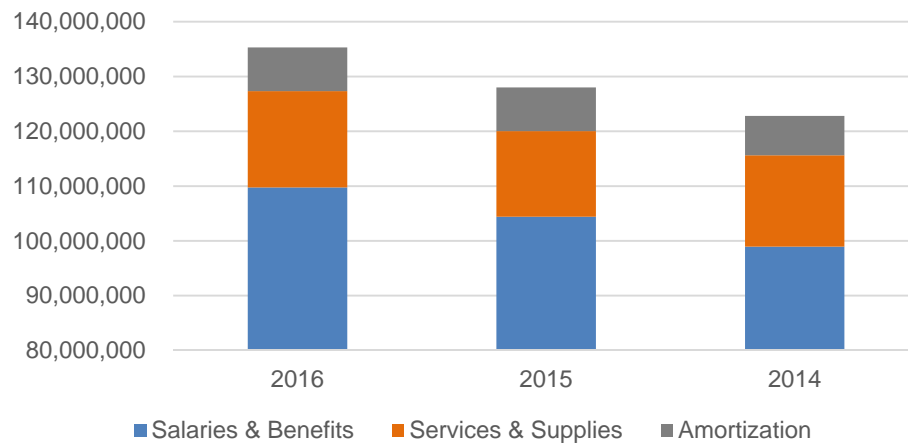


Grants from the Ministry represent 88.8% (2015 – 89.1%) of total revenues and has increased by 5.9% from prior year. The increase is consistent with the 1% increase in enrolment over prior year, the increase in number of instruction days due to teacher job action at the beginning of the 2015/16 school year and funding for teacher and CUPE pay increases during the year under new collective agreements.

Tuition revenue is consistent with the prior year, \$1.30M (2015 - \$1.26M) as was International student enrolment.

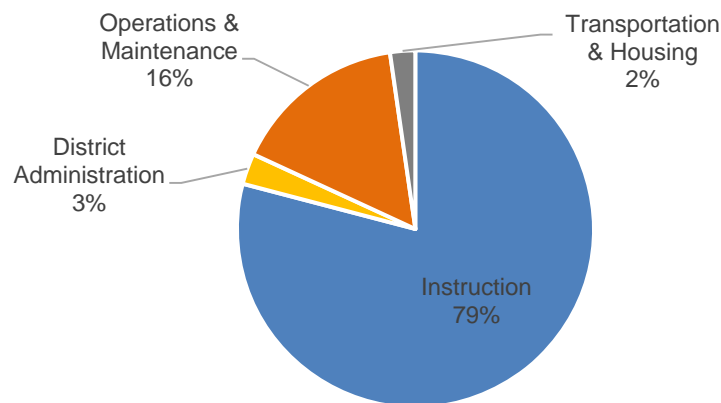
Other revenues increased by \$1.3M to \$7.1M (2015 - \$5.8M) which is consistent with 2014 other revenue. The increase is substantially due to the receipt of transportation fee and energy program revenue as well as an increase in Direct funding from First Nations.

Expenses by Object

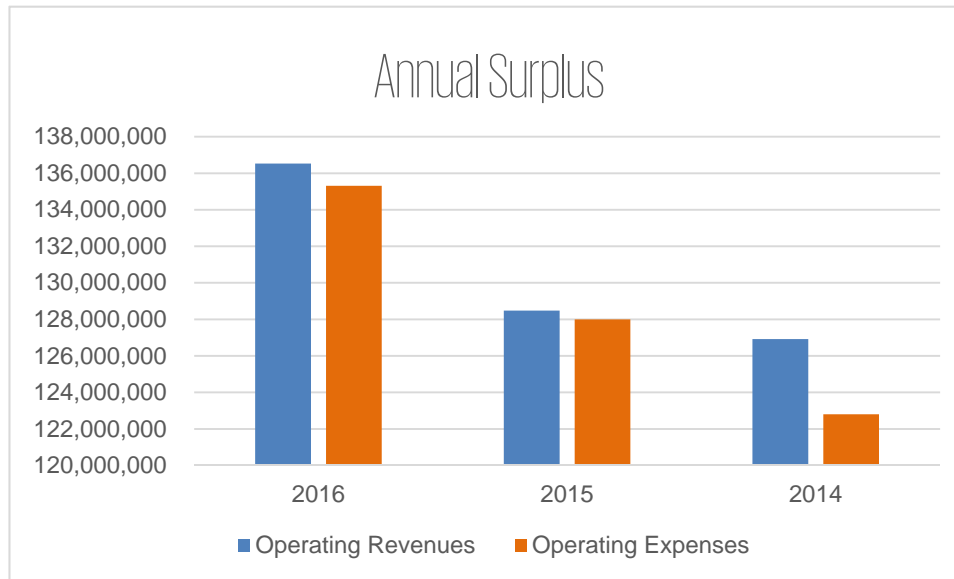


Total annual expenses have increased 5.7% over prior year. Salaries and benefits represent 81% of total expense, consistent with previous years. The \$4 million increase in salaries and benefits is due to a combination of number of days paid, rate of pay and headcount for teachers. The provincial Government introduced the Economic Stability Dividend resulting in a 0.45% salary increase. Teacher headcounts increased as an outcome of the strike and rising enrolment.

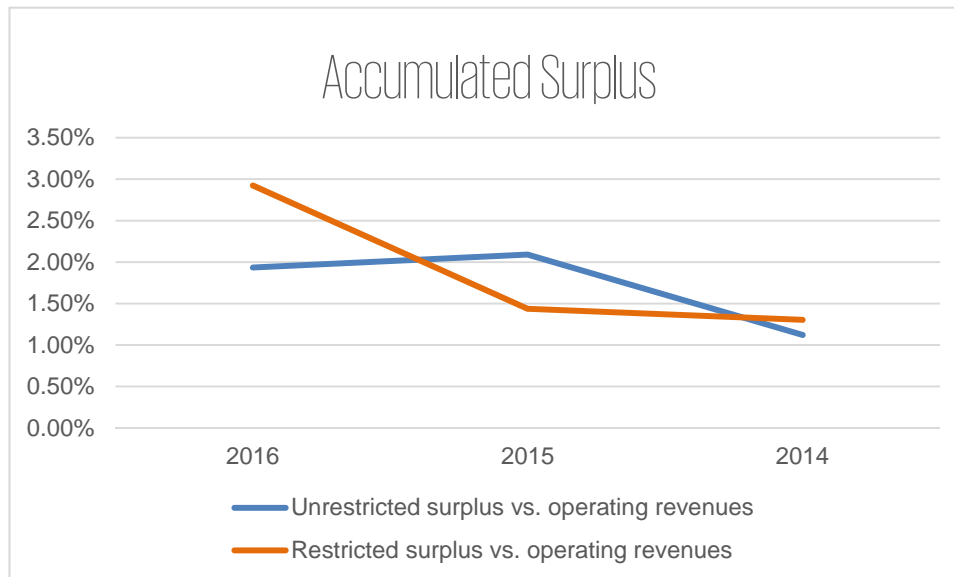
Expenses by Function



Instruction represents 79% of total expense, consistent with previous years. The \$7.3 million increase from prior years is due to the \$4M increase in teacher and substitute teacher salary expense over 2015 noted above and a \$2M increase in services and supplies expense over 2015. These increases are attributable to a short strike period at the beginning of fiscal 2015 as well as increased enrolment in 2016.



Annual surplus represents the excess of revenue over expenses during the year. The annual surplus has ranged from 3.3% to 0.9% of annual operating revenue from 2014 to 2016 respectively.



Accumulated surplus represents a measure of flexibility and sustainability. Restricted surplus is funds that the Board has designated to pay for specific future costs. Unrestricted surplus represents resources that can be used to provide future services and contingency to fund unexpected costs or respond to unexpected decline in revenue. Unrestricted surplus at June 30, 2016 represents 1.9% of annual operating revenue for the year.

Adjustments and differences

Adjustments and differences identified during the audit have been categorized as Corrected “adjustments” or Uncorrected “differences.” These include disclosure adjustments and differences.

Professional standards require that we request of management and the audit committee that all identified adjustments or differences be corrected. We have already made this request of management.

Corrected adjustments

We did not identify any adjustments that were communicated to management and subsequently corrected in the financial statements.

Uncorrected differences

The management representation letter includes the Summary of Uncorrected Audit Misstatements, which disclose the impact of all uncorrected differences considered to be other than clearly trivial.

Consistent with the prior year, we identified a misstatement that remains uncorrected relating to the District's health and dental benefit surplus. As at June 30, 2016 there is \$667,919 in prepaid health and dental benefit costs which have been prematurely recorded to wages.

Public Sector Accounting Standards requires the statement of operations and statement of changes in net debt present a comparison of the results for the accounting period with those originally planned. Management presented the Amended Annual Budget as the basis for this comparison. The original annual budget has been included in the notes to the financial statements, which provides information related to the differences between the original and amended budget. It is expected that the budget figures may change significantly between the original and amended budget as enrollment figures and Ministry funding is confirmed. The presentation difference is not considered material to the financial statements given that the original annual budget information is provided in the notes to the financial statements. The presentation adopted by the District is consistent with many other Districts throughout the Province.

Other observations

During the course of our audit, we identified a number of observations that we believe may be of interest to the Audit Committee.

Our observations may include comments on risks, and the District's approach to those risks, performance improvement observations, or other industry trends and developments.

These observations are based on, among other things, our understanding of the affairs and processes of [Company], as well as our understanding of many other companies in the same or other industries.

The following is a summary of our observations and insights as discussed with management:

Item	Observation
Employee Future Benefits Report to Mercer Canada	<ul style="list-style-type: none"> — In order to perform their valuation procedures over the employee future benefits obligation, Mercer (Canada) Limited ("Mercer") was provided specific data from the District's human resources and payroll systems by management. In order to rely on the valuation performed by Mercer to form its audit opinion, KPMG performed testing over the data provided to Mercer to assess its accuracy. — KPMG's testing identified several employee hire dates provided to Mercer which did not agree to the corresponding date in the District's human resources system. — KPMG does not consider this to be material to the valuation of the employee future benefits obligation.

Appendices

Appendix 1: Required communications

Appendix 2: Management Representation Letter

Appendix 3: Audit Quality and Risk Management

Appendix 4: Background and professional standards

Appendix 5: Current developments

Appendix 1: Required communications

In accordance with professional standards, there are a number of communications that are required during the course of and upon completion of our audit. These include:

- **Auditors' report** – the conclusion of our audit is set out in our draft auditors' report as attached.
- **Management representation letter** –In accordance with professional standards, copies of the management representation letter are provided to the Audit Committee. The management representation letter is attached.

Appendix 2: Management Representation Letter

KPMG LLP
32575 Simon Avenue
Abbotsford, BC V2T 4W6
Canada

September 20, 2016

Ladies and Gentlemen:

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the financial statements (hereinafter referred to as "financial statements") of School District No. 33 (Chilliwack) ("the Entity") as at and for the period ended June 30, 2016.

We confirm that the representations we make in this letter are in accordance with the definitions as set out in **Attachment I** to this letter.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

GENERAL:

- 1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated March 21, 2014, for:
 - a) the preparation of the financial statements and believe that these financial statements have been prepared in accordance with the relevant financial reporting framework
 - b) determining that the basis of accounting is an acceptable basis for the preparation of the financial information in the circumstances
 - c) providing you with all relevant information, such as all financial records and related data and complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors and committees of the board of directors that may affect the financial statements, and access to such relevant information
 - d) such internal control as management determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error
 - e) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements
- 2) Significant interpretations related to the financial provisions of the relevant financial reporting framework are appropriately disclosed in the financial statements.

INTERNAL CONTROL OVER FINANCIAL REPORTING:

- 3) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which management is aware.

FRAUD & NON-COMPLIANCE WITH LAWS AND REGULATIONS:

- 4) We have disclosed to you:
- a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud
 - b) all information in relation to fraud or suspected fraud that we are aware of and that affects the Entity and involves: management, employees who have significant roles in internal control, or others, where the fraud could have a material effect on the financial statements
 - c) all information in relation to allegations of fraud, or suspected fraud, affecting the Entity's financial statements, communicated by employees, former employees, regulators, or others
 - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements
 - e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements

SUBSEQUENT EVENTS:

- 5) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment or disclosure in the financial statements have been adjusted or disclosed.

RELATED PARTIES:

- 6) We have disclosed to you the identity of the Entity's related parties.
- 7) We have disclosed to you all the related party relationships and transactions/balances of which we are aware.
- 8) All related party relationships and transactions/balances have been appropriately accounted for and disclosed in accordance with the relevant financial reporting framework.

ESTIMATES:

- 9) Measurement methods and significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

NON-SEC REGISTRANTS OR NON-REPORTING ISSUERS:

- 10) We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002). We also confirm that the financial statements of the Entity will not be included in the consolidated financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

MISSTATEMENTS:

- 11) The effects of the uncorrected misstatements described in Attachment II are immaterial, both individually and in the aggregate, to the financial statements as a whole.

Yours very truly,

I have the recognized authority to take, and assert that I have taken, responsibility for the financial statements

By: Evelyn Novak, Superintendent of Schools

By: Gerry Slykhuis, Secretary-Treasurer

By: Mark Friesen, Assistant Secretary-Treasurer

cc: Audit Committee

Attachment I – Definitions

MATERIALITY

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both.

FRAUD & ERROR

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

RELATED PARTIES

In accordance with Canadian Public Sector Accounting Standards *related party* is defined as:

- one party that has the ability to exercise, directly or indirectly, control, joint control or significant influence over the other. Two or more parties are related when they are subject to common control, joint control or common significant influence.

In accordance with Canadian Public Sector Accounting Standards a *related party transaction* is defined as:

- a transfer of economic resources or obligations between related parties, or the provision of services by one party to a related party, regardless of whether any consideration is exchanged.

School District No. 33 (Chilliwack)
Summary of Uncorrected Audit Misstatements
For Year Ended June 30, 2016

Amounts in
Method Used to Quantify Audit Misstatements
Final Materiality

Canadian
Rollover
\$ 3,850,000

Detailed instructions on automatically populating the audit misstatements from the Tracker are provided in the "Instructions" tab.

Correcting Entry Required at Current Period End						Income Statement Effect - Debit(Credit)			Balance Sheet Effect - Debit (Credit)					Cash Flow Effect - Increase (Decrease)			Statement of Comprehensive Income - Debit (Credit)
ID	Description of misstatement	Type of misstatement	Accounts	Debit	(Credit)	Income effect of correcting the balance sheet in prior period (carryforward from prior period)	Income effect of correcting the current period balance sheet	Income effect according to Rollover (Income Statement) method	Equity	Current Assets	Noncurrent Assets	Current Liabilities	Noncurrent Liabilities	Operating Activities	Investing Activities	Financing Activities	Comprehensive Income
				A		B	C=A	C-B									
SUAD1	To record a prepaid asset relating to health and dental benefit premium surpluses and record the impact on the current year expense of the benefit payment holiday taken in the current year.	Factual	Dr. Prepaid Expenses	667,919				-		667,919							
			Dr. Benefits Expenses	494,127	-		(494,127)	(494,127)	494,127								
			Cr. Internally Restricted Net Assets-Opening		(1,162,046)	(1,162,046)		1,162,046	(1,162,046)								
Totals								667,919	(667,919)	667,919	-	-	-	-	-	-	

Appendix 3: Audit Quality and Risk Management

KPMG maintains a system of quality control designed to reflect our drive and determination to deliver independent, unbiased advice and opinions, and also meet the requirements of Canadian professional standards.

Quality control is fundamental to our business and is the responsibility of every partner and employee. The following diagram summarises the six key elements of our quality control systems.

Visit our [Audit Quality Resources page](#) for more information including access to our audit quality report, [Audit quality: Our hands-on process](#).

— Other controls include:

- Before the firm issues its audit report, the Engagement Quality Control Reviewer reviews the appropriateness of key elements of publicly listed client audits.
- Technical department and specialist resources provide real-time support to audit teams in the field.

- We conduct regular reviews of engagements and partners. Review teams are independent and the work of every audit partner is reviewed at least once every three years.
- We have policies and guidance to ensure that work performed by engagement personnel meets applicable professional standards, regulatory requirements and the firm's standards of quality.
- All KPMG partners and staff are required to act with integrity and objectivity and comply with applicable laws, regulations and professional standards at all times.



- We do not offer services that would impair our independence.
- The processes we employ to help retain and develop people include:
 - Assignment based on skills and experience;
 - Rotation of partners;
 - Performance evaluation;
 - Development and training; and
 - Appropriate supervision and coaching.
- We have policies and procedures for deciding whether to accept or continue a client relationship or to perform a specific engagement for that client.
- Existing audit relationships are reviewed annually and evaluated to identify instances where we should discontinue our professional association with the client.

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Appendix 4: Background and professional standards

Internal control over financial reporting

As your auditors, we are required to obtain an understanding of internal control over financial reporting (ICFR) relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

Our understanding of ICFR was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies and therefore, there can be no assurance that all significant deficiencies and other control deficiencies have been identified. Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors.

The control deficiencies communicated to you are limited to those control deficiencies that we identified during the audit.

Documents containing or referring to the audited financial statements

We are required by our professional standards to read only documents containing or referring to audited financial statements and our related auditors' report that are available through to the date of our auditors' report. The objective of reading these documents through to the date of our auditors' report is to identify material inconsistencies, if any, between the audited financial statements and the other information. We also have certain responsibilities, if on reading the other information for the purpose of identifying material inconsistencies, we become aware of an apparent material misstatement of fact.

We are also required by our professional standards when the financial statements are translated into another language to consider whether each version, available through to the date of our auditors' report, contains the same information and carries the same meaning.

Appendix 5: Current developments

Please visit the [Audit Committee Institute](#) page for recent developments in IFRS, Canadian securities matters, Canadian auditing and other professional standards and US accounting, auditing and regulatory matters.

The following is a summary of the current developments that are relevant to the Company:

Standard	Summary and implications
Related Party Disclosures and Inter-Entity Transactions	<ul style="list-style-type: none"> — Two new Handbook sections were approved in December 2014, effective for fiscal years beginning on or after April 1, 2017. — Related parties include entities that control or are controlled by a reporting entity, entities that are under common control and entities that have shared control over or that are subject to shared control of a reporting entity. — Individuals that are members of key management personnel and close members of their family are related parties. Disclosure of key management personnel compensation arrangements, expense allowances and other similar payments routinely paid in exchange for services rendered is not required. — Determining which related party transactions to disclose is a matter of judgment based on assessment of: <ul style="list-style-type: none"> — the terms and conditions underlying the transactions; — the financial significance of the transactions; — the relevance of the information; and — the need for the information to enable users' understanding of the financial statements and for making comparisons. — A related party transaction, with the exception of contributed goods and services, should normally be recognized by both a provider organization and a recipient organization on a gross basis. — Related party transactions, if recognized, should be recorded at the exchange amount. A public sector entity's policy, budget practices or accountability structures may dictate that the exchange amount is the carrying amount, consideration paid or received or fair value.

Assets, Contingent Assets and Contractual Rights

- Three new Handbook sections were approved in March 2015, effective for fiscal years beginning on or after April 1, 2017.
- The intended outcome of the new Sections is improved consistency and comparability.
- The standard includes enhanced guidance on the definition of assets and disclosure of assets to provide users with better information about the types of resources available to the entity.
- Disclosure of contingent assets and contractual rights is required to provide users with information about the nature, extent and timing of future assets and potential assets and revenues available to the public sector entity when the terms of those contracts are met.

Restructurings

- A new Handbook section was approved in March 2015, effective for fiscal years beginning on or after April 1, 2018.
- A restructuring transaction is a transfer of an integrated set of assets and/or liabilities, together with related responsibilities for program delivery or administrative operations, that does not involve a payment or other consideration that approximates the fair value of what is transferred.
- The new standard requires the transferor remove the assets and liabilities transferred from its books at their carrying amount at the restructuring date. The recipient would recognize the assets and liabilities received at their carrying amount with applicable adjustments at the restructuring date. Both the transferor and the recipient would recognize the net effect of the transfer and any compensation involved as revenue or an expense.
- Restructuring-related costs are recognized as expenses when incurred.
- Financial information prior to the restructuring date would not be restated.

Revenue

- PSAB is proposing a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement. A Statement of Principles was issued in 2013 and comments are currently under deliberation.
 - A request for information is under development and expected for release in 2015. Adoption of these principles would result in a need to assess current accounting policies.
 - In the case of revenues arising from an exchange, a public sector entity must ensure the recognition of revenue aligns with the satisfaction of related performance obligations.
 - For unilateral revenues, recognition occurs when there is authority to record the revenue and an event has happened that gives the public sector entity the right to the revenue.
-

Cyber Security – It's more than just technology

Organizations are subject to increasing amounts of legislative and public pressures to show they are managing and protecting their information appropriately. Simultaneously, the threats from cyber criminals and hackivists are growing in scale and sophistication. Organizations are also increasingly vulnerable as a result of technological advances and changing working practices including remote access, cloud computing, mobile technology and services on demand. The financial and reputational costs of not being prepared against a cyber-attack could be significant.

Cyber Security is not solely about Information Technology; it is fundamentally an operational and governance issue. Not-for-profit organizations should develop an operations-wide understanding of their threats, safeguards, and responses. Preparing this summary diagnostic will require the involvement of individuals in all areas of the organization, including those involved in hiring, procurement, customer relations and management. Key elements to consider include:

- Assessing the likelihood and intensity of a cyber-attack, based on the value of your information and your public profile
- Assessing your vulnerabilities to a cyber-attack
- Preparing your people, processes, infrastructure and technology to resist a cyber-attack, and to minimize its impact
- Detecting a cyber-attack and initiating your response
- Containing and investigating the cyber-attack
- Recovering from a cyber-attack and resuming business operations
- Reporting on and improving security

Not-for-profit organizations are at particular risk due to the information they maintain, including research data, member or student data, and health information. The reputational risk of this information not being adequately protected can often outweigh the financial consequences of a breach.

Not-for-profit organizations need to review their operations and consider cyber risks, then assess the organization's cyber maturity in addressing those risks. Structured models for completing this exercise exist for organizations of all sizes, as no one is immune to the risk of a cyber-attack.

kpmg.ca/audit



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Audited Financial Statements of

School District No. 33 (Chilliwack)

June 30, 2016

School District No. 33 (Chilliwack)

June 30, 2016

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School District No. 33 (Chilliwack)

MANAGEMENT REPORT

DRAFT

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 33 (Chilliwack) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 33 (Chilliwack) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, KPMG LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 33 (Chilliwack) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 33 (Chilliwack)

Signature of the Chairperson of the Board of Education	Date Signed
Signature of the Superintendent	Date Signed
Signature of the Secretary Treasurer	Date Signed



KPMG LLP
Chartered Accountants
32575 Simon Avenue
Abbotsford BC V2T 4W6
Canada

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INDEPENDENT AUDITORS' REPORT

To the Board of Education of the School District No. 33 (Chilliwack)
To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 33 (Chilliwack), which comprise the statement of financial position as at June 30, 2016 and the statements of operations, changes in net debt and cash flows for the year ended June 30, 2016, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the financial statements

Management is responsible for the preparation of these financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements of School District No. 33 (Chilliwack) as at and for the year ended June 30, 2016 are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.



Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describe the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards.

Chartered Professional Accountants

September 20, 2016

Abbotsford, British Columbia

DRAFT

School District No. 33 (Chilliwack)

Statement 1

Statement of Financial Position

As at June 30, 2016

	2016 Actual \$	2015 Actual \$
Financial Assets		
Cash and Cash Equivalents	31,596,133	28,318,512
Accounts Receivable		
Due from Province - Ministry of Education	230,000	678,441
Due from LEA/Direct Funding (Note 3)	314,893	213,665
Other	314,409	313,450
Total Financial Assets	32,455,435	29,524,068
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	13,516,834	13,698,085
Unearned Revenue (Note 5)	1,241,296	1,004,332
Deferred Revenue (Note 6)	2,342,131	2,439,049
Deferred Capital Revenue (Note 7)	166,023,856	170,362,558
Employee Future Benefits (Note 8)	3,363,814	3,146,497
Other Liabilities	690,382	646,321
Total Liabilities	187,178,313	191,296,842
Net Financial Assets (Debt)	(154,722,878)	(161,772,774)
Non-Financial Assets		
Tangible Capital Assets (Note 9)	215,944,638	221,769,077
Restricted Assets (Endowments) (Note 11)	73,261	73,261
Prepaid Expenses	327,152	334,033
Total Non-Financial Assets	216,345,051	222,176,371
Accumulated Surplus (Deficit) (Note 18)	61,622,173	60,403,597

Contractual Obligations and Contingencies (Note 15)

Approved by the Board

Signature of the Chairperson of the Board of Education

Date Signed

Signature of the Superintendent

Date Signed

Signature of the Secretary Treasurer

Date Signed

DRAFT

School District No. 33 (Chilliwack)

Statement 2

Statement of Operations

Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	119,417,969	121,115,743	114,375,818
Other	166,912	118,464	97,740
Tuition	1,212,471	1,302,462	1,261,008
Other Revenue	5,627,961	6,283,716	5,112,843
Rentals and Leases	380,000	469,724	363,955
Investment Income	310,000	318,998	343,244
Amortization of Deferred Capital Revenue	6,922,518	6,921,509	6,922,028
Total Revenue	<u>134,037,831</u>	<u>136,530,616</u>	<u>128,476,636</u>
Expenses			
Instruction	110,783,837	106,999,810	99,704,346
District Administration	3,624,901	3,792,409	3,800,964
Operations and Maintenance	19,309,721	21,432,468	21,312,838
Transportation and Housing	3,554,762	3,087,353	3,180,897
Total Expense	<u>137,273,221</u>	<u>135,312,040</u>	<u>127,999,045</u>
Surplus (Deficit) for the year	<u>(3,235,390)</u>	<u>1,218,576</u>	<u>477,591</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		60,403,597	59,926,006
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>61,622,173</u></u>	<u><u>60,403,597</u></u>

School District No. 33 (Chilliwack)

Statement 4

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(3,235,390)	1,218,576	477,591
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(175,500)	(2,153,117)	(980,996)
Amortization of Tangible Capital Assets	7,994,717	7,977,556	7,977,546
Total Effect of change in Tangible Capital Assets	7,819,217	5,824,439	6,996,550
Acquisition of Prepaid Expenses		(327,150)	(334,031)
Use of Prepaid Expenses		334,031	180,401
Total Effect of change in Other Non-Financial Assets	-	6,881	(153,630)
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>4,583,827</u>	7,049,896	7,320,511
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		7,049,896	7,320,511
Net Financial Assets (Debt), beginning of year		(161,772,774)	(169,093,285)
Net Financial Assets (Debt), end of year		(154,722,878)	(161,772,774)

School District No. 33 (Chilliwack)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2016

	2016 Actual \$	2015 Actual \$
Operating Transactions		
Surplus (Deficit) for the year	1,218,576	477,591
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	346,254	147,249
Prepaid Expenses	6,881	(153,630)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(181,251)	870,735
Unearned Revenue	236,964	44,585
Deferred Revenue	(96,918)	409,578
Employee Future Benefits	217,317	146,434
Other Liabilities	44,061	(739,361)
Amortization of Tangible Capital Assets	7,977,556	7,977,546
Amortization of Deferred Capital Revenue	(6,921,509)	(6,922,028)
Bylaw Capital Spent on Non-Capital Items	(1,490,538)	(2,055,741)
Total Operating Transactions	1,357,393	202,958
Capital Transactions		
Tangible Capital Assets Purchased	(2,153,117)	(980,996)
Total Capital Transactions	(2,153,117)	(980,996)
Financing Transactions		
Capital Revenue Received	4,073,345	2,831,104
Total Financing Transactions	4,073,345	2,831,104
Net Increase (Decrease) in Cash and Cash Equivalents	3,277,621	2,053,066
Cash and Cash Equivalents, beginning of year	28,318,512	26,265,446
Cash and Cash Equivalents, end of year	31,596,133	28,318,512
Cash and Cash Equivalents, end of year, is made up of:		
Cash	31,596,133	28,318,512
	31,596,133	28,318,512

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 1 AUTHORITY AND PURPOSE

The School District operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 33(Chilliwack)", and operates as "School District No. 33 (Chilliwack)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 33 (Chilliwack) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the School District are as follows:

a) Basis of accounting

The financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

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

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

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For British Columbia tax-payer supported organizations, these contributions include government transfers and externally restricted contributions.

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

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

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

b) Cash and Cash Equivalents

Cash and cash equivalents include Certificates of Deposit with the Provincial Treasury that are readily convertible to known amounts of cash and that are subject to insignificant risk of change in value. These cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

Accounts receivable are measured at amortized cost and shown net of allowance for doubtful accounts.

d) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods and receipt of proceeds for services or products to be delivered in a future period. Revenue will be recognized in that future period when the courses, services, or products are provided.

e) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2 (l).

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2 (a) for the impact of this policy on these financial statements.

f) Contaminated Sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The School District is directly responsible or accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

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

g) Employee Future Benefits

i) Post-Employment Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan.

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The most recent valuation of the obligation was performed at March 31, 2016 and projected to March 31, 2019. The next valuation will be performed at March 31, 2019 for use at June 30, 2019. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

ii) Pension Plans

The School District and its employees make contributions to the Teachers' Pension Plan and Municipal Pension Plan. The plans are multi-employer plans where assets and obligations are not separated. The costs are expensed as incurred.

h) Asset Retirement Obligations

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

i) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

Buildings	40 years
Furniture & Equipment	10 years
Vehicles	10 years
Computer Software	5 years
Computer Hardware	5 years

j) Prepaid Expenses

Prepaid expenses consist of unexpired insurance premiums and other prepaid amounts which will be amortized over the term of the policies, or in the period the actual expense relates to, respectively.

Materials and supplies held for use within the School District are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

k) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 12 – Interfund Transfers and Note 18 – Accumulated Surplus).

l) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral as described below. Eligibility criteria are the criteria that the School District has to meet in order to receive the contributions including authorization by the transferring government.

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized as follows:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year related expenses are incurred,
- Contributions restricted for site acquisitions are recorded as revenue when the sites are purchased, and
- Contributions restricted for tangible capital assets acquisitions other than sites are recorded as deferred capital revenue and amortized over the useful life of the related assets.

Donated tangible capital assets other than sites are recorded at fair market value and amortized over the useful life of the assets. Donated sites are recorded as revenue at fair market value when received or receivable.

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2 (a) for the impact of this policy on these financial statements.

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

Investment income is reported in the period earned. When required by the funding party or related Act, investment income earned on deferred revenue is added to the deferred revenue balance.

m) Expenses

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

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

n) Endowment Contributions

Endowment contributions are reported as revenue on the Statement of Operations when received. Investment income earned on endowment principal is recorded as deferred revenue if it meets the definition of a liability and is recognized as revenue in the year related expenses (disbursements) are incurred. If the investment income earned does not meet the definition of a liability, it is recognized as revenue in the year it is earned. Endowment assets are reported as restricted non-financial assets on the Statement of Financial Position.

o) Financial Instruments

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and other liabilities.

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

p) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in note 2 a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Trade receivables	\$ 70,767	\$ 53,554
GST Receivable	108,876	108,510
Rent Receivable	60,233	-
Council of Ministers of Ed. (French Monitor)	-	15,410
BCPSEA CUPE Pro-D	-	36,517
Chilliwack Teachers Assoc.	45,863	64,774
Simon Fraser University	21,950	31,483
Other	6,720	3,202
	<u>\$ 314,409</u>	<u>\$ 313,450</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Trade payables	\$ 938,940	\$ 1,302,969
Salaries and benefits payable	10,009,745	9,107,522
Accrued vacation pay	511,373	541,288
Construction holdbacks	1,456,248	1,967,828
Other	600,528	778,478
	<u>\$13,516,834</u>	<u>\$13,698,085</u>

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 5 UNEARNED REVENUE

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Balance, beginning of year	\$ 1,004,332	\$ 959,747
Increase:		
Tuition fees	1,405,667	1,360,803
Bus fees	44,295	-
Rental/lease of facilities	<u>527</u>	<u>527</u>
	<u>1,449,962</u>	<u>1,361,330</u>
Decrease:		
Tuition fees	1,212,471	1,261,008
Service Contracts		55,737
Rental/lease of facilities	<u>527</u>	<u>-</u>
	<u>1,212,998</u>	<u>1,316,745</u>
Balance, end of year	<u>\$ 1,241,296</u>	<u>\$ 1,004,332</u>

NOTE 6 DEFERRED REVENUE

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled.

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Balance, beginning of year	\$ 2,439,049	\$ 2,029,471
Increase: Contributions received		
Provincial Grants – Ministry of Education	4,019,746	3,951,502
Provincial Grants - Other	-	2,000
Other	3,185,653	2,819,361
Investment income	<u>16,828</u>	<u>19,049</u>
	<u>7,222,227</u>	<u>6,791,912</u>
Decrease:		
Expenses	<u>7,319,145</u>	<u>6,382,334</u>
	<u>7,319,145</u>	<u>6,382,334</u>
Net changes for the year	<u>(96,918)</u>	<u>409,578</u>
Balance, end of year	<u>\$ 2,342,131</u>	<u>\$ 2,439,049</u>

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 7 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired.

	Deferred Capital 2016	Unspent Capital 2016	Total Deferred Capital Revenue 2016	Total Deferred Capital Revenue 2015
Balance, beginning of year	\$167,091,565	\$3,270,993	\$170,362,558	\$176,509,223
Increase:				
Transfer from Unspent – Capital Additions	1,989,875		1,989,875	530,863
Provincial Grants – Ministry of Education		3,412,051	3,412,051	2,213,984
Other Income		661,294	661,294	617,120
	1,989,875	4,073,345	6,063,220	3,361,967
Decrease:				
Amortization of Deferred Capital	6,921,509		6,921,509	6,922,028
Capital Additions–transfer to Deferred Capital		1,989,875	1,989,875	530,863
Facility Improvements Not Capitalized		1,490,538	1,490,538	2,055,741
	6,921,509	3,480,413	10,401,922	9,508,632
Net changes for the year	(4,931,634)	592,932	(4,338,702)	(6,146,665)
Balance, end of year	\$162,159,931	\$3,863,925	\$166,023,856	\$170,362,558

NOTE 8 EMPLOYEE FUTURE BENEFITS

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

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 8 EMPLOYEE FUTURE BENEFITS (Continued)

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 4,190,671	\$ 3,830,494
Service Cost	302,746	261,761
Interest Cost	96,982	126,736
Benefit Payments	(297,731)	(338,898)
Actuarial (Gain) Loss	(441,131)	310,578
Accrued Benefit Obligation – March 31	<u>\$3,851,537</u>	<u>\$4,190,671</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$ 3,851,537	\$ 4,190,671
Market Value of Plan Assets - March 31	<u>-</u>	<u>-</u>
Funded Status - Surplus (Deficit)	(3,851,537)	(4,190,671)
Employer Contributions After Measurement Date	130,917	148,136
Benefits Expense After Measurement Date	(105,085)	(99,932)
Unamortized Net Actuarial (Gain) Loss	461,891	995,970
Accrued Benefit Asset (Liability) - June 30	<u>\$ (3,363,814)</u>	<u>\$ (3,146,497)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability - July 1	\$ 3,146,497	\$ 3,000,063
Net Expense for Fiscal Year	497,829	459,003
Employer Contributions	(280,512)	(312,569)
Accrued Benefit Liability - June 30	<u>\$ 3,363,814</u>	<u>\$ 3,146,497</u>
Components of Net Benefit Expense		
Service Cost	\$ 307,110	\$ 272,007
Interest Cost	97,771	119,298
Amortization of Net Actuarial (Gain)/Loss	92,948	67,698
Net Benefit Expense	<u>\$ 497,829</u>	<u>\$ 459,003</u>

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 8 EMPLOYEE FUTURE BENEFITS (Continued)

Discount Rate - April 1	2.25%	3.25%
Discount Rate - March 31	2.50%	2.25%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	12.5	12.3

NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value

	Net Book Value June 30, 2016	Net Book Value June 30, 2015
Sites	\$ 36,107,540	\$ 36,107,540
Buildings	172,863,151	177,272,365
Furniture & Equipment	4,915,162	5,845,734
Vehicles	1,625,179	2,022,838
Computer Software	216,553	241,610
Computer Hardware	217,053	278,990
Total	\$215,944,638	\$221,769,077

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 9 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2016

Cost:	Balance at July 1, 2015	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2016
Sites	\$ 36,107,540	\$ -	\$ -	\$ -	\$ 36,107,540
Buildings	263,503,226	1,893,731		-	265,396,957
Furniture & Equipment	10,994,995	160,843	(322,531)	-	10,833,307
Vehicles	4,826,187	58,433	(588,977)	-	4,295,643
Computer Software	341,458	40,110	(71,358)	-	310,210
Computer Hardware	309,685			-	309,685
Total	\$ 316,083,091	\$ 2,153,117	\$ (982,866)	\$ -	\$ 317,253,342

Accumulated Amortization:	Balance at July 1, 2015	Additions	Disposals	Balance at June 30, 2016
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	86,230,861	6,302,945		92,533,806
Furniture & Equipment	5,149,261	1,091,415	(322,531)	5,918,145
Vehicles	2,803,349	456,092	(588,977)	2,670,464
Computer Software	99,848	65,167	(71,358)	93,657
Computer Hardware	30,695	61,937		92,632
Total	\$ 94,314,014	\$ 7,977,556	\$ (982,866)	\$101,308,704

June 30, 2015

Cost:	Balance at July 1, 2014	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2015
Sites	\$ 36,107,540				\$ 36,107,540
Buildings	263,383,951	119,275	-		263,503,226
Furniture & Equipment	10,985,888	354,158	(345,051)		10,994,995
Vehicles	5,025,670	146,293	(345,776)		4,826,187
Computer Software	240,433	106,779	(5,754)		341,458
Computer Hardware	113,126	254,491	(57,932)		309,685
Total	\$ 315,856,608	\$ 980,996	\$ (754,513)	\$ -	\$ 316,083,091

Accumulated Amortization:	Balance at July 1, 2014	Additions	Disposals	Balance at June 30, 2015
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	79,945,422	6,285,439	-	86,230,861
Furniture & Equipment	4,395,268	1,099,044	(345,051)	5,149,261
Vehicles	2,656,532	492,593	(345,776)	2,803,349
Computer Software	47,413	58,189	(5,754)	99,848
Computer Hardware	46,346	42,281	(57,932)	30,695
Total	\$ 87,090,981	\$ 7,977,546	\$ (754,513)	\$ 94,314,014

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 10 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trusteesd pension plans. The board of trustees for these plans represents plan members and employers and is responsible for the management of the pension plans including investment of the assets and administration of benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are based on a formula. The Teachers' Pension Plan has about 45,000 active members from school districts, and approximately 35,000 retired members from school districts. The Municipal Pension Plan has about 185,000 active members, of which approximately 24,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2014 indicated a \$449 million funding surplus for basic pension benefits. The next valuation will be as at December 31, 2017 with results available later in 2018. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Employers participating in the Plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plans record accrued liabilities and accrued assets for the Plans in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual employers participating in the Plans.

The School District paid \$11,403,952 for employer contributions to these plans in the year ended June 30, 2016 (2015: \$10,802,340).

NOTE 11 RESTRICTED ASSETS - ENDOWMENT FUNDS

Donors have placed restrictions on their contributions to the endowment funds of the School District. One restriction is that the original contribution should not be spent.

Name of Endowment	Balance		Balance
	July 1, 2015	Contributions	July 1, 2016
Brunt	\$ 30,000	\$ -	\$ 30,000
Nelson	10,000	-	10,000
Newberry	13,000	-	13,000
Ford Mountain	20,261	-	20,261
Total	<u>\$ 73,261</u>	<u>\$ -</u>	<u>\$ 73,261</u>

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 12 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2016, were as follows:

- A transfer in the amount of \$163,242 (2015 - \$60,134) was made from the operating fund to the capital fund for capital equipment purchases.

NOTE 13 RELATED PARTY TRANSACTIONS

The School District is related through common ownership to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Transactions with these entities, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

NOTE 14 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on January 19, 2016. The Board adopted a preliminary annual budget on June 23, 2015. The amended budget is used for comparison purposes, as these are based on actual student enrollments. The difference between the two budgets is as follows:

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 14 BUDGET FIGURES (Continued)

	2016 Amended	2016 Preliminary	Difference
Revenues			
Provincial Grants			
Ministry of Education	\$119,417,969	\$115,244,464	\$ 4,173,505
Other	166,912	45,000	121,912
Tuition	1,212,471	1,000,000	212,471
Other Revenue	5,627,961	5,727,531	(99,570)
Rentals and Leases	380,000	380,000	-
Investment Income	310,000	307,500	2,500
Amortization of Deferred Capital Revenue	6,922,518	6,922,518	-
Total Revenue	<u>134,037,831</u>	<u>129,627,013</u>	<u>4,410,818</u>
Expenses			
Instruction	110,783,837	106,044,285	4,739,552
District Administration	3,624,901	3,306,893	318,008
Operations and Maintenance	19,309,721	18,976,090	333,631
Transportation and Housing	3,554,762	3,288,833	265,929
Total Expenses	<u>137,273,221</u>	<u>131,616,101</u>	<u>5,657,120</u>
Surplus (Deficit) for the year	<u>(3,235,390)</u>	<u>(1,989,088)</u>	<u>(1,246,302)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets			
From Local Capital	(175,500)	(100,000)	(75,500)
From Deferred Capital Revenue	-	-	-
Total Acquisition of Tangible Capital Assets	<u>(175,500)</u>	<u>(100,000)</u>	<u>(75,500)</u>
Amortization of Tangible Capital Assets	7,994,717	7,994,717	-
Total Effect of change in Tangible Capital Assets	<u>7,819,217</u>	<u>7,894,717</u>	<u>(75,500)</u>
(Increase) Decrease in Net Financial Assets	<u>\$ 4,583,827</u>	<u>\$ 5,905,629</u>	<u>\$ (1,321,802)</u>

NOTE 15 CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

Each year the School District is involved with a number of legal actions and arbitrations. Although the outcomes of these matters are not determinable at this time, management believes they will not have a material adverse effect on the School District's financial position or results of the operation.

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 16 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The fair value of the liability for asbestos removal or disposal will be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. As at June 30, 2016, the liability is not reasonably determinable.

NOTE 17 EXPENSE BY OBJECT

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Salaries and benefits	\$ 109,766,249	\$ 104,406,636
Services and supplies	17,568,235	15,614,863
Amortization	<u>7,977,556</u>	<u>7,977,546</u>
	<u>\$ 135,312,040</u>	<u>\$ 127,999,045</u>

NOTE 18 ACCUMULATED SURPLUS

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Operating Fund Accumulated Surplus		
Internally Restricted (appropriated by Board for):		
School-based Carry Forwards	\$ 1,102,721	\$ 729,535
FVDES Carry Forward	525,223	708,069
Aboriginal Education Targeted Funds Unexpended	333,647	347,950
Early Intervention Support	1,692,000	
Student Numeracy Assessment & Practice (SNAP)	278,000	
International Support	<u>60,000</u>	<u>60,000</u>
Total Internally Operating Restricted	<u>3,991,591</u>	<u>1,845,554</u>
 Unrestricted Operating Surplus	 <u>2,640,519</u>	 <u>2,684,122</u>
 Total Operating Fund Accumulated Surplus	 <u>\$ 6,632,110</u>	 <u>\$ 4,529,676</u>
 Special Purpose Funds Surplus	 <u>\$ 73,261</u>	 <u>\$ 73,261</u>
 Capital Fund Accumulated Surplus		
Contingency Reserve-Local Capital	1,156,848	1,147,904
Investment in Tangible Capital Assets	<u>53,759,954</u>	<u>54,652,756</u>
Total Capital Fund Accumulated Surplus	<u>\$54,916,802</u>	<u>\$55,800,660</u>
 Total Accumulated Surplus	 <u>\$61,622,173</u>	 <u>\$60,403,597</u>

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 19 ECONOMIC DEPENDENCE

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

NOTE 20 RISK MANAGEMENT

The School District has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk.

The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit risk

Credit risk is the risk of financial loss to an institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held consisting of cash and accounts receivable.

The School District is exposed to credit risk in the event of non-performance by a borrower. This risk is mitigated as most accounts receivable are due from the Province and are collectible.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized British Columbia institutions.

b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. It is management's opinion that the School District is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. It is management's opinion that the School District is not exposed to significant interest rate risk.

SCHOOL DISTRICT NO. 33 (CHILLIWACK)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 20 RISK MANAGEMENT (Continued)

c) Liquidity risk

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due.

The School District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

d) Fair value of financial instruments:

Public Sector Accounting Standards define the fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties. The School District uses the following methods and assumptions to estimate the fair value of each class of financial instruments for which the carrying amounts are included in the Statement of Financial Position under the following captions:

- (i) Cash and cash equivalents, accounts receivable, investments, accounts payables and accrued liabilities – the carrying amounts approximate fair value because of the short maturity of the instruments.

The financial instruments measured at fair value held within each investment are classified according to a hierarchy which includes three levels, reflecting the reliability of the inputs involved in the fair value determination. The different levels are defined as follows:

- (i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- (ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- (iii) Level 3: Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

The School District's Instruments are all considered to be level 1 financial instruments for which the fair value is determined based on quoted prices in active markets. Changes in financial instruments valuation methods or in the availability of market observable inputs may result in a transfer between levels. During the year there were no significant transfers of securities between different levels.

Risk Management and Insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance.

School District No. 33 (Chilliwack)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2016

	Operating Fund	Special Purpose Fund	Capital Fund	2016 Actual	2015 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	4,529,677	73,261	55,800,659	60,403,597	59,926,006
Changes for the year					
Surplus (Deficit) for the year	2,265,675		(1,047,099)	1,218,576	477,591
Interfund Transfers					
Local Capital	(163,242)		163,242	-	
Net Changes for the year	2,102,433	-	(883,857)	1,218,576	477,591
Accumulated Surplus (Deficit), end of year - Statement 2	6,632,110	73,261	54,916,802	61,622,173	60,403,597

School District No. 33 (Chilliwack)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	114,915,020	115,507,411	108,805,210
Other	90,000	117,544	90,770
Tuition	1,212,471	1,302,462	1,261,008
Other Revenue	2,683,911	3,100,111	2,266,379
Rentals and Leases	380,000	469,724	363,955
Investment Income	280,000	293,223	310,248
Total Revenue	119,561,402	120,790,475	113,097,570
Expenses			
Instruction	103,768,993	100,219,731	93,773,911
District Administration	3,624,901	3,792,409	3,800,964
Operations and Maintenance	11,264,828	11,881,399	11,143,706
Transportation and Housing	3,065,871	2,631,261	2,864,843
Total Expense	121,724,593	118,524,800	111,583,424
Operating Surplus (Deficit) for the year	(2,163,191)	2,265,675	1,514,146
Budgeted Appropriation (Retirement) of Surplus (Deficit)	2,338,691		
Net Transfers (to) from other funds			
Local Capital	(175,500)	(163,242)	(60,134)
Total Net Transfers	(175,500)	(163,242)	(60,134)
Total Operating Surplus (Deficit), for the year	-	2,102,433	1,454,012
Operating Surplus (Deficit), beginning of year		4,529,677	3,075,665
Operating Surplus (Deficit), end of year		6,632,110	4,529,677
Operating Surplus (Deficit), end of year			
Internally Restricted		3,991,591	1,845,554
Unrestricted		2,640,519	2,684,123
Total Operating Surplus (Deficit), end of year		6,632,110	4,529,677

School District No. 33 (Chilliwack)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	115,594,387	116,268,629	110,543,248
AANDC/LEA Recovery	(1,956,191)	(1,914,365)	(1,861,470)
Strike Savings Recovery			(3,633,158)
Other Ministry of Education Grants			
Labour Settlement Funding			2,335,647
Pay Equity	864,624	864,624	864,624
Funding for Graduated Adults	300,000	76,477	320,759
Economic Stability Dividend		97,227	
Carbon Tax Reimbursement	80,000	80,000	110,127
FSA Marking	12,600	15,219	15,219
Curriculum Implementation	19,600	19,600	110,214
Total Provincial Grants - Ministry of Education	114,915,020	115,507,411	108,805,210
Provincial Grants - Other	90,000	117,544	90,770
Tuition			
Offshore Tuition Fees	1,212,471	1,302,462	1,261,008
Total Tuition	1,212,471	1,302,462	1,261,008
Other Revenues			
LEA/Direct Funding from First Nations	1,956,191	1,903,333	1,733,814
Miscellaneous			
Distance Learning Course Fees	100,000	155,805	59,780
Textbook Deposit Revenue		97,520	
Print Shop Recoveries	80,000	67,460	72,862
Transportation Fee Revenue	360,000	397,412	
Energy Program Revenue	100,000	165,543	
Other Miscellaneous	87,720	313,038	399,923
Total Other Revenue	2,683,911	3,100,111	2,266,379
Rentals and Leases	380,000	469,724	363,955
Investment Income	280,000	293,223	310,248
Total Operating Revenue	119,561,402	120,790,475	113,097,570

School District No. 33 (Chilliwack)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Salaries			
Teachers	51,409,449	50,126,399	47,175,682
Principals and Vice Principals	6,490,585	6,490,954	6,103,861
Educational Assistants	8,790,948	7,826,725	8,007,537
Support Staff	11,036,332	11,306,936	11,404,935
Other Professionals	2,718,280	2,764,327	2,748,752
Substitutes	4,993,013	5,662,117	4,569,793
Total Salaries	85,438,607	84,177,458	80,010,560
Employee Benefits	21,474,759	20,757,812	19,501,240
Total Salaries and Benefits	106,913,366	104,935,270	99,511,800
Services and Supplies			
Services	4,609,967	4,503,782	2,959,870
Student Transportation	11,600	6,739	6,523
Professional Development and Travel	800,964	643,023	649,829
Rentals and Leases	41,500	28,367	222,330
Dues and Fees	194,579	171,642	159,351
Insurance	354,000	267,764	353,978
Supplies	7,096,617	5,960,140	6,046,374
Utilities	1,702,000	2,008,073	1,673,369
Total Services and Supplies	14,811,227	13,589,530	12,071,624
Total Operating Expense	121,724,593	118,524,800	111,583,424

School District No. 33 (Chilliwack)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2016

	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	40,867,709	1,014,381	8,427	630,628		3,571,760	46,092,905
1.03 Career Programs	89,624		321	435,639	70,192	14,939	610,715
1.07 Library Services	1,166,277	66,135		92,459		44,559	1,369,430
1.08 Counselling	1,970,555	100,070				41,298	2,111,923
1.10 Special Education	4,604,532	338,830	6,954,159	66,159		1,063,522	13,027,202
1.30 English Language Learning	753,871	25,840				28,050	807,761
1.31 Aboriginal Education	342,311		860,811	35,304	70,840	133,586	1,442,852
1.41 School Administration	558	4,723,585		2,337,869	471,889	146,411	7,680,312
1.60 Summer School	72,424		3,007			205	75,636
1.61 Continuing Education	106,920			10,906		746	118,572
1.62 Offshore Students	151,618	102,689		32,628		2,970	289,905
1.64 Other				104,380	88,863	16,617	209,860
Total Function 1	50,126,399	6,371,530	7,826,725	3,745,972	701,784	5,064,663	73,837,073
4 District Administration							
4.11 Educational Administration					694,861		694,861
4.40 School District Governance					125,288		125,288
4.41 Business Administration		119,424		589,407	790,074	11,530	1,510,435
Total Function 4	-	119,424	-	589,407	1,610,223	11,530	2,330,584
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				72,794	367,454	2,571	442,819
5.50 Maintenance Operations				5,030,638		309,444	5,340,082
5.52 Maintenance of Grounds				586,274		26,300	612,574
5.56 Utilities							-
Total Function 5	-	-	-	5,689,706	367,454	338,315	6,395,475
7 Transportation and Housing							
7.41 Transportation and Housing Administration				113,333	84,866	2,629	200,828
7.70 Student Transportation				1,168,518		244,980	1,413,498
Total Function 7	-	-	-	1,281,851	84,866	247,609	1,614,326
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	50,126,399	6,490,954	7,826,725	11,306,936	2,764,327	5,662,117	84,177,458

School District No. 33 (Chilliwack)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2016

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2016 Actual	2016 Budget	2015 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	46,092,905	11,554,236	57,647,141	4,539,617	62,186,758	65,273,547	57,815,247
1.03 Career Programs	610,715	153,605	764,320	415,027	1,179,347	1,062,509	989,679
1.07 Library Services	1,369,430	350,613	1,720,043	140,898	1,860,941	1,776,660	1,625,176
1.08 Counselling	2,111,923	498,826	2,610,749		2,610,749	2,527,756	2,334,737
1.10 Special Education	13,027,202	3,338,522	16,365,724	1,485,857	17,851,581	18,050,539	16,221,319
1.30 English Language Learning	807,761	204,074	1,011,835	16,476	1,028,311	1,001,113	976,169
1.31 Aboriginal Education	1,442,852	347,457	1,790,309	627,190	2,417,499	2,751,095	2,097,271
1.41 School Administration	7,680,312	1,807,769	9,488,081	336,021	9,824,102	10,033,404	10,720,418
1.60 Summer School	75,636	15,162	90,798	4,418	95,216	124,333	136,968
1.61 Continuing Education	118,572	29,165	147,737	9,384	157,121	235,618	19,020
1.62 Offshore Students	289,905	71,599	361,504	305,289	666,793	580,017	560,438
1.64 Other	209,860	47,026	256,886	84,427	341,313	352,402	277,469
Total Function 1	73,837,073	18,418,054	92,255,127	7,964,604	100,219,731	103,768,993	93,773,911
4 District Administration							
4.11 Educational Administration	694,861	158,671	853,532	195,543	1,049,075	938,828	967,001
4.40 School District Governance	125,288	3,557	128,845	225,828	354,673	351,359	361,254
4.41 Business Administration	1,510,435	335,153	1,845,588	543,073	2,388,661	2,334,714	2,472,709
Total Function 4	2,330,584	497,381	2,827,965	964,444	3,792,409	3,624,901	3,800,964
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	442,819	91,224	534,043	230,253	764,296	839,156	694,034
5.50 Maintenance Operations	5,340,082	1,234,988	6,575,070	1,542,048	8,117,118	7,760,905	7,856,727
5.52 Maintenance of Grounds	612,574	143,670	756,244	235,668	991,912	962,767	919,576
5.56 Utilities	-	-	-	2,008,073	2,008,073	1,702,000	1,673,369
Total Function 5	6,395,475	1,469,882	7,865,357	4,016,042	11,881,399	11,264,828	11,143,706
7 Transportation and Housing							
7.41 Transportation and Housing Administration	200,828	46,486	247,314	51,313	298,627	283,584	276,322
7.70 Student Transportation	1,413,498	326,009	1,739,507	593,127	2,332,634	2,782,287	2,588,521
Total Function 7	1,614,326	372,495	1,986,821	644,440	2,631,261	3,065,871	2,864,843
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	84,177,458	20,757,812	104,935,270	13,589,530	118,524,800	121,724,593	111,583,424

School District No. 33 (Chilliwack)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2016

	2016 Budget	2016 Actual	2015 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	4,502,949	4,117,794	3,514,867
Other	76,912	920	6,970
Other Revenue	2,944,050	3,183,605	2,841,448
Investment Income	30,000	16,827	19,049
Total Revenue	<u>7,553,911</u>	<u>7,319,146</u>	<u>6,382,334</u>
Expenses			
Instruction	7,014,844	6,780,079	5,930,435
Operations and Maintenance	539,067	539,067	451,899
Total Expense	<u>7,553,911</u>	<u>7,319,146</u>	<u>6,382,334</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Total Special Purpose Surplus (Deficit) for the year	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Special Purpose Surplus (Deficit), beginning of year		73,261	73,261
Special Purpose Surplus (Deficit), end of year		<u><u>73,261</u></u>	<u><u>73,261</u></u>
Special Purpose Surplus (Deficit), end of year			
Endowment Contributions		<u>73,261</u>	<u>73,261</u>
Total Special Purpose Surplus (Deficit), end of year		<u><u>73,261</u></u>	<u><u>73,261</u></u>

School District No. 33 (Chilliwack)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2016

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community- LINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	43,675	233,442	63,646	224,307	1,613,146	-	32,544	23,397	65,011
Add: Restricted Grants									
Provincial Grants - Ministry of Education	495,392	2,347,289	6,598			224,000	49,000	131,292	697,441
Other				69,608	3,059,799				
Investment Income				1,896	14,932				
	495,392	2,347,289	6,598	71,504	3,074,731	224,000	49,000	131,292	697,441
Less: Allocated to Revenue	539,067	2,410,229	20,562	76,219	3,062,785	224,000	40,076	126,136	684,746
Deferred Revenue, end of year	-	170,502	49,682	219,592	1,625,092	-	41,468	28,553	77,706
Revenues									
Provincial Grants - Ministry of Education	539,067	2,410,229	20,562			224,000	40,076	126,136	684,746
Provincial Grants - Other									
Other Revenue				74,323	3,047,854				
Investment Income				1,896	14,931				
	539,067	2,410,229	20,562	76,219	3,062,785	224,000	40,076	126,136	684,746
Expenses									
Salaries									
Teachers		1,348,350			13,473			30,951	
Educational Assistants		333,443							457,254
Support Staff	85,507				848				745
Substitutes	75,952	232,344			20,577		9,233	3,785	11,001
	161,459	1,914,137	-	-	34,898	-	9,233	34,736	469,000
Employee Benefits	24,435	496,092			1,610			8,174	120,104
Services and Supplies	353,173		20,562	76,219	3,026,277	224,000	30,843	83,226	95,642
	539,067	2,410,229	20,562	76,219	3,062,785	224,000	40,076	126,136	684,746
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 33 (Chilliwack)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2016

Schedule 3A (Unaudited)

	Service Delivery Transformation	PRP-AMUT Residential	SWIS	After School Sports Initiative	Miscellaneous Grants	TOTAL
	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	80,180	22,985	1,746	18,920	16,050	2,439,049
Add: Restricted Grants						
Provincial Grants - Ministry of Education		68,734				4,019,746
Other				56,247		3,185,654
Investment Income						16,828
	-	68,734	-	56,247	-	7,222,228
Less: Allocated to Revenue	-	72,978	920	56,837	4,591	7,319,146
Deferred Revenue, end of year	80,180	18,741	826	18,330	11,459	2,342,131
Revenues						
Provincial Grants - Ministry of Education		72,978				4,117,794
Provincial Grants - Other			920			920
Other Revenue				56,837	4,591	3,183,605
Investment Income						16,827
	-	72,978	920	56,837	4,591	7,319,146
Expenses						
Salaries						
Teachers		47,734				1,440,508
Educational Assistants						790,697
Support Staff		3,840				90,940
Substitutes		577				353,469
	-	52,151	-	-	-	2,675,614
Employee Benefits		14,412				664,827
Services and Supplies		6,415	920	56,837	4,591	3,978,705
	-	72,978	920	56,837	4,591	7,319,146
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-
Interfund Transfers						
	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-

School District No. 33 (Chilliwack)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2016

	2016	2016 Actual			2015
	Budget	Invested in Tangible	Local	Fund	Actual
	\$	Capital Assets	Capital	Balance	\$
Revenues					
Provincial Grants					
Ministry of Education		1,490,538		1,490,538	2,055,741
Other Revenue				-	5,016
Investment Income			8,948	8,948	13,947
Amortization of Deferred Capital Revenue	6,922,518	6,921,509		6,921,509	6,922,028
Total Revenue	<u>6,922,518</u>	<u>8,412,047</u>	<u>8,948</u>	<u>8,420,995</u>	<u>8,996,732</u>
Expenses					
Operations and Maintenance		1,490,538		1,490,538	2,055,741
Amortization of Tangible Capital Assets					
Operations and Maintenance	7,505,826	7,521,464		7,521,464	7,661,492
Transportation and Housing	488,891	456,092		456,092	316,054
Total Expense	<u>7,994,717</u>	<u>9,468,094</u>	<u>-</u>	<u>9,468,094</u>	<u>10,033,287</u>
Capital Surplus (Deficit) for the year	<u>(1,072,199)</u>	<u>(1,056,047)</u>	<u>8,948</u>	<u>(1,047,099)</u>	<u>(1,036,555)</u>
Net Transfers (to) from other funds					
Local Capital	175,500		163,242	163,242	60,134
Total Net Transfers	<u>175,500</u>	<u>-</u>	<u>163,242</u>	<u>163,242</u>	<u>60,134</u>
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		163,242	(163,242)	-	
Total Other Adjustments to Fund Balances		<u>163,242</u>	<u>(163,242)</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>(896,699)</u>	<u>(892,805)</u>	<u>8,948</u>	<u>(883,857)</u>	<u>(976,421)</u>
Capital Surplus (Deficit), beginning of year		54,652,759	1,147,900	55,800,659	56,777,080
Capital Surplus (Deficit), end of year		<u>53,759,954</u>	<u>1,156,848</u>	<u>54,916,802</u>	<u>55,800,659</u>

School District No. 33 (Chilliwack)

Schedule 4A (Unaudited)

Tangible Capital Assets

Year Ended June 30, 2016

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	36,107,540	263,503,226	10,994,995	4,826,187	341,458	309,685	316,083,091
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,861,776					1,861,776
Deferred Capital Revenue - Other		31,955	96,144				128,099
Local Capital			64,699	58,433	40,110		163,242
	-	1,893,731	160,843	58,433	40,110	-	2,153,117
Decrease:							
Deemed Disposals			322,531	588,977	71,358		982,866
	-	-	322,531	588,977	71,358	-	982,866
Cost, end of year	36,107,540	265,396,957	10,833,307	4,295,643	310,210	309,685	317,253,342
Work in Progress, end of year							-
Cost and Work in Progress, end of year	36,107,540	265,396,957	10,833,307	4,295,643	310,210	309,685	317,253,342
Accumulated Amortization, beginning of year		86,230,861	5,149,261	2,803,349	99,848	30,695	94,314,014
Changes for the Year							
Increase: Amortization for the Year		6,302,945	1,091,415	456,092	65,167	61,937	7,977,556
Decrease:							
Deemed Disposals			322,531	588,977	71,358		982,866
		-	322,531	588,977	71,358	-	982,866
Accumulated Amortization, end of year		92,533,806	5,918,145	2,670,464	93,657	92,632	101,308,704
Tangible Capital Assets - Net	36,107,540	172,863,151	4,915,162	1,625,179	216,553	217,053	215,944,638

School District No. 33 (Chilliwack)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2016

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	166,423,615	78,586	589,364	167,091,565
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,861,776		128,099	1,989,875
	1,861,776	-	128,099	1,989,875
Decrease:				
Amortization of Deferred Capital Revenue	6,874,426	1,990	45,093	6,921,509
	6,874,426	1,990	45,093	6,921,509
Net Changes for the Year	(5,012,650)	(1,990)	83,006	(4,931,634)
Deferred Capital Revenue, end of year	161,410,965	76,596	672,370	162,159,931
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	-	-	-	-
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	161,410,965	76,596	672,370	162,159,931

School District No. 33 (Chilliwack)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2016

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	5,613	455,011		2,722,548	87,821	3,270,993
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	3,412,051					3,412,051
Other					39,955	39,955
Investment Income		4,382		24,417		28,799
Municipal Contributions				410,438	30,000	440,438
Donations					152,102	152,102
	3,412,051	4,382	-	434,855	222,057	4,073,345
Decrease:						
Transferred to DCR - Capital Additions	1,861,776				128,099	1,989,875
Facility Improvements Not Capitalized	1,490,538					1,490,538
	3,352,314	-	-	-	128,099	3,480,413
Net Changes for the Year	59,737	4,382	-	434,855	93,958	592,932
Balance, end of year	65,350	459,393	-	3,157,403	181,779	3,863,925

BOARD OF EDUCATION

DECISION REPORT

DATE: September 20, 2016

TO: Board of Education

FROM: Silvia Dyck, Audit Committee

RE: **AUDIT COMMITTEE REPORT**

RECOMMENDATION:

THAT the Board of Education receive the Audit Committee Meeting Report of September 7, 2016 as presented.

Minutes



AUDIT COMMITTEE MEETING

Meeting Held Wednesday, September 7, 2016 – 8:00 a.m.
School District Office

Attendance:	Walt Krahn Silva Dyck	Chair Trustee
Staff:	Evelyn Novak Gerry Slykhuis Mark Friesen Cathy Meeres	Superintendent Secretary Treasurer Assistant Secretary Treasurer Recorder
Guests:	Dan Coulter Heather Maahs Paul McManus Tim Holloway Naeem Rajabali	Trustee Trustee Trustee KPMG KPMG
Regrets:	Bob Patterson Barry Neufeld	Trustee Vice-Chair

1. CALL TO ORDER

Meeting was called to order at 8:02 a.m.

2. APPROVAL OF AGENDA

Mover: Heather Maahs
Second: Silvia Dyck

THAT the agenda be approved as circulated.

CARRIED

3. APPROVAL OF MINUTES

Mover: Walt Krahn
Second: Silvia Dyck

THAT the minutes be approved as circulated.

AMMENDMENT TO MINUTES

Mover: Walt Krahm

Seconder: Silvia Dyck

THAT the word “carried” be removed from agenda item number 2 – Approval of Agenda.

CARRIED

Mover: Walt Krahm

Seconder: Silvia Dyck

THAT the minutes of the June 1, 2016 meeting be approved as amended.

CARRIED

4. AUDIT/YEAR-END REVIEW

Tim Holloway, KPMG, reviewed the Audit Findings Report and Audited Financial Statements for School District 33 (Chilliwack) for the year ended June 30, 2016. An explanation was provided in each area of the report and no significant changes were reported. For the current period, KPMG has determined a materiality of \$3.5 million. No issues or concerns were noted in the area of audit risks or results. No significant changes to the notes.

Gerry Slykhuis, Secretary Treasurer reviewed the area of accumulated surplus giving further details of the unrestricted surplus of \$2.6 million and current year surplus of \$1.2 million.

8:42 – Staff exited the meeting.

Audit Committee members were provided an opportunity for discussion with KPMG Auditors.

8:55 – Staff entered back into the meeting.

Tim Holloway, KPMG will attend the Board meeting on September 20th to present the Audit Findings Report and Audited Financial Statements.

5. KPMG CONTRACT RENEWAL

9:05 KPMG Staff exited the meeting.

Mark Friesen, Assistant Secretary Treasurer, presented a report outlining the background, fee structure and performance outcomes of KPMG's three-year term as Financial Auditors. The following recommendation will go to the Board of Education for decision on September 20, 2016:

Moved: Silvia Dyck

Seconded: Walt Krahm

THAT the Board approve a two year extension of KPMG as Financial Auditors for School District No 33 (Chilliwack).

CARRIED

9:14 KPMG Staff entered the meeting.

6. RISK MANAGEMENT PLAN – PRESENTATION BY KPMG

Naeem Rajabali, KPMG Risk Consulting-Advisory Manager, provided an informative presentation on the fundamentals of Enterprise Risk Management (ERM). Staff were directed to obtain a proposal from KPMG for the implementation of ERM for the District.

7. ADJOURNMENT

Moved: Walt Krahn
Seconded: Silvia Dyck

THAT the meeting be adjourned at 9:45 a.m.

BOARD OF EDUCATION

DECISION REPORT

DATE: September 20, 2016

TO: Board of Education

FROM: Mark Friesen, Assistant Secretary Treasurer

RE: **REAPPOINTMENT OF FINANCIAL AUDITORS**

RECOMMENDATION:

THAT the Board of Education approve a two year extension of KPMG as Financial Auditors for School District No. 33 (Chilliwack) effective with the 2016/17 fiscal year.

BACKGROUND:

In February 2014, a Request for Proposal (RFP) was initiated to engage a Financial Auditor for School District No. 33 (Chilliwack). Following a formal evaluation and selection process, a recommendation was made to the Board on March 11, 2014 to appoint KPMG as auditor for a three-year term effective with the 2013/14 fiscal year.

KPMG's three-year term with the District will conclude upon completion of financial audit services for the 2015/16 fiscal year. KPMG's team has followed through with their commitment of providing outstanding professional services to our District. The level of inquiry and competency that KPMG personnel consistently bring is of the highest quality. The District sees no reason not to continue this relationship.

The following table indicates the proposed fees structure over the next two years. An annual increase would continue in the base fee as in the initial proposal, while the out of pocket expenses and OAG would remain the same.

	2013/14	2014/15	2015/16	2016/17	2017/18
Audit Fees	19,500	20,000	20,500	21,000	21,500
Estimated out of pocket expenses	1,000	1,000	1,000	1,000	1,000
Subsequent events procedures for the Office of the Auditor General	750	750	750	750	750
Tax	1,063	1,088	1,113	1,138	1,163
Total	22,313	22,838	23,363	23,888	24,413

BOARD OF EDUCATION

DECISION REPORT

DATE: September 20, 2016
TO: Board of Education
FROM: Gerry Slykhuis, Secretary Treasurer
RE: **FIVE-YEAR 2016/17 CAPITAL PLAN - REVISED**

RECOMMENDATION

THAT the Board approve the revised Five-Year 2016/2017 Capital Plan.

INFORMATION

Each year the Ministry reviews all the Five-Year Capital Plan submissions across the participating 60 school districts to determine priorities for available capital funding in the programs of: Seismic Mitigation and Safety, Expansion, Building Envelope, Carbon Neutral Capital, School Enhancement, and Busses.

Although the Chilliwack School Board approved a Five-Year Capital Plan at it June 2016 Board meeting, revised Capital Plan instructions were received from the Ministry of Education. Subsequently the 5-Year Capital Plan was revised according to these new guidelines.

Annual Five-Year Capital Plan submissions are used to inform the selection of priority capital projects for the Ministry of Education's next fiscal year. The submissions also provide the Ministry insight into future year priorities for longer term capital planning.

The Capital Plan submission is categorized as follows:

- Seismic Mitigation Program (SEM) - *no submission*
- School Expansion Program (EXP) - *attached*
- School Replacement Program (REP) - *no submission*
- Building Envelope Program (BEP) - *no submission*
- School Enhancement Program (SEP) - *attached*
- Carbon Neutral Capital Program (CNCP) - *attached*
- Bus Replacement Program (BUS) - *attached*

Five Year Capital Plan Summary

Capital Plan Year: 2016/17

District Priority	Project Title	Project Funding					
		2016/17	2017/18	2018/19	2019/20	2020/21	Total
Seismic Mitigation Program (SEM):							
n/a	no submission	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Expansion Program (EXP):							
1	Promontory Heights School Addition	\$ -	\$ 2,559,686	\$ 2,136,837	\$ -	\$ -	\$ 4,696,523
2	New Southside Area School	\$ -	\$ 6,776,966	\$ 4,012,399	\$ 4,012,399	\$ -	\$ 14,801,764
3	G.W. Graham Middle / Secondary Addition	\$ -	\$ 1,728,854	\$ 3,016,964	\$ 3,016,965	\$ -	\$ 7,762,783
School Replacement Program (REP):							
n/a	no submission	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Building Envelope Program (BEP):							
n/a	no submission	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School Enhancement Program (SEP):							
1	A.D. Rundle Middle - Transformer Replacement	\$ 215,000	\$ -	\$ -			\$ 215,000
2	Chilliwack Middle-Sawdust Extractors Replaced	\$ 324,000	\$ -	\$ -			\$ 324,000
3	Vedder Middle-Sawdust Extractors Replaced	\$ 324,000	\$ -	\$ -			\$ 324,000
4	Little Mountain Elementary-Mechanical Upgrade	\$ 198,000	\$ -	\$ -			\$ 198,000
5	Vedder Elementary-Mechanical Upgrade	\$ 288,000	\$ -	\$ -			\$ 288,000
6	Unsworth Elementary-Boiler Upgrade	\$ 264,000	\$ -	\$ -			\$ 264,000
7	Strathcona Elem.-Heating & Ventilation Upgrades	\$ -	\$ 211,200	\$ 391,200			\$ 602,400
8	Cultus Lake Elem.-Heating & Ventilation Upgrades	\$ 434,400	\$ -	\$ -			\$ 434,400
9	Evans Elementary-Heating & Ventilation Upgrades	\$ -	\$ 144,000	\$ 252,000			\$ 396,000
Carbon Neutral Capital Program (CNCP):							
1	Evans Elementary-Mechanical Upgrade	\$ 396,000					\$ 396,000
2	Unsworth Elementary-Mechanical Upgrade	\$ 264,000					\$ 264,000
3	Vedder Elementary-Mechanical Upgrade	\$ 264,000					\$ 264,000
Bus Replacement Program (BUS):							
n/a	Bus Replacements – Type D 80+ Passenger (#1330, 1331, 1332, 2330)	Costs assigned by MoEd					
Capital Plan Total		\$ 2,971,400	\$ 11,420,706	\$ 9,809,400	\$ 7,029,364	\$ -	\$ 31,230,870

BOARD OF EDUCATION

INFORMATION REPORT

DATE: September 20, 2016

TO: Board of Education

FROM: Rohan Arul-pragasam, Assistant Superintendent

RE: **ENROLMENT AND STAFFING REPORT**

Assistant Superintendent, Rohan Arul-pragasam will present the enrollment and staffing report as of September 14th, 2016.



Chilliwack
School District

ENROLMENT ANALYSIS

SEPTEMBER 14, 2016





SD#33 – STRATEGIC PLAN

PRIORITY-RESOURCES

GOAL - To Align Resources To Efficiently & Effectively
Execute The Strategic Plan

ACTION: Long Term Staffing Plans Established To Ensure
Staffing Stability

AS OF SEPTEMBER 14TH, 2016

ANALYSIS

EXCLUDES DL, CE & ALT EDUCATION HEAD COUNT

HC SEPTEMBER 30th 2015 (K-12)	11,978
HC SEPTEMBER 14th, 2016 (K-12)	12,418
Increase HC	440
Percentage Increase HC	3.67%
HC +WEX +GT	12,613
Increase FTE (includes 60 FTE FLEX)	405.5576
Percentage Increase FTE	3.32%

HEAD COUNT CHG SEPTEMBER 14TH, 2016

FUNDED HEAD COUNT - WITHOUT DL, CE & ALT

	2011	2012	2013	2014	2015	2016
K	929	932	906	947	884	912
1	849	929	942	918	989	933
2	915	855	930	934	934	1021
3	874	913	877	938	973	997
4	821	862	911	878	975	1001
5	899	808	897	923	916	1002
6	816	911	837	905	968	940
7	899	834	900	854	932	1006
8	877	887	837	898	870	951
9	930	887	864	842	901	891
10	1026	980	925	874	871	976
11	933	979	969	890	874	904
12	993	943	1001	930	889	975

PERCENTAGE CHG SEPTEMBER 14TH, 2016

FUNDED HC - COHORT PERCENTAGE CHANGE

	2011	2012	2013	2014	2015	2016
K						
1		0.0%	1.07%	1.32%	4.4%	5.54%
2		0.7%	0.11%	-0.85%	1.7%	3.24%
3		-0.2%	2.57%	0.86%	4.2%	6.75%
4		-1.4%	-0.22%	0.11%	3.9%	2.88%
5		-1.6%	4.06%	1.32%	4.3%	2.77%
6		1.3%	3.59%	0.89%	4.9%	2.62%
7		2.2%	-1.21%	2.03%	3.0%	3.93%
8		-1.3%	0.36%	-0.22%	1.9%	2.04%
9		1.1%	-2.59%	0.60%	0.3%	2.41%
10		5.4%	4.28%	1.16%	3.4%	8.32%
11		-4.6%	-1.12%	-3.78%	0.0%	3.79%
12		1.1%	2.25%	-4.02%	-0.1%	11.56%

PERCENTAGE CHG SEPTEMBER 14TH, 2016

YEAR	ELEMENTARY HEAD COUNT	
	NORTH SIDE SCHOOLS	SOUTH SIDE SCHOOLS
1516	2880	3757
% CHG FROM 1415	1.34%	5.12%
ENROLMENT DIFF	INCREASE OF 221	
1617	2952	3854
% CHG FROM 1516	2.50%	2.50%
ENROLMENT DIFF	INCREASE OF 169	

ADDITIONAL RESOURCES ALLOCATED

Central - Replace Division Funded by EF	1
McCammon - Replace Division Funded by EF	1
Tyson - Restore 12th Division	1
Cultus Lake - Restore 8th Division	1
Rosedale - New 10th Division	1
LME - Restore 15th Division	1
Yarrow - New 13th Division	1
Robertson - New 12th Division To Reduce Class Size	1
Bernard - New 14th Division To Reduce Class Size	1
Middle Schools - New Divisions In Grade 7 (N and S)	2
TOTAL ADDITIONAL TEACHERS SEPTEMBER 2016	11



QUESTIONS & COMMENTS



BOARD OF EDUCATION

INFORMATION REPORT

DATE: September 20, 2016

TO: Board of Education

FROM: Al Van Tassel, Director of Facilities and Transportation

RE: **SUMMER MAINTENANCE ACTIVITIES - 2016**

BACKGROUND

Al Van Tassel, Director of Facilities and Transportation will provide details of the 2016 Summer Maintenance Activities.

BOARD OF EDUCATION

INFORMATION REPORT

DATE: September 20, 2016

TO: Board of Education

FROM: Gerry Slykhuis, Secretary-Treasurer

RE: **SECURITY ON SCHOOL DISTRICT SITES**

BACKGROUND

Homelessness has been an ongoing concern in Chilliwack and many communities in British Columbia for the past number of years. The Chilliwack Healthier Communities Committee has highlighted this issue on its agenda for the past number of years. In the past year, due to increased homelessness in Chilliwack and a recent change of a City bylaw, the School District has experienced an increase of homeless camps situated on school grounds, often adjacent to City parks. This issue has been ongoing and staff have been dealing with it all summer.

The school district and the City have a number of shared fields. During operational hours it is the district's responsibility for scheduling and caretaking. After operational hours it is the City's responsibility. Although complexities exist ensuring site security and clean-up, this positive partnership through good communication provides significant benefits for our students.

Recently, we have added to our security patrols for our sites to assist with the problem. We have also had a number of very productive discussions with the City, and are now sharing security services where practical. When homeless people are encountered on school grounds they are moved off of the property either by our security, the City's bylaw enforcement or the RCMP. Camps are removed and sites are cleaned immediately upon the district being aware of them.

We have daily inspections of our sites to ensure grounds are clear. Custodial staff check school grounds daily for any concerns. Custodial staff have the equipment and are trained on how to remove found sharps.

Since the additional security has been provided, there has been a decrease in the number of homeless camps and resulting impact on school district property.

There are sites where additional resources (i.e. mechanical sweeps of fields, additional custodial time, additional noon hour supervisors) have been added, and may be added as deemed necessary.

BOARD OF EDUCATION

BOARD REPORT

DATE: September 20, 2016

TO: Board of Education

FROM: Barry Neufeld, BCSTA Representative

RE: BC SCHOOL TRUSTEES' ASSOCIATION REPORT

This time is provided to discuss matters related to the British Columbia School Trustees' Association (BCSTA).

BOARD OF EDUCATION

STAFF REPORT

DATE: September 20, 2016

TO: Board of Education

FROM: Evelyn Novak, Superintendent

RE: **SUPERINTENDENT'S REPORT**

This time is provided for a report from Superintendent Novak.

MEETING SUMMARY

In-Camera Meeting – June 21, 2016

Trustees: Silvia Dyck, Dan Coulter, Paul McManus, Heather Maahs, Walt Krahm,
Bob Patterson, Barry Neufeld

Staff: Evelyn Novak, Gerry Slykhuis, Maureen Carradice, Rohan
Arul-pragasam, Carrie Pratt, Diego Testa

1. Superintendent Contract
2. Human Resources Report
 - a. Letter re: Sardis Secondary School (D. Testa left following this agenda item)
 - b. Grievance
 - c. PVP Assignment/Reassignments
 - d. Early French Immersion Update
 - e. Staffing Information - Appointment of Manager of Information Technology
3. BCPSEA Report