



**Chilliwack
School District**

THE BOARD OF EDUCATION

School District #33 (Chilliwack)

Regular Public Board Meeting

(Recorded)

AGENDA

September 15, 2020

7:00 pm

1. CALL TO ORDER – Zoom Video Conference

- 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 June 16, 2020 Regular Board Meeting be approved as circulated.)

2. PRESENTATION

- 2.1. Strategic Plan Update: Summer Learning Report

3. PUBLIC PARTICIPATION – COMMENTS/QUESTIONS CONCERNING THE AGENDA

4. ACTION ITEMS

- 4.1. 2019 – 2020 Audited Financial Statements
- 4.2. Financial Statement Discussion and Analysis Report
- 4.3. Strategic Plan Update
- 4.4. Hybrid Learning

5. INFORMATION ITEMS

- 5.1. Chilliwack Stage 2 Return to School Plan
- 5.2. Audit Committee Report
- 5.3. Trustee Remuneration
- 5.4. Enrolment Update
- 5.5. BCSTA Report

5.6. Trustee Reports

5.7. Meeting Summaries: In-Camera

5.8. **Next Board of Education Meeting: September 29, 2020 at 7:00 p.m.**

6. PUBLIC PARTICIPATION – QUESTIONS CONCERNING THE AGENDA

7. ADJOURNMENT



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

Date of Meeting: Tuesday, June 16, 2020

Location: Zoom Webinar

Members Present:

| | |
|------------|-----------------|
| Chair | Mr. D. Coulter |
| Vice-Chair | Mr. D. Swankey |
| Trustee | Dr. D. Furgason |
| Trustee | Mrs. H. Maahs |
| Trustee | Mr. J. Mumford |
| Trustee | Mr. B. Neufeld |
| Trustee | Ms. W. Reichelt |

Staff Present:

| | |
|---|----------------------|
| Interim Superintendent | Mr. R. Arul-pragasam |
| Secretary Treasurer | Mr. G. Slykhuis |
| Assistant Superintendent | Ms. J. Hall |
| Assistant Superintendent | Mr. K. Savage |
| Acting Director of Instruction | Mr. David Manuel |
| Director of Facilities & Transportation | Mr. A. Van Tassel |
| Executive Assistant | Ms. D. Vogel |
| Audio-Video/Desktop Foreman | Mr. M. Bakker |

1. CALL TO ORDER – Zoom Webinar

1.1. Call to Order

The Board Chair called the meeting to order at 7:06 p.m. – **Welcome, Acknowledgment of Traditional Stó:lō Territory**

1.2. Adoption of the Agenda

174.20 Moved by: Trustee Mumford
Seconded by: Trustee Reichelt

THAT the agenda be adopted as circulated.

175.20 Moved by: Trustee Swankey
Seconded by: Trustee Reichelt

THAT the agenda be amended to add “Action Steps to Build Capacity to Address Systemic Racism and Discrimination” as Information Item 4.4.

CARRIED

For: Coulter, Furgason, Mumford, Neufeld, Reichelt, Swankey
Opposed: Maahs

176.20 Moved by: Trustee Mumford
Seconded by: Trustee Reichelt

THAT the agenda be adopted as amended.

CARRIED

1.3. Approval of the Minutes

177.20 Moved by: Trustee Swankey
Seconded by: Trustee Mumford

THAT the minutes of the May 26, 2020 Regular Public Board Meeting be approved as circulated.

CARRIED

2. PUBLIC PARTICIPATION – COMMENTS/QUESTIONS CONCERNING THE AGENDA

Comments/Questions were received regarding the following:

- Bathrooms for the AD Rundle Integrated Arts and Technology cohort.
- Sensitivity training for students and education for the Board of Education regarding human rights and the Truth and Reconciliation Commission Report.
- Board comments regarding new school naming.
- Thank you and happy retirement to Assistant Superintendent Janet Hall.

3. ACTION ITEMS

3.1. School Renaming: Education Centre

178.20 Moved by: Trustee Maahs
Seconded by: Trustee Mumford

THAT the Board of Education approve Kwiyeqel as the new name for the Education Centre.

CARRIED

3.2. 5 Year Capital Plan: Revised

179.20 Moved by: Trustee Swankey
Seconded by: Trustee Mumford

THAT the Board of Education approve the revised Capital Plan as outlined in the document circulated in the meeting Agenda Package.

CARRIED

4. INFORMATION ITEMS

4.1. Operations Report: Annual Facilities Grant (AFG)

Director of Facilities and Transportation Allan Van Tassel presented information on the Annual Facilities Grant and spending priorities.

4.2. AD Rundle Middle School Integrated Arts and Technology Cohort

Assistant Superintendent Kirk Savage provided an update on the AD Rundle Middle School Integrated Arts and Technology Cohort.

4.3. Education Restart Plan Stage 3

Interim Superintendent Rohan Arul-pragasam provided information regarding Education Restart Plan Stage 3 in the Chilliwack School District.

4.4. Action Steps to Build Capacity to Address Systemic Racism and Discrimination

Interim Superintendent Rohan Arul-pragasam presented steps the District will take to build capacity to address the systemic racism and discrimination in the school district:

1. Staff Development & Capacity Building - Cultural Sensitivity and Awareness Training for all staff.
2. System Scan - Work with the Ministry of Education to complete the "Equity in Action Project" where we will focus on equity and parity for Indigenous learners.
3. Curriculum in the Classroom - Ensure K-12 learning outcomes that focus on racism and discrimination are taught consistently in all schools and that the curriculum is inclusive and multi-centric.
4. Policy and Regulation - Develop comprehensive policy and regulation on inclusion and anti-racism, including how teachers, students, and parents can report and follow up on racist incidents at schools.
5. Strategic Plan - Embed all of the above strategies in the Board Strategic Plan for the 2020-2021 school year and beyond.

4.5. BCSTA Report

Matters related to the British Columbia School Trustees' Association (BCSTA) were discussed.

4.6. Trustee Reports

Trustee Swankey reported on the following:

- Challenging year in public education.
- Provincial funding model.
- Need for expanded learning spaces.
- Thanks to students and graduates.
- Thanks to staff.
- All the best for the summer.

Trustee Mumford reported on the following:

- Thank you to Assistant Superintendent Janet Hall.

Trustee Neufeld reported on the following:

- Cares passionately about youth, especially special needs and at risk children.
- Apology if remarks caused any to feel unworthy or unsafe.
- Has more to learn from education partners.

Trustee Reichelt reported on the following:

- Congratulations to 2020 graduates.

Trustee Maahs reported on the following:

- Wish for a restful summer.
- Thank you to Assistant Superintendent Janet Hall.

Trustee Furgason reported on the following:

- Thank you to Assistant Superintendent Janet Hall, Assistant Superintendent Kirk Savage, Secretary Treasurer Gerry Slykhuis, Director of Facilities and Transportation Al Van Tassel, Executive Assistant Donna Vogel, Acting Director of Instruction David Manuel and Interim Superintendent Rohan Arul-pragasam.

4.7. Meeting Summary**May 26, 2020 In-Camera Meeting Summary**

Trustees: Dan Coulter, David Swankey, Darrell Furgason, Heather Maahs, Jared Mumford, Barry Neufeld, Willow Reichelt

Staff: Rohan Arul-pragasam, Gerry Slykhuis, Tamara Ilersich, Donna Vogel

1. HR Report
2. BCPSEA Report
3. CUPE Letter of Understanding re. Local School Calendar
4. Motion to Censure
5. Notice of Motion

4.8. Next Board of Education Meeting Date

Tuesday, September 15, 2020
7:00 p.m.
Zoom Webinar

5. PUBLIC PARTICIPATION – QUESTIONS CONCERNING AGENDA ITEMS

Questions were received regarding the following:

- CTA thank you to Assistant Superintendent Janet Hall.
- New name for the Education Centre and school renaming committee.
- Supports for students who struggle with online learning.
- Thank you to Assistant Superintendent Janet Hall.
- CUPE thank you to Assistant Superintendent Janet Hall.
- Definition of “deep clean” and “high touch surface cleaning.”
- Mental health risks from isolation of online learning.
- DPAC thank you to Assistant Superintendent Janet Hall.
- Learning about cultural sensitivity.

6. ADJOURNMENT

The meeting was adjourned at 9:34 p.m.

Board Chair

Secretary-Treasurer

Appendix A: Trustee Activities

Trustee Mumford:

- June 3: Hamper Loading/Starfish.
- June 4: Liaison Visit – Strathcona Elementary.
- June 4: Liaison Visit – FG Leary Elementary.
- June 10: Hamper Loading/Delivery – Starfish – Salvation Army, Promontory, GWG.
- June 11: Assistant Superintendent Interview panel.
- June 12: Assistant Superintendent Interview panel.

Trustee Reichelt:

- May 29: Recorded Sardis Secondary commencement speech.
- Jun 2: Chilliwack Child and Youth Committee Jun 5: Attended Chilliwack Black Lives Matter march Jun 11: Interview Committee for Assistant Superintendent Jun 11: Board Debrief regarding racism in schools Jun 12 Interview Committee for Assistant Superintendent

BOARD OF EDUCATION

PRESENTATION

DATE: September 15, 2020

TO: Board of Education

FROM: Sean Wicker, District Principal of Alternative Education & Kwíyegel Secondary

RE: **2020 SUMMER LEARNING PROGRAM**

BACKGROUND

The Chilliwack School District's 2020 Summer Learning (SL) Program was held at the Fraser Valley Distance Education site at 46361 Yale Road and the Sardis Farm on Richardson Ave. The program administrator was Sean Wicker.

The total number of students who attended the SL program was 138. All of these students are current grade 9 – 12 students from the Chilliwack School District. Two separate programs were offered this year. The Summer Agriculture Program saw students take our new Board Authorized Course, Sustainable Vegetable Production 10 – 12. The Course Recovery Program provided students 10 (English 10 counting as 2 based on the variety of options) different graduation level courses where they could improve their mark from the previous school year.

There were 5 Teachers, 1 EA, 1 Principal and 1 clerical for a total of 8 staff who supported learners at Summer Learning.

Partners in Learning!

BOARD OF EDUCATION

DECISION REPORT

DATE: September 15, 2020

TO: Board of Education

FROM: Gerry Slykhuis, Secretary Treasurer

RE: **2019-2020 AUDITED FINANCIAL STATEMENTS**

RECOMMENDATION:

THAT the Board approve the 2019-2020 Audited Financial Statements and forward to the Ministry of Education.

BACKGROUND:

The Secretary Treasurer, Tim Holloway, Lead Audit Engagement Partner – KPMG, and Scott Robertson, Senior Manager – KPMG, will present the 2019-2020 Audited Financial Statements included in this package.

School District No. 33 (Chilliwack)

Audit Findings Report
for the year ended
June 30, 2020

KPMG LLP

DATED AUGUST 27, 2020 FOR THE
MEETING ON SEPTEMBER 3, 2020

kpmg.ca/audit

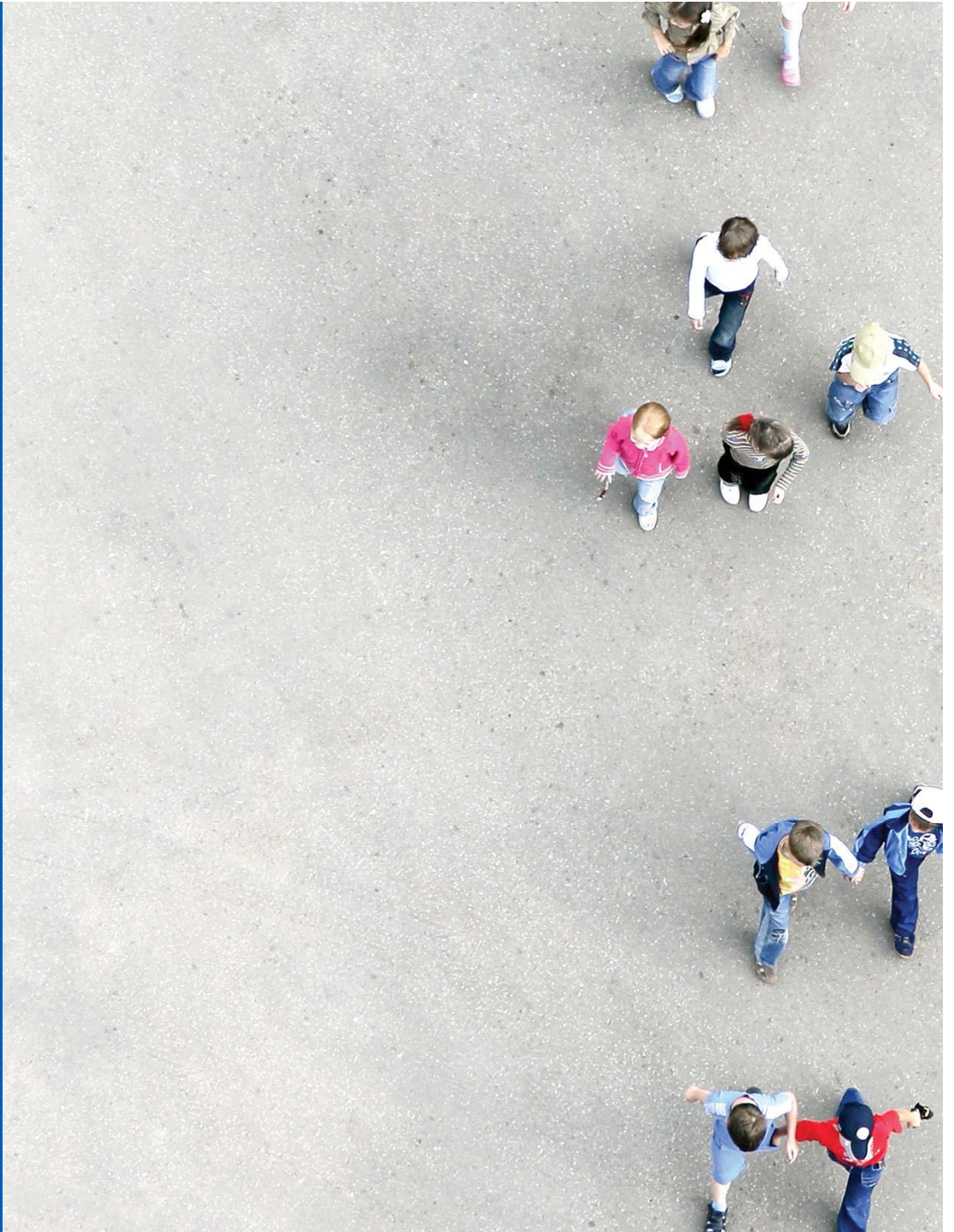


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KPMG contacts

The contacts at KPMG in connection with this report are:

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Executive summary

Purpose of this report¹

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) as at and for the year ended June 30, 2020. This Audit Findings Report builds on the Audit Plan we presented to the audit committee.

Changes from the Audit Plan

There have been no significant changes regarding our audit plan from the Audit Planning Report previously presented to you.

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:

- Completion of subsequent event review procedures with management;
- Completing our discussions with the audit committee;
- Obtaining evidence of the Board's approval of the financial statements;
- Receipt of the signed management representation letter, to be dated upon 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, 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.

¹ This Audit Findings Report should not be used for any other purpose or by anyone other than the Audit Committee, Board of Directors, and Management of the Entity. 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.

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, 2019 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.

The presentation and disclosure of the financial statements are, 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. Misstatements, including omissions, if any, related to disclosure or presentation items are in the management representation letter.

Areas of audit focus

As part of the planning process, we did not identify any significant audit risks. However, we identified areas of audit focus which include:

- Non-capital deferred contributions
- Tangible capital assets and deferred capital contributions
- School generated funds
- Employee future benefits and salaries; and
- Auditors' Opinion – Compliance Framework

We are satisfied that our audit work has appropriately dealt with these areas of focus.

See pages 4-8, as well as presumed fraud risks on page 3 for more details.

Control and other observations

We did not identify any control deficiencies that we determined to be significant deficiencies in internal control over financial reporting.

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.

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

We identified one uncorrected difference and one uncorrected disclosure difference that were communicated to management.

See page 11 for more details.

Current developments

Since delivering our Audit Plan to the Audit Committee the Public Sector Accounting Standards Board has amended certain accounting standard implementation dates noted in our Audit Plan. The amended implementation dates are detailed in Appendix 5.

Audit risks and results

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.

| | | |
|----------|-------------------------|---|
| 1 | Significant Risk | Fraud risk from management override of controls |
|----------|-------------------------|---|

Why is it significant?

This is a presumed fraud risk. We have not identified any specific additional risks of management override relating to this audit.

Our response and significant findings

Our audit methodology incorporates the required procedures in professional standards to address the risk. These procedures include:

- Testing of journal entries and other adjustments;
- Performing a retrospective review of significant estimates; and
- Evaluating the business rationale of significant unusual transactions.

There were no significant issues noted in our testing.

Audit risks and results

Significant findings from the audit regarding other areas of focus are as follows:

| | | |
|----------|----------------------------|------------------------------------|
| 2 | Other area of focus | Non-capital deferred contributions |
|----------|----------------------------|------------------------------------|

Why are we focusing here?

Contributions received for specific purposes are recorded as deferred contributions until they are spent on eligible expenditures in accordance with the underlying agreements.

Our response and significant findings

- We obtained documentation indicating that contributions received are for a specific purpose and considered the appropriateness of management's accounting for these contributions in the financial statements.
- We assessed that expenses recorded on the financial statements for which the revenue was recognized are related specifically to their intended purpose.
- No significant issues were noted in our audit testing.

Audit risks and results

3 Other area of focus Tangible capital assets and deferred capital contributions

Why are we focusing here?

The District has various capital projects ongoing throughout the year.

The District defers restricted contributions received for the acquisition of capital assets. Once spent, the contributions are amortized into revenue over the life of the asset acquired.

Our response and significant findings

- We obtained an understanding of the process over contributions received, the acquisitions made or construction of related tangible capital assets and amortization of the assets and deferred capital contributions.
- We vouched a sample of asset additions to determine appropriate treatment as capital and performed test of details over contributions received to ensure that contributions are appropriately deferred in accordance with the stated accounting policy.
- We reviewed the reasonableness of amortization expense and amortization of deferred capital revenue to ensure amortization is being recognized using a reasonable estimated useful life and on a consistent basis between the two amortization accounts.
- We reviewed agreements for contractual commitments and related disclosure requirements.
- No significant issues were noted in our audit testing.

Audit risks and results

4 Other area of focus School generated funds

Why are we focusing here?

There is a substantial amount of money that flows through the schools, which is accounted for and reported by the administrative staff at each school.

Our response and significant findings

- We obtained an understanding of the activities with respect to school generated funds.
- We reviewed reconciliations of school balances and performed analytical procedures over a sample of individual schools.
- No significant issues were noted in our audit testing.

Audit risks and results

5 Other area of focus Employee future benefits and salaries

Why are we focusing here?

Employee future benefits and salaries are a significant portion of the District's operations.

The Ministry of Education, on behalf of all School Districts in BC, engages an external actuary to determine the obligations and related costs for both vested and non-vested benefits, which include sick leave, retirement incentive, severance and vacation offered as part of the District's collective agreements.

Our response and significant findings

- We obtained an understanding of the activities over the initiation, authorization, and recording of the payroll process.
- We performed analytical procedures to understand the change in payroll and benefits relative to budget and the prior year. We corroborated significant variances noted by reviewing supporting documentation.
- We reviewed the external actuary report and key actuarial assumptions for reasonableness and compliance with Public Sector Accounting Standards.
- We tested the accuracy of employee data sent to the actuary for the computation of employee future benefits.
- We reviewed the disclosures within the financial statements and agreed them to the actuarial report.
- No significant issues were noted in our audit testing.

Audit risks and results

6 Other area of focus

Auditors' Opinion – Compliance Framework

Why are we focusing here?

Consistent with the prior year, the District's financial statements are prepared under Canadian Public Sector Accounting Standards ("PSAS"), supplemented by the requirements of Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

These regulations direct the School Districts to apply PSAS, except in regard to accounting for restricted contributions. Under the regulations, contributions for the acquisition of tangible capital assets are to be deferred and amortized on the same basis as the amortization of the related tangible capital assets, not in accordance with the underlying stipulations on the funding, as required under PSAS. As a result, the District's revenue recognized in the statement of operations and certain related deferred capital contributions would have been recorded differently under PSAS.

Our response and significant findings

- As a result of this deviation from the Public Sector general purpose framework, the District's financial statements are considered to be prepared under a compliance framework. As such, our audit opinion is modified to state that the District is in compliance with the disclosed framework. It is referred to as a compliance opinion, instead of a general purpose fair presentation opinion.
- The Office of the Auditor General ("OAG") has also requested additional reporting, under the Group Auditor requirements, in order to perform the consolidation of the Provincial Accounts under PSAS.
- Management and the auditors are expected to report on the accounting under the Treasury Board Regulations compared to the results under PSAS, as interpreted by the OAG.

Significant accounting policies and practices

The following items relate to the qualitative aspects of accounting practices of the District:



Significant accounting policies

- There were no changes to the critical accounting policies and practices.
- There were no changes in significant accounting policies.
- There were no significant accounting policies in controversial or emerging areas.
- There were no issues noted with the timing of the District's transactions in relation to the period in which they are recorded.
- There were no issues noted with the extent to which the financial statements are affected by a significant unusual transaction and extent of disclosure of such transactions.
- There were no issues noted with the extent to which the financial statements are affected by non-recurring amounts recognized during the period and extent of disclosure of such transitions.



Significant accounting estimates

- There were no issues noted with management's identification of accounting estimates.
- There were no issues noted with management's process for making accounting estimates.
- There were no indicators of possible management bias.
- There were no significant factors affecting the District's asset and liability carrying values.



Significant disclosures

- There were no issues noted with the judgments made, in formulating particularly sensitive financial statement disclosures.
- There were no issues noted with the overall neutrality, consistency, and clarity of the disclosures in the financial statements.
- There were no significant potential effects on the financial statements of significant risks, exposures and uncertainties.

Other matters

Professional standards require us to communicate to the audit committee Other Matters, such as identified fraud or non-compliance with laws and regulations, consultations with other accountants, significant matters relating to the District's related parties, significant difficulties encountered during the audit, and disagreements with management.

We have highlighted below other significant matters that we would like to bring to your attention:

| Matter | KPMG comment |
|--|--|
| Audit Response to COVID-19 Global Pandemic | <ul style="list-style-type: none">– During fiscal 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant economic and social dislocating impact. As such enhanced audit procedures are warranted.– While COVID-19 has generated uncertainty, management assessed the District's ability to continue as a going concern was not impacted and no adjustments (e.g. asset impairments) were necessary.– There was enhanced audit risk as a result of COVID-19 (e.g. cut off issues from late receipt of vendor invoices), however these were limited for the District. We did not identify any significant issues in relation to COVID-19 during our audit.– We concur with management's assessment that the impact of COVID-19 does not result in an adjustment to the June 30, 2020 financial statements nor cast material uncertainty on the District's ability to continue as a going concern. |

Uncorrected differences and Corrected Adjustments

Differences and adjustments include disclosure differences and adjustments.

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

Uncorrected differences

The management representation letters include the Summary of Uncorrected Audit Misstatements, which disclose the impact of all uncorrected misstatements considered to be other than clearly trivial.

Based on both qualitative and quantitative considerations, management have decided not to correct certain differences and represented to us that the differences—individually and in the aggregate—are, in their judgment, not material to the financial statements. We concur with management's representation that the differences are not material to the financial statements. Accordingly, the differences have no effect on our auditors' report.

Uncorrected difference identified:

Consistent with prior years, we identified a misstatement that remains uncorrected related to the District's health and dental benefit surplus. As at June 30, 2020 there is \$1.07 million in prepaid health and dental benefit costs which have been prematurely recorded as an expense. Adjusting for a cumulative prior year impact, the benefits expense in the current year is overstated by \$1.02 million as a result of amounts not utilized in the current year.

Uncorrected disclosure identified

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.

Corrected adjustments

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

Control deficiencies

In accordance with professional standards, we are required to communicate to the audit committee significant deficiencies in internal control over financial reporting (ICFR) that we identified during our audit.

The purpose of our audit is to express an opinion on the financial statements. Our audit included consideration of ICFR 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 ICFR. The matters being reported are limited to those deficiencies that we have identified during our audit and that we have concluded are of sufficient importance to merit being reported to the audit committee.

No significant deficiencies in ICFR have been identified.

Appendices

Content

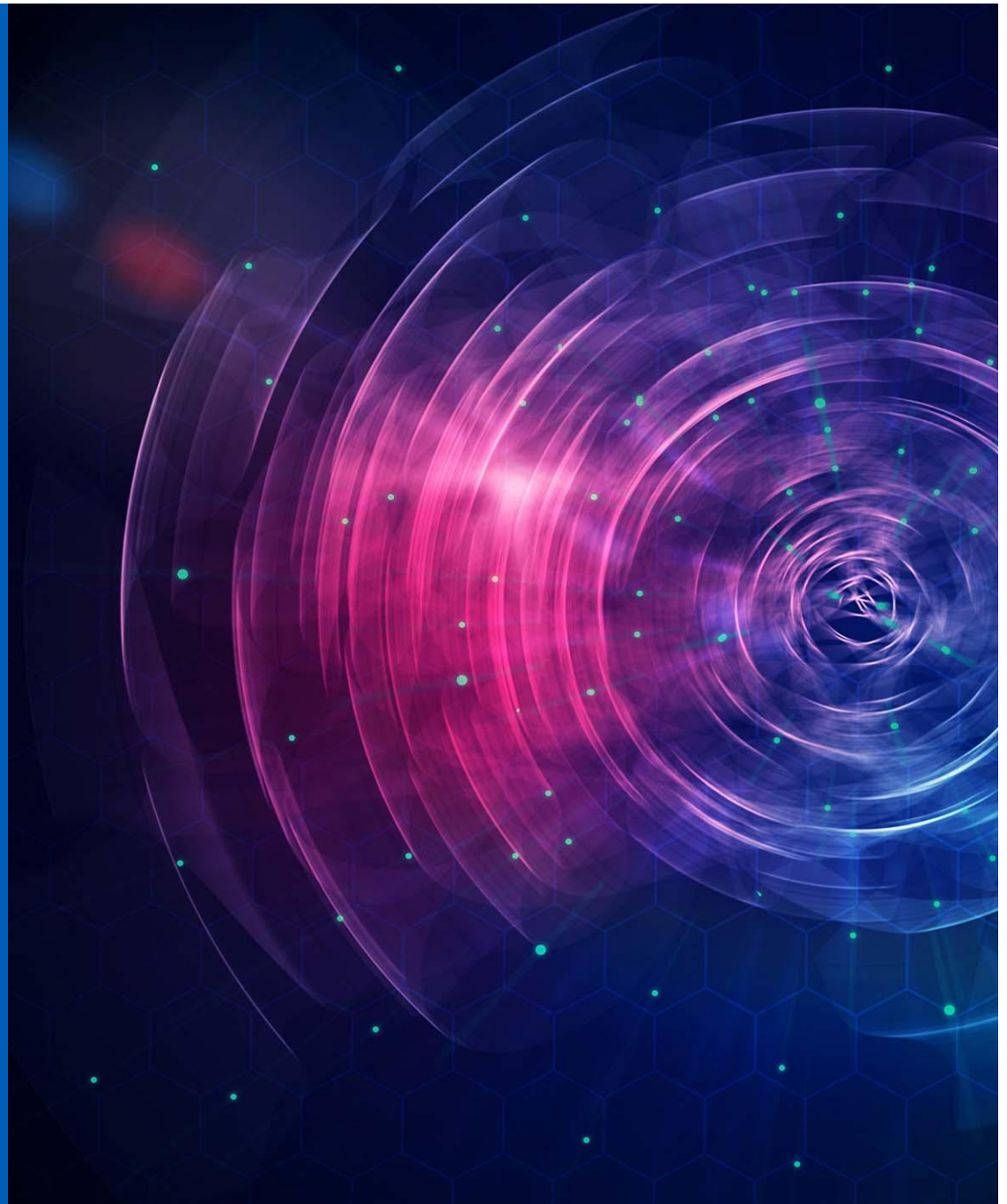
Appendix 1: Required communications

Appendix 2: Audit Quality and Risk Management

Appendix 3: Key Audit Matters – Identification

Appendix 4: Management Representation Letter

Appendix 5: Current Developments



Appendix 1: Other Required Communications

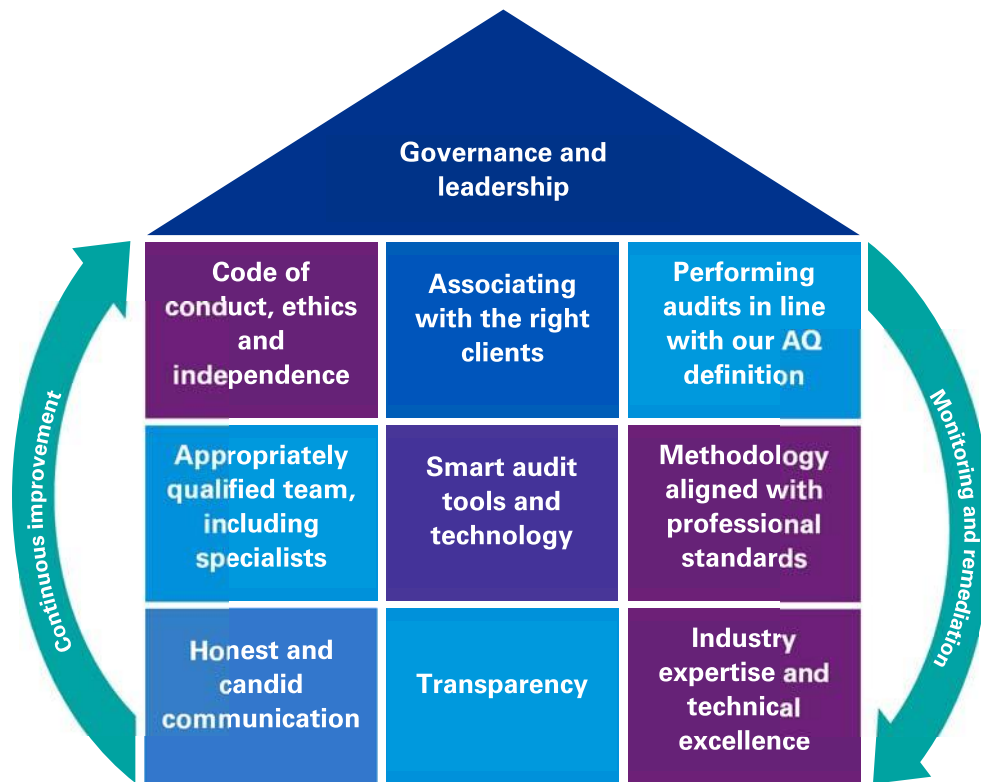
In accordance with professional standards, there are a number of communications that are required during the course of and upon completion of our audit. These include:

| Auditor's report | Management representation letter |
|--|---|
| The conclusion of our audit is set out in our draft auditors' report attached to the draft financial statements. | In accordance with professional standards, a copy of the management representation letter is provided to the audit committee in Appendix 4. |
| Annual independence letter | |
| In accordance with professional standards, we have confirmed our independence. | |

Appendix 2: 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 summarizes the key elements of our quality control system.



Audit Quality Framework

What do we mean by audit quality?

Audit Quality (AQ) is at the core of everything we do at KPMG.

We believe that it is not just about reaching the right opinion, but how we reach that opinion.

We define 'audit quality' as being the outcome when audits are:

- Executed consistently, in line with the requirements and intent of applicable professional standards within a strong system of quality controls and
- All of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics, and integrity**.

Our AQ Framework summarises how we deliver AQ. Visit our [Audit Quality Resources page](#) for more information including access to our [Audit Quality and Transparency report](#).

Appendix 3: Key Audit Matters — Identification

Key audit matters (KAMs) are those matters that were communicated to those charged with governance which required significant audit attention in performing the audit and that, in the auditor's professional judgment, were of the most significance in the audit of the financial statements in the current period.

Currently, the communication of KAMs in the auditors' report is only applicable when:

1. The auditors' report will refer to International Standards on Auditing and the audit is for a complete set of general purpose financial statements of a listed entity
2. Required by law or regulation; or
3. The auditor is engaged to do so

However, the AASB approved amendments to bullet #1 which now require auditors' to communicate KAMs in the auditors' report for audits of complete sets of general purpose financial statements of:

- Toronto Stock Exchange listed entities (TSX listed entities) for periods ending on or after December 15, 2020.
- Other listed entities (non-TSX listed entities) for periods ending on or after December 15, 2022.

The above excludes TSX listed entities / Non-TSX listed entities that comply with National Instrument 81-106, *Investment Fund Continuous Disclosure*.

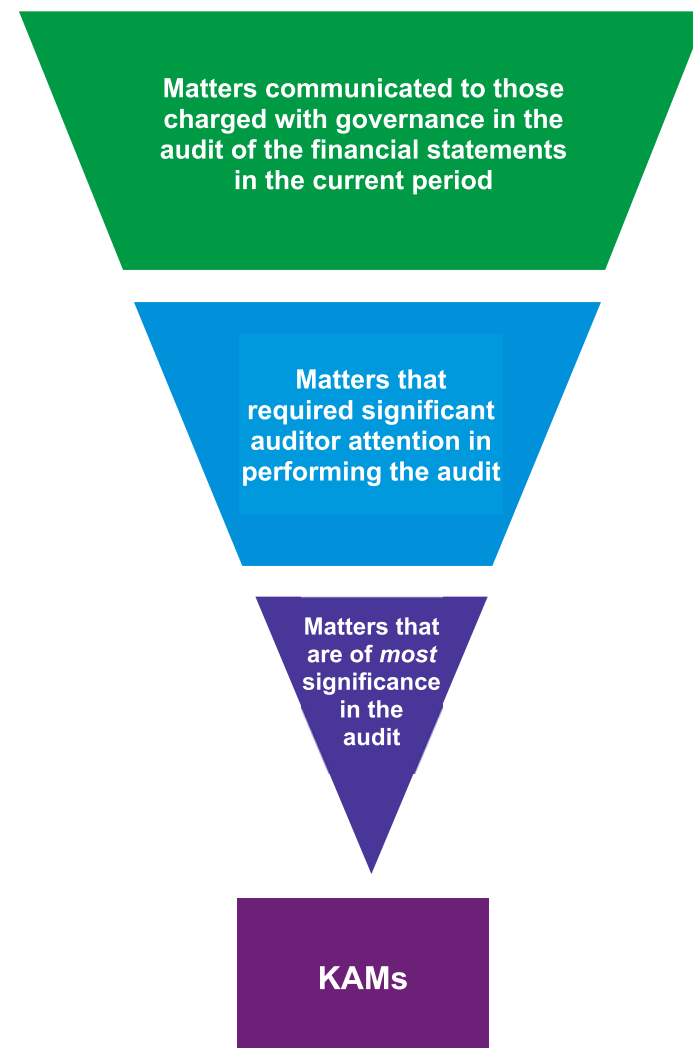
The above includes auditors' reports on separate/non-consolidated financial statements.

The total population of potential KAMs begins with all matters communicated to the audit committee during the audit of the current period.

The auditor is required to identify from that total population of potential KAMs, which matters required significant auditor attention in performing the audit. In doing so, the auditor is required to take into account the following:

- Areas of higher assessed risks of material misstatement identified
- Areas of significant risks identified
- Significant auditor judgments relating to areas in the financial statements that are subject to a high degree of estimation uncertainty
- The effect of the audit of significant events or transactions that occurred during the period

From that population of potential KAMs, the auditor identifies those matters that are of "most" significance in the audit. The use of the term "most" is not intended to limit the number of KAMs to one. However, lengthy lists of KAMs may be contrary to the notion that such matters are of most significance to the audit.



Appendix 4: Management Representation Letter

KPMG LLP
32575 Simon Ave
Abbotsford, BC V2T 4W6

Date

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 School District”) as at and for the period ended June 30, 2020.

General:

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 also 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:

Responsibilities:

- 1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated May 22, 2019, 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 statements in the circumstances.
 - c) providing you with all information of which we are aware that is relevant to the preparation of the financial statements (“relevant information”), such as financial records, documentation and other matters, including:
 - the names of all related parties and information regarding all relationships and transactions with related parties;
 - the 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. All significant actions are included in such summaries.
 - d) providing you with unrestricted access to such relevant information.
 - e) providing you with complete responses to all enquiries made by you during the engagement.

- f) providing you with additional information that you may request from us for the purpose of the engagement.
- g) providing you with unrestricted access to persons within the School District from whom you determined it necessary to obtain audit evidence.
- h) such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We also acknowledge and understand that we are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
- i) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.

Internal control over financial reporting:

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

Fraud & non-compliance with laws and regulations:

- 3) 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 that involves:
 - management;
 - employees who have significant roles in internal control over financial reporting; or
 - otherswhere such fraud or suspected fraud could have a material effect on the financial statements.
 - c) all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements, communicated by employees, former employees, analysts, 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.

Commitments & contingencies:

- 4) There are no:
 - a) other liabilities that are required to be recognized and no other contingent assets or contingent liabilities that are required to be disclosed in the financial statements in

accordance with the relevant financial reporting framework, including liabilities or contingent liabilities arising from illegal acts or possible illegal acts, or possible violations of human rights legislation

- b) other environmental matters that may have an impact on 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 in the financial statements.

Related parties:

- 6) We have disclosed to you the identity of the School District'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 to you and disclosed in the financial statements.

Estimates:

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

Going concern:

- 10) We have provided you with all information relevant to the use of the going concern assumption in the financial statements.
- 11) We confirm that we are not aware of material uncertainties related to events or conditions that may cast significant doubt upon the School District's ability to continue as a going concern.

Misstatements:

- 12) 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.

Non-SEC registrants or non-reporting issuers:

- 13) We confirm that the School District 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 School District will not be included in the group financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

Post-employment benefits, compensated absences, termination benefits and retirement benefits:

- 14) The post-employment benefits, compensated absences, termination benefits and retirement benefit costs, assets and obligation have been determined, accounted for and disclosed in accordance with the financial reporting framework.
- 15) We have no knowledge of arrangement (contractual or otherwise) by which programs have been established to provide post-employment benefits, except as disclosed to you.
- 16) The significant accounting policies the School District has adopted in applying PS 3255, Post-employment benefits, compensated absences and termination benefits and PS 3250, Retirement Benefits (hereinafter referred to as "PS 3255" and "PS3250") are disclosed in note to the financial statements.
- 17) All arrangements (contractual or otherwise) by which programs have been established to provide post-employment benefits have been disclosed to you and included in the determination of pension and post-employment costs and obligations. This includes:
 - a) Pension and other retirement benefits expected to be provided after retirement to employees and their beneficiaries.
 - b) Post-employment benefits expected to be provided after employment but before retirement to employees and their beneficiaries. These benefits include unused sick leave and severance benefits.
 - c) Compensated absences for which it is expected employees will be paid. These benefits include accumulating sick days; and
 - d) Termination benefits.
- 18) The post-employment benefit and retirement costs, assets and obligations have been determined, accounted for and disclosed in accordance with PS 3255 and PS3250. In particular:
 - a) each of the best estimate assumptions used reflects management's judgment of the most likely set of conditions affecting future events; and
 - b) the best estimate assumptions used are, as a whole, consistent within themselves, and with the valuation method adopted for purposes of this evaluation.
- 19) The assumptions included in the actuarial valuation are those that were determined by Management and the Ministry of Education with Mercer (Canada) Limited ("Mercer") to use in computing amounts to be used by us in determining pension costs and obligations and in making required disclosures in the above-named financial statements, in accordance with PS 3255 and PS3250.
- 20) In arriving at these assumptions, Management and the Ministry of Education obtained the advice of Mercer, but management has reviewed the assumptions and has retained the final responsibility for them.
- 21) The source data and plan provisions provided to the actuary for preparation of the actuarial valuation are accurate and complete.

- 22) All changes to plan provisions or events occurring subsequent to the date of the actuarial valuation and up to the date of this letter have been considered in the determination of pension and other post-employment benefit and retirement costs.
- 23) The information provided by us to Mercer ("the expert") and used in the work and findings of the expert are complete and accurate. We agree with the findings of the expert in evaluating the actuarial obligations and have adequately considered the qualifications of the expert in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give nor cause any instructions to be given to the expert with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence and objectivity of the expert.

Yours very truly,

Rohan Arul-pragasam, Acting Superintendent

Gerry Slykhuis, Secretary-Treasurer

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 a School District'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 Public Sector Accounting Standards related parties exist when one party 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. Two not-for-profit organizations are related parties if one has an economic interest in the other. Related parties also include management and immediate family members.
- In accordance with 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 part to a related party, regardless of whether any consideration is exchanged. The parties to the transaction are related prior to the transaction. When the relationship arises as a result of the transaction, the transaction is not one between related parties

School District No.33 (Chilliwack)

Summary of Uncorrected Audit Misstatements

June 30, 2020

Currency unit
 Amounts in Income Statement Method (Roll Over)
 Method Used to Quantify Audit Misstatements
 Final Materiality

| |
|--------------|
| Canadian |
| Rollover |
| \$ 4,600,000 |

Attachment II – Summary of Audit Misstatements Schedule

Summary of Uncorrected Audit Misstatements - Year ended June 30, 2020

| | | | | | | Income Statement Effect - 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 |
| USAM1 | 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 Cr. District Administration Cr. Internally Restricted Net Assets-Opening | 1,066,262 | (1,024,279) (41,983) | (41,983) | (1,024,279) | (1,024,279) (41,983) |
| Totals | | | | | | | | (1,066,262) |

Disclosure Difference

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.

Appendix 5: Current Developments

The Public Sector Accounting Standards Board (the “Board”) met on June 25, 26 and July 3, 2020 to discuss several upcoming changes to accounting standards. Key highlights from the June 25 and 26, 2020 meetings are as follows:

- The effective date of all upcoming accounting standards have now been deferred by one year:

| Accounting standards | Fiscal years beginning on or after... | |
|--|---------------------------------------|-------------------------|
| | Previous implementation date | New implementation date |
| PS 3280 Asset Retirement Obligations | April 1, 2021 | April 1, 2022 |
| PS 3450 Financial Instruments* PS 3041 Portfolio Investments* PS 1201 Financial Statement Presentation* PS 2601 Foreign Currency Translation* | April 1, 2021 | April 1, 2022 |
| PS 3400 Revenue | April 1, 2022 | April 1, 2023 |

*Some public sector organizations may have already adopted these standards

- In response to the comments received about the Purchased Intangibles: Narrow-scope Amendments exposure draft, a Public Sector Guideline will be drafted to provide interim guidance about the inclusion of purchased intangibles in public sector financial statements. The Board expects to approve the Accounting Handbook materials in fall 2020.
- The Board will issue non-authoritative guidance on the effects of COVID-19.
- The Board will receive revised exposure drafts for the proposed conceptual framework and proposed revised reporting model at its September 2020 meeting. In addition, two new exposure drafts for proposed consequential amendments will be provided to the Board for their review.
- The Board approved a revised project plan for the Employee Benefits project.
- The Board reviewed a draft second consultation paper for the Government Not-for-Profit project which is expected to be approved by the Board in September 2020.

The full decision summaries are available at the following links:

- [June 25, 2020 decision summary](#)
- [June 26, 2020 decision summary](#)

The July 3, 2020 decision summary with updates on financial instruments and the Board’s international strategy will be posted on the [Financial Reporting & Assurance Standards Canada website](#)



kpmg.ca/audit



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Audited Financial Statements of

School District No. 33 (Chilliwack)

And Independent Auditors' Report thereon

June 30, 2020

School District No. 33 (Chilliwack)

June 30, 2020

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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, 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)

DRAFT

Signature of the Comptroller of Education _____ Date Signed _____

Signature of the Superintendent _____ Date Signed _____

Signature of the Secretary Treasurer

Date Signed

School District No. 33 (Chilliwack)

Statement 1

Statement of Financial Position

As at June 30, 2020

| | 2020 Actual | 2019 Actual |
|--|----------------------|----------------------|
| | \$ | \$ |
| Financial Assets | | |
| Cash and Cash Equivalents | 32,347,549 | 28,053,907 |
| Accounts Receivable | | |
| Due from Province - Ministry of Education | 1,248,387 | 124,961 |
| Due from First Nations | 167,765 | 83,132 |
| Other (Note 3) | 199,902 | 192,186 |
| Total Financial Assets | 33,963,603 | 28,454,186 |
| Liabilities | | |
| Accounts Payable and Accrued Liabilities | | |
| Other (Note 4) | 18,414,475 | 14,125,012 |
| Unearned Revenue (Note 5) | 716,681 | 1,263,882 |
| Deferred Revenue (Note 6) | 1,473,638 | 1,373,105 |
| Deferred Capital Revenue (Note 7) | 168,825,894 | 162,672,825 |
| Employee Future Benefits (Note 8) | 3,832,170 | 3,625,502 |
| Other Liabilities | 544,076 | 963,023 |
| Total Liabilities | 193,806,934 | 184,023,349 |
| Net Debt | (159,843,331) | (155,569,163) |
| Non-Financial Assets | | |
| Tangible Capital Assets (Note 9) | 230,798,095 | 224,983,765 |
| Restricted Assets (Endowments) (Note 11) | 73,261 | 73,261 |
| Prepaid Expenses | 447,956 | 647,240 |
| Total Non-Financial Assets | 231,319,312 | 225,704,266 |
| Accumulated Surplus (Deficit) (Note 18) | 71,475,981 | 70,135,103 |
| Contractual Obligations (Note 15) | | |
| Contingent Liabilities (Note 16) | | |
| 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 |

School District No. 33 (Chilliwack)

Statement 2

Statement of Operations

Year Ended June 30, 2020

| | 2020 Budget (Note 14) | 2020 Actual | 2019 Actual |
|---|-----------------------------|---------------------------------|--------------------|
| | \$ | \$ | \$ |
| Revenues | | | |
| Provincial Grants | | | |
| Ministry of Education | 144,821,716 | 146,689,435 | 142,993,558 |
| Other | 150,000 | 291,892 | 234,490 |
| Tuition | 1,557,521 | 1,635,323 | 1,430,146 |
| Other Revenue | 6,085,516 | 5,730,402 | 6,743,670 |
| Rentals and Leases | 430,000 | 368,715 | 430,214 |
| Investment Income | 489,000 | 420,490 | 508,026 |
| Amortization of Deferred Capital Revenue | 7,001,083 | 6,999,303 | 6,912,028 |
| Total Revenue | <u>160,534,836</u> | <u>162,135,560</u> | <u>159,252,132</u> |
| Expenses | | | |
| Instruction | 129,228,655 | 128,511,721 | 124,921,202 |
| District Administration | 4,458,635 | 4,442,711 | 4,598,648 |
| Operations and Maintenance | 23,453,582 | 23,815,412 | 23,834,813 |
| Transportation and Housing | 4,192,781 | 4,024,838 | 3,761,307 |
| Total Expense | <u>161,333,653</u> | <u>160,794,682</u> | <u>157,115,970</u> |
| Surplus (Deficit) for the year | <u>(798,817)</u> | <u>1,340,878</u> | <u>2,136,162</u> |
| Accumulated Surplus (Deficit) from Operations, beginning of year | | 70,135,103 | 67,998,941 |
| Accumulated Surplus (Deficit) from Operations, end of year | | <u><u>71,475,981</u></u> | <u>70,135,103</u> |

School District No. 33 (Chilliwack)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2020

| | 2020 Budget (Note 14) | 2020 Actual | 2019 Actual |
|---|-----------------------------|----------------------|----------------|
| | \$ | \$ | \$ |
| Surplus (Deficit) for the year | (798,817) | 1,340,878 | 2,136,162 |
| Effect of change in Tangible Capital Assets | | | |
| Acquisition of Tangible Capital Assets | | (13,926,014) | (14,992,651) |
| Amortization of Tangible Capital Assets | 8,116,922 | 8,111,684 | 8,011,679 |
| From Local Capital | (1,201,300) | | |
| From Deferred Capital Revenue | (1,652,933) | | |
| Total Effect of change in Tangible Capital Assets | 5,262,689 | (5,814,330) | (6,980,972) |
| Acquisition of Prepaid Expenses | | (447,956) | (647,240) |
| Use of Prepaid Expenses | | 647,240 | 470,210 |
| Total Effect of change in Other Non-Financial Assets | - | 199,284 | (177,030) |
| (Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses) | <u>4,463,872</u> | (4,274,168) | (5,021,840) |
| Net Remeasurement Gains (Losses) | | | |
| (Increase) Decrease in Net Debt | | (4,274,168) | (5,021,840) |
| Net Debt, beginning of year | | (155,569,163) | (150,547,323) |
| Net Debt, end of year | | (159,843,331) | (155,569,163) |

School District No. 33 (Chilliwack)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2020

| | 2020 Actual | 2019 Actual |
|---|---------------------|---------------------|
| | \$ | \$ |
| Operating Transactions | | |
| Surplus (Deficit) for the year | 1,340,878 | 2,136,162 |
| Changes in Non-Cash Working Capital | | |
| Decrease (Increase) | | |
| Accounts Receivable | (1,215,775) | 1,227,330 |
| Prepaid Expenses | 199,284 | (177,030) |
| Increase (Decrease) | | |
| Accounts Payable and Accrued Liabilities | 4,289,463 | 113,106 |
| Unearned Revenue | (547,201) | 66,280 |
| Deferred Revenue | 100,533 | (666,279) |
| Employee Future Benefits | 206,668 | 106,606 |
| Other Liabilities | (418,947) | 28,442 |
| Amortization of Tangible Capital Assets | 8,111,684 | 8,011,679 |
| Amortization of Deferred Capital Revenue | (6,999,303) | (6,912,028) |
| Recognition of Deferred Capital Revenue Spent on Sites | | (4,944,048) |
| Bylaw Capital Spent on Non Capital Items | (2,106,229) | (1,389,245) |
| Total Operating Transactions | 2,961,055 | (2,399,025) |
| Capital Transactions | | |
| Tangible Capital Assets Purchased | (2,480,029) | (12,997,184) |
| Tangible Capital Assets -WIP Purchased | (11,445,985) | (1,995,467) |
| Total Capital Transactions | (13,926,014) | (14,992,651) |
| Financing Transactions | | |
| Capital Revenue Received | 15,258,601 | 15,249,407 |
| Total Financing Transactions | 15,258,601 | 15,249,407 |
| Net Increase (Decrease) in Cash and Cash Equivalents | 4,293,642 | (2,142,269) |
| Cash and Cash Equivalents, beginning of year | 28,053,907 | 30,196,176 |
| Cash and Cash Equivalents, end of year | 32,347,549 | 28,053,907 |
| Cash and Cash Equivalents, end of year, is made up of: | | |
| Cash | 32,347,549 | 28,053,907 |
| | 32,347,549 | 28,053,907 |

School District No. 33 (Chilliwack)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2020

| | Operating Fund | Special Purpose Fund | Capital Fund | 2020 Actual | 2019 Actual |
|--|-------------------|-------------------------|-----------------|----------------|----------------|
| | \$ | \$ | \$ | \$ | \$ |
| Accumulated Surplus (Deficit), beginning of year | 2,971,033 | 73,261 | 67,090,809 | 70,135,103 | 67,998,941 |
| Changes for the year | | | | | |
| Surplus (Deficit) for the year | 2,453,259 | | (1,112,381) | 1,340,878 | 2,136,162 |
| Interfund Transfers | | | | | |
| Local Capital | (1,148,510) | | 1,148,510 | - | |
| Other | (1,000,000) | | 1,000,000 | - | |
| Net Changes for the year | 304,749 | - | 1,036,129 | 1,340,878 | 2,136,162 |
| Accumulated Surplus (Deficit), end of year - Statement 2 | 3,275,782 | 73,261 | 68,126,938 | 71,475,981 | 70,135,103 |

School District No. 33 (Chilliwack)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2020

| | 2020 Budget (Note 14) | 2020 Actual | 2019 Actual |
|---|-----------------------------|---------------------------|--------------------|
| | \$ | \$ | \$ |
| Revenues | | | |
| Provincial Grants | | | |
| Ministry of Education | 132,511,467 | 134,349,615 | 127,871,444 |
| Other | 150,000 | 213,700 | 145,590 |
| Tuition | 1,557,521 | 1,635,323 | 1,430,146 |
| Other Revenue | 2,587,516 | 2,729,473 | 2,692,809 |
| Rentals and Leases | 430,000 | 368,715 | 430,214 |
| Investment Income | 456,000 | 392,213 | 474,026 |
| Total Revenue | <u>137,692,504</u> | <u>139,689,039</u> | <u>133,044,229</u> |
| Expenses | | | |
| Instruction | 115,631,545 | 115,627,263 | 112,415,770 |
| District Administration | 4,458,635 | 4,442,711 | 4,598,648 |
| Operations and Maintenance | 13,556,769 | 13,605,210 | 14,421,446 |
| Transportation and Housing | 3,728,533 | 3,560,596 | 3,317,219 |
| Total Expense | <u>137,375,482</u> | <u>137,235,780</u> | <u>134,753,083</u> |
| Operating Surplus (Deficit) for the year | <u>317,022</u> | <u>2,453,259</u> | <u>(1,708,854)</u> |
| Budgeted Appropriation (Retirement) of Surplus (Deficit) | <u>1,884,278</u> | | |
| Net Transfers (to) from other funds | | | |
| Local Capital | (1,201,300) | (1,148,510) | (1,500,043) |
| Other | (1,000,000) | (1,000,000) | (1,000,000) |
| Total Net Transfers | <u>(2,201,300)</u> | <u>(2,148,510)</u> | <u>(2,500,043)</u> |
| Total Operating Surplus (Deficit), for the year | <u>-</u> | <u>304,749</u> | <u>(4,208,897)</u> |
| Operating Surplus (Deficit), beginning of year | | 2,971,033 | 7,179,930 |
| Operating Surplus (Deficit), end of year | | <u>3,275,782</u> | <u>2,971,033</u> |
| Operating Surplus (Deficit), end of year | | | |
| Internally Restricted | | 1,306,614 | 762,691 |
| Unrestricted | | 1,969,168 | 2,208,342 |
| Total Operating Surplus (Deficit), end of year | | <u>3,275,782</u> | <u>2,971,033</u> |

School District No. 33 (Chilliwack)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2020

| | 2020 Budget (Note 14) | 2020 Actual | 2019 Actual |
|--|-----------------------------|--------------------|----------------|
| | \$ | \$ | \$ |
| Provincial Grants - Ministry of Education | | | |
| Operating Grant, Ministry of Education | 132,279,299 | 134,092,807 | 128,076,655 |
| ISC/LEA Recovery | (2,292,396) | (2,356,455) | (2,237,995) |
| Other Ministry of Education Grants | | | |
| Pay Equity | 864,624 | 864,624 | 864,624 |
| Funding for Graduated Adults | 40,000 | 88,597 | 88,491 |
| Transportation Supplement | 329,456 | 329,456 | 329,456 |
| Economic Stability Dividend | | | 156,669 |
| Carbon Tax Grant | 111,000 | 110,484 | 110,484 |
| Employer Health Tax Grant | 1,055,000 | 1,055,505 | 320,747 |
| Support Staff Benefits Grant | 110,484 | 141,712 | 110,484 |
| FSA Marking | 14,000 | 14,329 | 14,329 |
| Other Grants | | 8,556 | 37,500 |
| Total Provincial Grants - Ministry of Education | 132,511,467 | 134,349,615 | 127,871,444 |
| Provincial Grants - Other | 150,000 | 213,700 | 145,590 |
| Tuition | | | |
| International and Out of Province Students | 1,557,521 | 1,635,323 | 1,430,146 |
| Total Tuition | 1,557,521 | 1,635,323 | 1,430,146 |
| Other Revenues | | | |
| Funding from First Nations | 2,292,396 | 2,366,835 | 2,237,995 |
| Miscellaneous | | | |
| Distance Learning Course Fees | 5,000 | 3,600 | (500) |
| Print Shop Recoveries | | | 48,969 |
| Transportation Fee Revenue | 135,000 | 116,116 | 132,551 |
| Energy Program Revenue | 30,000 | | 34,255 |
| Other Miscellaneous | 125,120 | 158,187 | 219,194 |
| Textbook Deposit Revenue | | 84,711 | 20,345 |
| Donations | | 24 | |
| Total Other Revenue | 2,587,516 | 2,729,473 | 2,692,809 |
| Rentals and Leases | 430,000 | 368,715 | 430,214 |
| Investment Income | 456,000 | 392,213 | 474,026 |
| Total Operating Revenue | 137,692,504 | 139,689,039 | 133,044,229 |

School District No. 33 (Chilliwack)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2020

| | 2020 Budget (Note 14) | 2020 Actual | 2019 Actual |
|-------------------------------------|-----------------------------|--------------------|----------------|
| | \$ | \$ | \$ |
| Salaries | | | |
| Teachers | 58,627,978 | 60,079,197 | 57,521,695 |
| Principals and Vice Principals | 7,747,273 | 7,724,471 | 7,607,088 |
| Educational Assistants | 11,622,485 | 11,393,568 | 10,493,462 |
| Support Staff | 12,877,062 | 12,765,041 | 12,350,632 |
| Other Professionals | 3,129,809 | 3,316,307 | 3,018,156 |
| Substitutes | 5,272,204 | 4,640,645 | 5,211,980 |
| Total Salaries | 99,276,811 | 99,919,229 | 96,203,013 |
| Employee Benefits | 23,367,309 | 23,396,154 | 22,298,281 |
| Total Salaries and Benefits | 122,644,120 | 123,315,383 | 118,501,294 |
| Services and Supplies | | | |
| Services | 3,445,503 | 3,217,611 | 4,680,752 |
| Student Transportation | 17,000 | 51,832 | 7,640 |
| Professional Development and Travel | 1,100,626 | 890,519 | 1,098,090 |
| Rentals and Leases | 32,029 | 31,360 | 22,482 |
| Dues and Fees | 344,360 | 351,062 | 311,089 |
| Insurance | 284,748 | 274,590 | 157,518 |
| Supplies | 7,027,804 | 6,826,803 | 7,386,836 |
| Utilities | 2,479,292 | 2,276,620 | 2,587,382 |
| Total Services and Supplies | 14,731,362 | 13,920,397 | 16,251,789 |
| Total Operating Expense | 137,375,482 | 137,235,780 | 134,753,083 |

School District No. 33 (Chilliwack)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

| | 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 | 47,984,920 | 658,138 | 3,311 | 684,895 | | 3,255,046 | 52,586,310 |
| 1.03 Career Programs | 97,510 | | 114 | 495,988 | 88,747 | 1,292 | 683,651 |
| 1.07 Library Services | 1,295,292 | 71,754 | | 103,938 | | 30,883 | 1,501,867 |
| 1.08 Counselling | 2,109,518 | 54,037 | | | | 14,243 | 2,177,798 |
| 1.10 Special Education | 6,636,802 | 830,440 | 10,243,874 | 72,340 | | 646,937 | 18,430,393 |
| 1.30 English Language Learning | 956,553 | 64,347 | | | | 5,138 | 1,026,038 |
| 1.31 Indigenous Education | 636,434 | 15,201 | 1,139,767 | | 88,396 | 76,433 | 1,956,231 |
| 1.41 School Administration | (449) | 5,674,010 | | 2,509,520 | 406,189 | 59,391 | 8,648,661 |
| 1.60 Summer School | 97,067 | 33,063 | 6,502 | 2,086 | | | 138,718 |
| 1.61 Continuing Education | 125,038 | | | | | | 125,038 |
| 1.62 International and Out of Province Students | 140,512 | 119,366 | | 22,167 | | 424 | 282,469 |
| 1.64 Other | | | | 47,840 | 101,177 | 1,963 | 150,980 |
| Total Function 1 | 60,079,197 | 7,520,356 | 11,393,568 | 3,938,774 | 684,509 | 4,091,750 | 87,708,154 |
| 4 District Administration | | | | | | | |
| 4.11 Educational Administration | | | | | 716,583 | 2,331 | 718,914 |
| 4.40 School District Governance | | | | | 154,884 | | 154,884 |
| 4.41 Business Administration | | 204,115 | | 550,924 | 1,221,382 | 2,692 | 1,979,113 |
| Total Function 4 | - | 204,115 | - | 550,924 | 2,092,849 | 5,023 | 2,852,911 |
| 5 Operations and Maintenance | | | | | | | |
| 5.41 Operations and Maintenance Administration | | | | 79,184 | 452,795 | | 531,979 |
| 5.50 Maintenance Operations | | | | 5,711,961 | | 422,614 | 6,134,575 |
| 5.52 Maintenance of Grounds | | | | 677,036 | | | 677,036 |
| 5.56 Utilities | | | | | | | - |
| Total Function 5 | - | - | - | 6,468,181 | 452,795 | 422,614 | 7,343,590 |
| 7 Transportation and Housing | | | | | | | |
| 7.41 Transportation and Housing Administration | | | | 151,092 | 86,154 | | 237,246 |
| 7.70 Student Transportation | | | | 1,656,070 | | 121,258 | 1,777,328 |
| Total Function 7 | - | - | - | 1,807,162 | 86,154 | 121,258 | 2,014,574 |
| 9 Debt Services | | | | | | | |
| Total Function 9 | - | - | - | - | - | - | - |
| Total Functions 1 - 9 | 60,079,197 | 7,724,471 | 11,393,568 | 12,765,041 | 3,316,307 | 4,640,645 | 99,919,229 |

DRAFT - Not Finalized

July 24, 2020 11:09

School District No. 33 (Chilliwack)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

| | Total Salaries | Employee Benefits | Total Salaries and Benefits | Services and Supplies | 2020 Actual | 2020 Budget (Note 14) | 2019 Actual |
|---|-------------------|----------------------|--------------------------------|--------------------------|--------------------|-----------------------------|--------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 1 Instruction | | | | | | | |
| 1.02 Regular Instruction | 52,586,310 | 12,211,191 | 64,797,501 | 5,106,584 | 69,904,085 | 69,944,225 | 69,712,295 |
| 1.03 Career Programs | 683,651 | 174,553 | 858,204 | 349,017 | 1,207,221 | 1,336,432 | 1,181,612 |
| 1.07 Library Services | 1,501,867 | 342,407 | 1,844,274 | 130,787 | 1,975,061 | 1,859,523 | 2,049,198 |
| 1.08 Counselling | 2,177,798 | 478,987 | 2,656,785 | | 2,656,785 | 2,459,935 | 2,641,102 |
| 1.10 Special Education | 18,430,393 | 4,636,532 | 23,066,925 | 538,588 | 23,605,513 | 23,675,106 | 20,813,704 |
| 1.30 English Language Learning | 1,026,038 | 233,635 | 1,259,673 | 20,879 | 1,280,552 | 1,185,644 | 1,390,020 |
| 1.31 Indigenous Education | 1,956,231 | 475,525 | 2,431,756 | 681,041 | 3,112,797 | 3,350,871 | 2,721,984 |
| 1.41 School Administration | 8,648,661 | 1,939,816 | 10,588,477 | 135,554 | 10,724,031 | 10,638,977 | 10,597,062 |
| 1.60 Summer School | 138,718 | 25,006 | 163,724 | 5,667 | 169,391 | 137,273 | 184,442 |
| 1.61 Continuing Education | 125,038 | 26,998 | 152,036 | 5,658 | 157,694 | 140,023 | 162,660 |
| 1.62 International and Out of Province Students | 282,469 | 63,258 | 345,727 | 267,403 | 613,130 | 638,879 | 663,225 |
| 1.64 Other | 150,980 | 32,689 | 183,669 | 37,334 | 221,003 | 264,657 | 298,466 |
| Total Function 1 | 87,708,154 | 20,640,597 | 108,348,751 | 7,278,512 | 115,627,263 | 115,631,545 | 112,415,770 |
| 4 District Administration | | | | | | | |
| 4.11 Educational Administration | 718,914 | 131,497 | 850,411 | 172,409 | 1,022,820 | 951,660 | 1,086,680 |
| 4.40 School District Governance | 154,884 | 6,374 | 161,258 | 127,139 | 288,397 | 318,692 | 438,127 |
| 4.41 Business Administration | 1,979,113 | 410,064 | 2,389,177 | 742,317 | 3,131,494 | 3,188,283 | 3,073,841 |
| Total Function 4 | 2,852,911 | 547,935 | 3,400,846 | 1,041,865 | 4,442,711 | 4,458,635 | 4,598,648 |
| 5 Operations and Maintenance | | | | | | | |
| 5.41 Operations and Maintenance Administration | 531,979 | 96,394 | 628,373 | 199,705 | 828,078 | 783,719 | 1,275,091 |
| 5.50 Maintenance Operations | 6,134,575 | 1,430,588 | 7,565,163 | 1,799,938 | 9,365,101 | 9,066,833 | 9,426,816 |
| 5.52 Maintenance of Grounds | 677,036 | 167,130 | 844,166 | 291,245 | 1,135,411 | 1,226,925 | 1,132,157 |
| 5.56 Utilities | - | - | - | 2,276,620 | 2,276,620 | 2,479,292 | 2,587,382 |
| Total Function 5 | 7,343,590 | 1,694,112 | 9,037,702 | 4,567,508 | 13,605,210 | 13,556,769 | 14,421,446 |
| 7 Transportation and Housing | | | | | | | |
| 7.41 Transportation and Housing Administration | 237,246 | 54,262 | 291,508 | 80,253 | 371,761 | 389,429 | 378,039 |
| 7.70 Student Transportation | 1,777,328 | 459,248 | 2,236,576 | 952,259 | 3,188,835 | 3,339,104 | 2,939,180 |
| Total Function 7 | 2,014,574 | 513,510 | 2,528,084 | 1,032,512 | 3,560,596 | 3,728,533 | 3,317,219 |
| 9 Debt Services | | | | | | | |
| Total Function 9 | - | - | - | - | - | - | - |
| Total Functions 1 - 9 | 99,919,229 | 23,396,154 | 123,315,383 | 13,920,397 | 137,235,780 | 137,375,482 | 134,753,083 |

DRAFT - Not Finalized

July 24, 2020 11:09

School District No. 33 (Chilliwack)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2020

| | 2020 Budget (Note 14) | 2020 Actual | 2019 Actual |
|---|-----------------------------|-------------------|----------------|
| | \$ | \$ | \$ |
| Revenues | | | |
| Provincial Grants | | | |
| Ministry of Education | 10,522,641 | 10,245,465 | 8,859,689 |
| Other | | 66,318 | 18,032 |
| Other Revenue | 3,498,000 | 3,000,929 | 4,050,861 |
| Investment Income | 33,000 | 28,277 | 33,381 |
| Total Revenue | 14,053,641 | 13,340,989 | 12,961,963 |
| Expenses | | | |
| Instruction | 13,597,110 | 12,884,458 | 12,505,432 |
| Operations and Maintenance | 456,531 | 456,531 | 456,531 |
| Total Expense | 14,053,641 | 13,340,989 | 12,961,963 |
| Special Purpose Surplus (Deficit) for the year | - | - | - |
| Total Special Purpose Surplus (Deficit) for the year | - | - | - |
| Special Purpose Surplus (Deficit), beginning of year | | 73,261 | 73,261 |
| Special Purpose Surplus (Deficit), end of year | | 73,261 | 73,261 |
| Special Purpose Surplus (Deficit), end of year | | | |
| Endowment Contributions | | 73,261 | 73,261 |
| Total Special Purpose Surplus (Deficit), end of year | | 73,261 | 73,261 |

School District No. 33 (Chilliwack)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2020

| | Annual Facility Grant | Learning Improvement Fund | Special Education Equipment | Scholarships and Bursaries | School Generated Funds | Strong Start | Ready, Set, Learn | OLEP | CommunityLINK |
|---|-----------------------------|---------------------------------|-----------------------------------|----------------------------------|------------------------------|-----------------|-------------------------|---------------|---------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Deferred Revenue, beginning of year | | | 21,481 | 226,409 | 1,023,229 | 6,390 | 4,105 | | 31,557 |
| Add: Restricted Grants | | | | | | | | | |
| Provincial Grants - Ministry of Education | 456,531 | 497,024 | | | | 225,106 | 49,681 | 137,537 | 709,553 |
| Provincial Grants - Other | | | | 125,203 | 2,878,286 | | | | |
| Other | | | | 5,472 | 22,805 | | | | |
| Investment Income | | | | | | | | | |
| | 456,531 | 497,024 | - | 130,675 | 2,901,091 | 225,106 | 49,681 | 137,537 | 709,553 |
| Less: Allocated to Revenue | 456,531 | 495,298 | 18,945 | 73,025 | 2,943,181 | 231,003 | 53,758 | 122,201 | 741,037 |
| Deferred Revenue, end of year | - | 1,726 | 2,536 | 284,059 | 981,139 | 493 | 28 | 15,336 | 73 |
| Revenues | | | | | | | | | |
| Provincial Grants - Ministry of Education | 456,531 | 495,298 | 18,945 | | | 231,003 | 53,758 | 122,201 | 741,037 |
| Provincial Grants - Other | | | | 67,553 | 2,920,376 | | | | |
| Other Revenue | | | | 5,472 | 22,805 | | | | |
| Investment Income | | | | | | | | | |
| | 456,531 | 495,298 | 18,945 | 73,025 | 2,943,181 | 231,003 | 53,758 | 122,201 | 741,037 |
| Expenses | | | | | | | | | |
| Salaries | | | | | | | | | |
| Teachers | | | | | | | | 46,950 | |
| Principals and Vice Principals | | | | | | | 24,178 | | |
| Educational Assistants | | 377,357 | | | | | | | 517,487 |
| Support Staff | | | | | | 162,836 | | | |
| Other Professionals | | | | | | | | | |
| Substitutes | | 14,903 | | | 8,365 | | 2,570 | 1,271 | |
| | - | 392,260 | - | - | 8,365 | 162,836 | 26,748 | 48,221 | 517,487 |
| Employee Benefits | | 103,038 | | | 58 | 56,857 | 4,957 | 11,130 | 135,041 |
| Services and Supplies | 456,531 | | 18,945 | 73,025 | 2,934,758 | 11,310 | 22,053 | 62,850 | 88,509 |
| | 456,531 | 495,298 | 18,945 | 73,025 | 2,943,181 | 231,003 | 53,758 | 122,201 | 741,037 |
| Net Revenue (Expense) before Interfund Transfers | - | - | - | - | - | - | - | - | - |
| Interfund Transfers | | | | | | | | | |
| | - | - | - | - | - | - | - | - | - |
| Net Revenue (Expense) | - | - | - | - | - | - | - | - | - |

School District No. 33 (Chilliwack)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2020

| | Classroom Enhancement Fund - Overhead | Classroom Enhancement Fund - Staffing | Classroom Enhancement Fund - Remedies | First Nation Student Transportation | Mental Health in Schools | Changing Results for Young Children | After School Sports Initiatives | Miscellaneous Grants | TOTAL |
|---|---|---|---|---|--------------------------------|---|------------------------------------|-------------------------|------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Deferred Revenue, beginning of year | | | | | | | 27,702 | 32,232 | 1,373,105 |
| Add: Restricted Grants | | | | | | | | | |
| Provincial Grants - Ministry of Education | 438,218 | 7,473,434 | 191,389 | 126,677 | 26,500 | 12,106 | | | 10,343,756 |
| Provincial Grants - Other | | | | | | | 66,000 | | 66,000 |
| Other | | | | | | | | | 3,003,489 |
| Investment Income | | | | | | | | | 28,277 |
| | 438,218 | 7,473,434 | 191,389 | 126,677 | 26,500 | 12,106 | 66,000 | - | 13,441,522 |
| Less: Allocated to Revenue | 438,218 | 7,473,434 | 114,474 | 69,382 | 26,500 | 4,684 | 66,262 | 13,056 | 13,340,989 |
| Deferred Revenue, end of year | - | - | 76,915 | 57,295 | - | 7,422 | 27,440 | 19,176 | 1,473,638 |
| Revenues | | | | | | | | | |
| Provincial Grants - Ministry of Education | 438,218 | 7,473,434 | 114,474 | 69,382 | 26,500 | 4,684 | | | 10,245,465 |
| Provincial Grants - Other | | | | | | | 66,262 | 56 | 66,318 |
| Other Revenue | | | | | | | | 13,000 | 3,000,929 |
| Investment Income | | | | | | | | | 28,277 |
| | 438,218 | 7,473,434 | 114,474 | 69,382 | 26,500 | 4,684 | 66,262 | 13,056 | 13,340,989 |
| Expenses | | | | | | | | | |
| Salaries | | | | | | | | | |
| Teachers | | 6,041,214 | 100,368 | | | | | | 6,188,532 |
| Principals and Vice Principals | 156,433 | | | | | | | | 180,611 |
| Educational Assistants | | | | | | | 3,725 | | 898,569 |
| Support Staff | 51,650 | | | | | 1,132 | 705 | | 216,323 |
| Other Professionals | 9,998 | | | | | | 1,295 | | 11,293 |
| Substitutes | 131,032 | | | | | | | | 158,141 |
| | 349,113 | 6,041,214 | 100,368 | - | - | 1,132 | 5,725 | - | 7,653,469 |
| Employee Benefits | 73,279 | 1,432,220 | 14,106 | | | | | | 1,830,686 |
| Services and Supplies | 15,826 | | | 69,382 | 26,500 | 3,552 | 60,537 | 13,056 | 3,856,834 |
| | 438,218 | 7,473,434 | 114,474 | 69,382 | 26,500 | 4,684 | 66,262 | 13,056 | 13,340,989 |
| 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, 2020

| | 2020 Budget (Note 14) | 2020 Actual | | | 2019 Actual |
|--|-----------------------------|--|--------------------|--------------------|-------------------|
| | | Invested in Tangible Capital Assets | Local Capital | Fund Balance | |
| | \$ | \$ | \$ | \$ | \$ |
| Revenues | | | | | |
| Provincial Grants | | | | | |
| Ministry of Education | 1,787,608 | 2,094,355 | | 2,094,355 | 6,262,425 |
| Other | | 11,874 | | 11,874 | 70,868 |
| Investment Income | | | | - | 619 |
| Amortization of Deferred Capital Revenue | 7,001,083 | 6,999,303 | | 6,999,303 | 6,912,028 |
| Total Revenue | <u>8,788,691</u> | <u>9,105,532</u> | <u>-</u> | <u>9,105,532</u> | <u>13,245,940</u> |
| Expenses | | | | | |
| Operations and Maintenance | 1,787,608 | 2,106,229 | | 2,106,229 | 1,389,245 |
| Amortization of Tangible Capital Assets | | | | | |
| Operations and Maintenance | 7,652,674 | 7,647,442 | | 7,647,442 | 7,567,591 |
| Transportation and Housing | 464,248 | 464,242 | | 464,242 | 444,088 |
| Total Expense | <u>9,904,530</u> | <u>10,217,913</u> | <u>-</u> | <u>10,217,913</u> | <u>9,400,924</u> |
| Capital Surplus (Deficit) for the year | <u>(1,115,839)</u> | <u>(1,112,381)</u> | <u>-</u> | <u>(1,112,381)</u> | <u>3,845,016</u> |
| Net Transfers (to) from other funds | | | | | |
| Local Capital | 1,201,300 | | 1,148,510 | 1,148,510 | 1,500,043 |
| Transfer to Local Capital for New School | 1,000,000 | | 1,000,000 | 1,000,000 | 1,000,000 |
| Total Net Transfers | <u>2,201,300</u> | <u>-</u> | <u>2,148,510</u> | <u>2,148,510</u> | <u>2,500,043</u> |
| Other Adjustments to Fund Balances | | | | | |
| Tangible Capital Assets Purchased from Local Capital | | 1,148,510 | (1,148,510) | - | |
| Total Other Adjustments to Fund Balances | | <u>1,148,510</u> | <u>(1,148,510)</u> | <u>-</u> | |
| Total Capital Surplus (Deficit) for the year | <u>1,085,461</u> | <u>36,129</u> | <u>1,000,000</u> | <u>1,036,129</u> | <u>6,345,059</u> |
| Capital Surplus (Deficit), beginning of year | | <u>65,797,477</u> | <u>1,293,332</u> | <u>67,090,809</u> | <u>60,745,750</u> |
| Capital Surplus (Deficit), end of year | | <u>65,833,606</u> | <u>2,293,332</u> | <u>68,126,938</u> | <u>67,090,809</u> |

School District No. 33 (Chilliwack)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2020

| | Sites | Buildings | Furniture and Equipment | Vehicles | Computer Software | Computer Hardware | Total |
|--|-------------------|--------------------|----------------------------|------------------|----------------------|----------------------|--------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Cost, beginning of year | 47,352,559 | 281,968,008 | 8,424,328 | 4,475,697 | 318,082 | 389,840 | 342,928,514 |
| Changes for the Year | | | | | | | |
| Increase: | | | | | | | |
| Purchases from: | | | | | | | |
| Deferred Capital Revenue - Bylaw | | 655,935 | 90,000 | 525,933 | | | 1,271,868 |
| Deferred Capital Revenue - Other | | | 59,651 | | | | 59,651 |
| Local Capital | | 684,594 | 50,182 | 404,874 | 8,860 | | 1,148,510 |
| | - | 1,340,529 | 199,833 | 930,807 | 8,860 | - | 2,480,029 |
| Decrease: | | | | | | | |
| Deemed Disposals | | | 710,860 | 597,367 | 106,779 | 254,491 | 1,669,497 |
| | - | - | 710,860 | 597,367 | 106,779 | 254,491 | 1,669,497 |
| Cost, end of year | 47,352,559 | 283,308,537 | 7,913,301 | 4,809,137 | 220,163 | 135,349 | 343,739,046 |
| Work in Progress, end of year | | 12,724,025 | | | | | 12,724,025 |
| Cost and Work in Progress, end of year | 47,352,559 | 296,032,562 | 7,913,301 | 4,809,137 | 220,163 | 135,349 | 356,463,071 |
| Accumulated Amortization, beginning of year | | 111,803,633 | 4,870,443 | 2,146,345 | 144,034 | 258,334 | 119,222,789 |
| Changes for the Year | | | | | | | |
| Increase: Amortization for the Year | | 6,724,217 | 816,881 | 464,242 | 53,825 | 52,519 | 8,111,684 |
| Decrease: | | | | | | | |
| Deemed Disposals | | | 710,860 | 597,367 | 106,779 | 254,491 | 1,669,497 |
| | | - | 710,860 | 597,367 | 106,779 | 254,491 | 1,669,497 |
| Accumulated Amortization, end of year | | 118,527,850 | 4,976,464 | 2,013,220 | 91,080 | 56,362 | 125,664,976 |
| Tangible Capital Assets - Net | 47,352,559 | 177,504,712 | 2,936,837 | 2,795,917 | 129,083 | 78,987 | 230,798,095 |

School District No. 33 (Chilliwack)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2020

| | Buildings | Furniture and Equipment | Computer Software | Computer Hardware | Total |
|--|-------------------|------------------------------------|------------------------------|------------------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Work in Progress, beginning of year | 1,278,040 | | | | 1,278,040 |
| Changes for the Year | | | | | |
| Increase: | | | | | |
| Deferred Capital Revenue - Bylaw | 11,445,985 | | | | 11,445,985 |
| | 11,445,985 | - | - | - | 11,445,985 |
| Net Changes for the Year | 11,445,985 | - | - | - | 11,445,985 |
| Work in Progress, end of year | 12,724,025 | - | - | - | 12,724,025 |

School District No. 33 (Chilliwack)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2020

| | Bylaw Capital | Other Provincial | Other Capital | Total Capital |
|---|--------------------------|-----------------------------|--------------------------|--------------------------|
| | \$ | \$ | \$ | \$ |
| Deferred Capital Revenue, beginning of year | 157,181,783 | 159,301 | 668,211 | 158,009,295 |
| Changes for the Year | | | | |
| Increase: | | | | |
| Transferred from Deferred Revenue - Capital Additions | 1,271,868 | | 59,651 | 1,331,519 |
| | 1,271,868 | - | 59,651 | 1,331,519 |
| Decrease: | | | | |
| Amortization of Deferred Capital Revenue | 6,915,947 | 12,559 | 70,797 | 6,999,303 |
| | 6,915,947 | 12,559 | 70,797 | 6,999,303 |
| Net Changes for the Year | (5,644,079) | (12,559) | (11,146) | (5,667,784) |
| Deferred Capital Revenue, end of year | 151,537,704 | 146,742 | 657,065 | 152,341,511 |
| Work in Progress, beginning of year | 680,541 | 471,699 | | 1,152,240 |
| Changes for the Year | | | | |
| Increase | | | | |
| Transferred from Deferred Revenue - Work in Progress | 11,445,985 | | | 11,445,985 |
| | 11,445,985 | - | - | 11,445,985 |
| Net Changes for the Year | 11,445,985 | - | - | 11,445,985 |
| Work in Progress, end of year | 12,126,526 | 471,699 | - | 12,598,225 |
| Total Deferred Capital Revenue, end of year | 163,664,230 | 618,441 | 657,065 | 164,939,736 |

School District No. 33 (Chilliwack)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2020

| | Bylaw Capital | MEd Restricted Capital | Other Provincial Capital | Land Capital | Other Capital | Total |
|---|------------------|------------------------------|--------------------------------|------------------|------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance, beginning of year | | 1 | 11,939 | 3,332,289 | 167,061 | 3,511,290 |
| Changes for the Year | | | | | | |
| Increase: | | | | | | |
| Provincial Grants - Ministry of Education | 14,812,208 | | | | | 14,812,208 |
| Other | | | | | 3,167 | 3,167 |
| Investment Income | | | | 54,127 | | 54,127 |
| Municipal Contributions | | | | 359,099 | 30,000 | 389,099 |
| | 14,812,208 | - | - | 413,226 | 33,167 | 15,258,601 |
| Decrease: | | | | | | |
| Transferred to DCR - Capital Additions | 1,271,868 | | | | 59,651 | 1,331,519 |
| Transferred to DCR - Work in Progress | 11,445,985 | | | | | 11,445,985 |
| Facility Improvements Not Capitalized | 2,094,355 | | 11,874 | | | 2,106,229 |
| | 14,812,208 | - | 11,874 | - | 59,651 | 14,883,733 |
| Net Changes for the Year | - | - | (11,874) | 413,226 | (26,484) | 374,868 |
| Balance, end of year | - | 1 | 65 | 3,745,515 | 140,577 | 3,886,158 |

RESERVE SUMMARY

| | Ending Balance Jun.30/14 | Ending Balance Jun.30/15 | Ending Balance Jun.30/16 | Ending Balance Jun.30/17 | Ending Balance Jun.30/18 | Ending Balance Jun.30/19 | Ending Balance Jun.30/20 |
|----------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| UNRESTRICTED: | | | | | | | |
| Unrestricted Surplus | 1,422,368 | 2,684,122 | 2,640,519 | 4,650,712 | 5,272,913 | 2,208,342 | 1,969,168 |
| Local Capital | 1,518,936 | 1,147,904 | 1,156,851 | 1,357,588 | 292,715 | 1,293,334 | 2,293,332 |
| | 2,941,304 | 3,832,026 | 3,797,370 | 6,008,300 | 5,565,628 | 3,501,676 | 4,262,500 |

BOARD OF EDUCATION

DECISION REPORT

DATE: September 15, 2020
TO: Board of Education
FROM: Gerry Slykhuis, Secretary Treasurer
RE: **FINANCIAL STATEMENT DISCUSSION & ANALYSIS REPORT 2019/20**

RECOMMENDATION:

THAT the Board of Education approve the Financial Statement Discussion & Analysis report with the 2019/20 audited financial statements.

In its March 2017 [Financial Governance and Accountability](#) report, the Financial Health Working Group made a recommendation that all districts implement a Financial Statement Discussion and Analysis (FSDA) report to further strengthen financial governance and accountability.

Every year, Boards of Education prepare audited financial statements. These financial statements alone do not provide stakeholders with all of the information necessary to assess the school district's financial performance. The supplementary FSDA report gives management a means of explaining the financial statement results to readers in a consistent manner. The FSDA attached to the financial statements is unaudited, however; the commentary within the FSDA is consistent with the audited financial statements.

The FSDA will be forwarded to the Ministry of Education along with the Financial Statements, and it will also be posted on the School District website for public viewing.



Chilliwack
School District

Financial Statement

Discussion
and
Analysis

2019/2020



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1.0 Overview

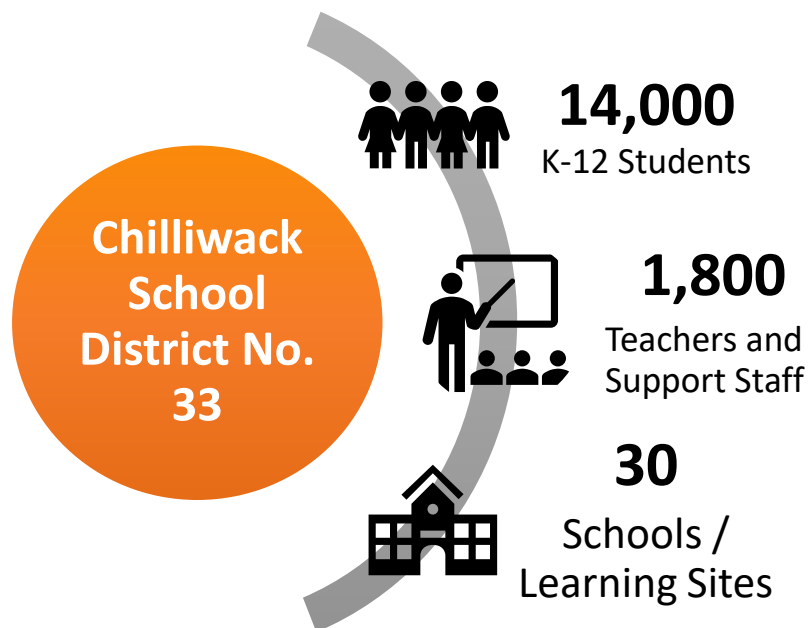
This document will discuss and analyze the financial performance of the Chilliwack School District (“the District”) for the fiscal year ending June 30, 2020, and will provide clarity to the variances from prior years. The financial statement represents the consolidation of three separate funds: operating, special purpose, and capital.

1.1 About Us

Chilliwack School District No. 33, located at the eastern end of the Fraser Valley within S'olh Temexw, the traditional territory of the Stó:lō people, is one of a few growing school districts in the province. Chilliwack School District covers approximately 1,825 square kilometers including Chilliwack, Sardis, Vedder, and the surrounding areas of Yarrow, Cultus Lake, Rosedale and Greendale.

The District has nineteen elementary schools (kindergarten to grade 5), four middle schools (grades 6 to 8), one elementary/middle (grades k – 8), and four secondary schools (grades 9-12). In addition, we offer multiple programs including alternate education, trades and careers, sports academies, summer school, distributed learning, and continuing education.

Our facilities are attended by more than 14,000 full and part-time students and are served by approximately 1,800 teachers and support staff.





1.2 Our Mission Statement

We believe that student literacy, academic achievement and social development are fundamental to everything we do. We believe in a safe, caring, equitable, accountable and collaborative learning and working environment where it is our aim that every student becomes a graduate prepared for opportunities beyond graduation.

1.3 Our Motto: “Partners in Learning”

We are proud of our relationships with our education partners including parents, businesses, service clubs and other community-based organizations. Community support is evident through our Work Experience and Apprenticeship programs, bursaries, scholarships, and community representation on various school district committees.

Our objective is to continue to improve and to respond well to the future needs of our students and community.



2.0 Strategic Plan

The Strategic Plan works to set priorities and define the path of our school district. It serves as the framework to guide the planning and decision making throughout the district, ensuring that we remain focused on every student becoming a graduate prepared for opportunities beyond graduation.

The Strategic Plan has four main priorities, each with its own goals:

- Instruction
- Community and Culture
- Social Emotional Wellness
- Resources

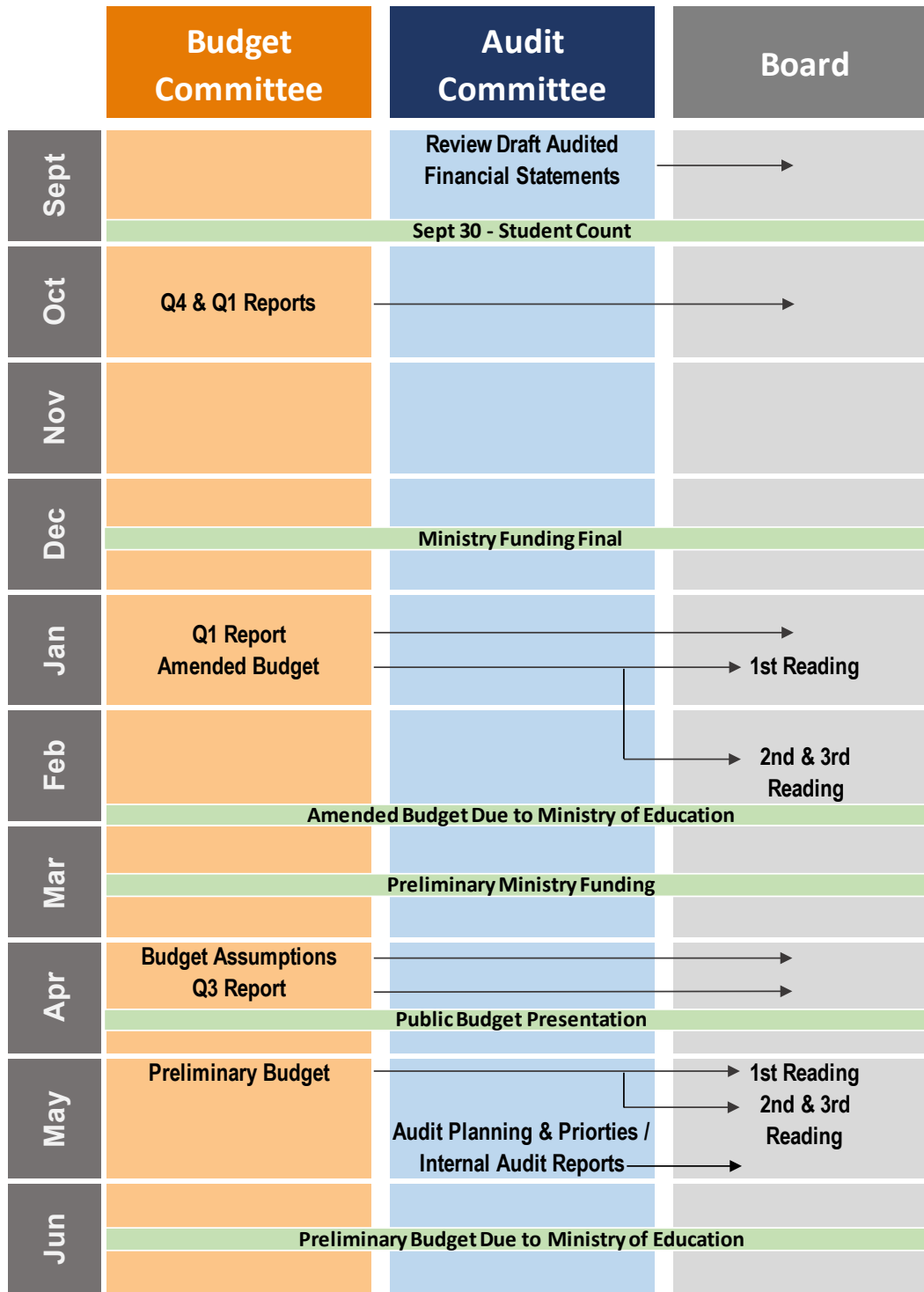
This Financial Analysis and Discussion paper is part of the strategy in our Resources Priority as follows:

| Priority | Aligning and allocating resources, equitably, responsibly and effectively, to support goals and key initiatives. (Resources) |
|--|---|
| Goal | To align resources to efficiently and effectively execute the strategic plan. |
| Strategies | |
| 1. Financial Information and Reporting Facilitate timely and accurate financial information, reporting and decision making in support of student learning. | |



3.0 Financial Governance and Planning Cycle

3.1 Planning Cycle (Timelines)



3.2 Committees (Policy 222)

Budget Committee

The Budget Committee will provide input and feedback to the Board on matters related to the preparation and monitoring of the district's annual budget.

The Budget Committee will consist of all trustees of the Board, one (1) representative of each of Chilliwack Principals' and Vice Principals' Association, Chilliwack Teachers' Association, Canadian Union of Public Employees' Local 411, District Parent Advisory Committee, Aboriginal community, district management employees and up to two (2) community representatives.

The Budget Committee will carry out the following responsibilities:

a) Preparation of Preliminary Budget

- To review plans for public consultation on the budget planning process.
- To review enrollment and staffing projections.
- To review preliminary budget documents.
- To provide input to the Board of Education on the Board's preliminary annual budget.

b) Budget Monitoring

- To review quarterly financial statements relative to the annual budget.
- To review revisions to the preliminary annual budget prior to the preparation of the amended annual budget.
- To provide input to the Board of Education on the amended annual budget.



Audit Committee

The primary purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities by overseeing the internal control environment, reviewing the financial statements and the external audit process. The Committee is advisory to the Board. The Audit Committee shall have direct communication channels with the external auditor to discuss and review issues within its mandate. The Audit Committee makes its recommendations directly to the Board.

The Committee shall consist of three (3) Trustees, and up to (2) community members if possible who are financially literate in these processes.



3.3 Public Budget Presentation

Public Budget Presentation - 2020/21 Operating Budget

On April 7, 2020, the Budget Committee of the Chilliwack Board of Education held a public presentation during the Regular Board meeting and invited input into the 2020/2021 Operating Budget. Secretary Treasurer Gerry Slykhuis presented an overview of the School District's financial information and budget development process. Due to the pandemic and physical distancing measures, this meeting was held via Zoom and recorded for the public to [view](#). Questions from the public were welcome before and after the recording.



Microsoft PowerPoint Presentation – click screen clipping to view until April 2021



4.0 Financial Statement Composition Overview

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



OPERATING FUND

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



SPECIAL PURPOSE FUNDS

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



CAPITAL FUND

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



4.1 Statement of Financial Position

| | 2020 | 2019 | Change | % |
|---|----------------------|----------------------|--------------------|------------|
| Financial Assets | | | | |
| Cash and Cash Equivalents | 32,347,549 | 28,053,907 | 4,293,642 | 15% |
| Accounts Receivable | | | | |
| Due from Province - Ministry of Education | 1,248,387 | 124,961 | 1,123,426 | 899% |
| Due from LEA/Direct Funding | 167,765 | 83,132 | 84,633 | 102% |
| Other | 199,902 | 192,186 | 7,716 | 4% |
| Total Financial Assets | 33,963,603 | 28,454,186 | 5,509,417 | 19% |
| Liabilities | | | | |
| Bank Overdraft | | | | |
| Accounts Payable and Accrued Liabilities | 18,414,475 | 14,125,012 | 4,289,463 | 30% |
| Unearned Revenue | 716,681 | 1,263,882 | (547,201) | -43% |
| Deferred Revenue | 1,473,638 | 1,373,105 | 100,533 | 7% |
| Deferred Capital Revenue | 168,825,894 | 162,672,825 | 6,153,069 | 4% |
| Employee Future Benefits | 3,832,170 | 3,625,502 | 206,668 | 6% |
| Other Liabilities | 544,076 | 963,023 | (418,947) | -44% |
| Total Liabilities | 193,806,934 | 184,023,349 | 9,783,585 | 5% |
| Net Financial Assets (Debt) | (159,843,331) | (155,569,163) | (4,274,168) | 3% |
| Non-Financial Assets | | | | |
| Tangible Capital Assets | 230,798,095 | 224,983,765 | 5,814,330 | 3% |
| Restricted Assets-Endowments | 73,261 | 73,261 | 0 | 0% |
| Prepaid Expenses | 447,956 | 647,240 | (199,284) | -31% |
| Total Non-Financial Assets | 231,319,312 | 225,704,266 | 5,615,046 | 2% |
| Accumulated Surplus (Deficit) | 71,475,981 | 70,135,103 | 1,340,878 | 2% |

Explanation of Components of Financial Position

Cash and Cash Equivalents represent funding available to meet short term obligations such as Accounts Payable. Note that both Cash and Accounts Payable increased by \$4.3 million from 2019. This is due to the timing of when invoices and expense claims are received by the District.

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

- **Due from Province** includes reimbursements for expenses made on capital projects. The increase in the current year is related to the work being done on Stitó:s Lá:lém Totí:lt elementary/ middle school.
- **Due from LEA** relates to funding owed to the District from local First Nation Bands for their students attending District schools.
- **Other** receivables consist of GST rebates and rental revenue still to be collected.



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

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

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

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

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

Restricted Assets – Endowments are funds given to the District to earn investment income. The income can be used for scholarships and bursaries; however, the initial investment cannot be spent.

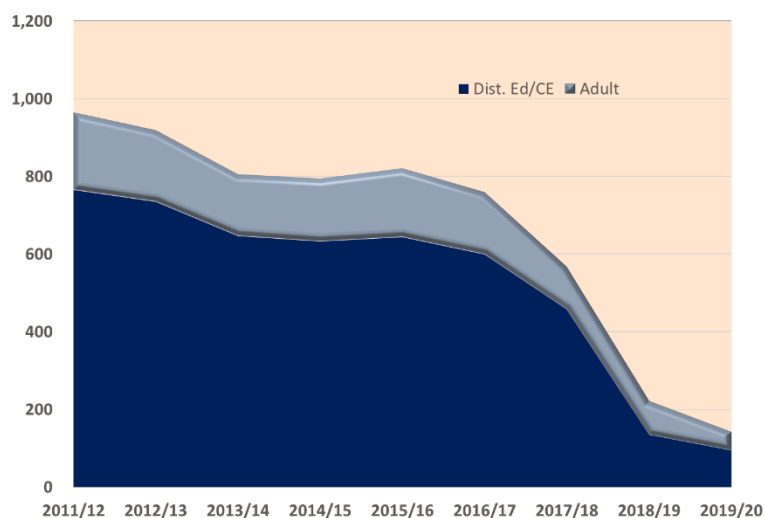
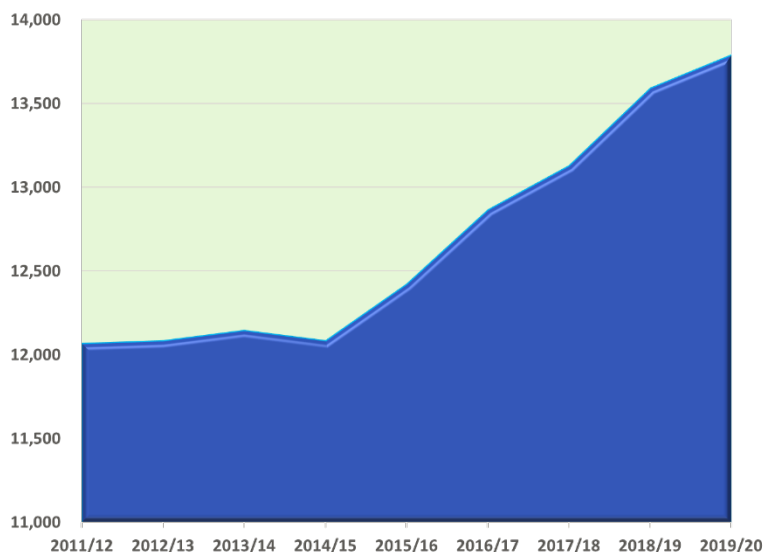
Prepaid Expenses are expenditures that have been made for a future period (eg. Next year's insurance premiums paid in advance).



5.0 Financial Highlights

5.1 Enrolment

From 2011/12 to 2014/15 District student enrolment was stable with a small decrease over the 3-year period. In 2014-2015, enrollment was 12,082 Full Time Equivalent (FTE) Kindergarten to Grade 12 (K-12) students and since then, the District has experienced rapid enrollment growth with enrollment in 2019/2020 at 13,789 FTE. This is an increase of 1,707 FTE students in five years or an average increase of 341 students per year. The District is projecting continued growth over the next few years.



At the same time the Distributed Learning and Continuing Education student enrolments have dropped dramatically. This is due mainly to changes to the government funding for these students that has made the existing delivery model unsustainable. Our Distributed Learning program will be revamped for 2020/21 to a blended learning model.

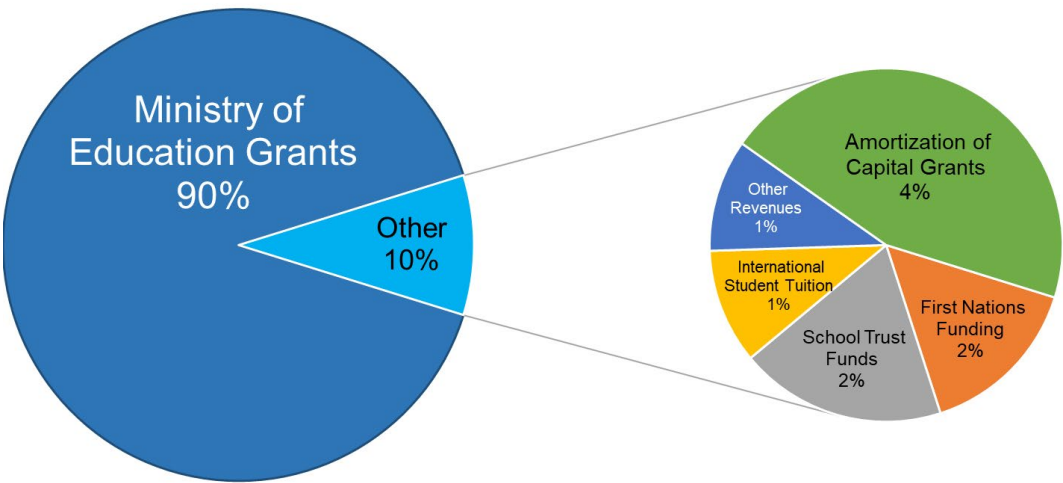


5.2 Revenues

Total revenues for the School District were \$160 million for 2019/20. Revenue is heavily reliant upon funding from the Provincial government which is based mainly on student enrolments. The grant is based on student enrolment which is compiled through a data collection process called 1701 in September, February, May and July. The District receives a fixed amount per full-time equivalent student (FTE). The District also receives supplementary grants for students who are identified as having unique needs and for other demographic and geographical factors.

90% of the District's revenue is from Ministry of Education funding, 2% of revenue is First Nations Funding, 2% are funds raised by schools through their trust funds, 1% of revenue is generated from International Education Programs, 4% associated with the recognition of deferred capital grants, and the balance through other revenue programs such as other facility rentals and investment income.

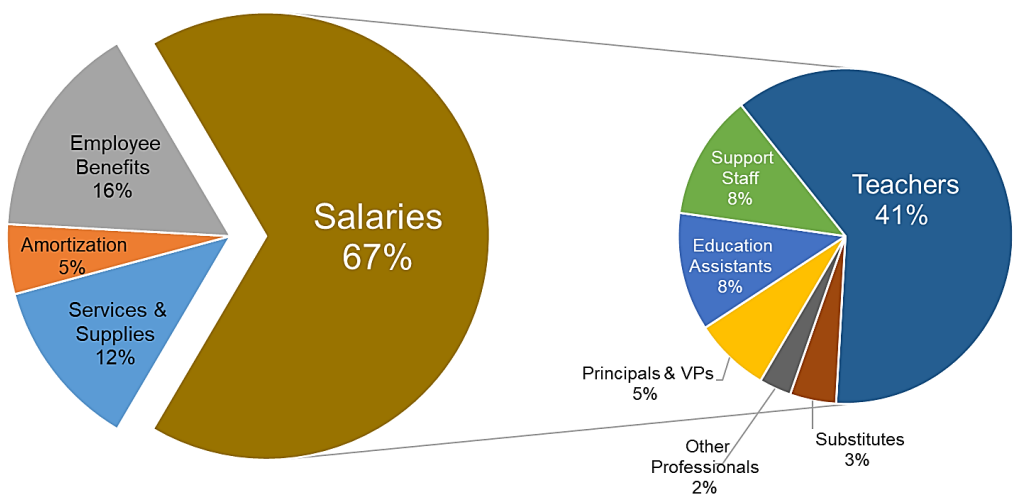
Revenues increased 1.8% versus last year due mainly to increases in government grants for enrolment increases and collective agreement wage increases. Other Revenues such as rental income and investment income were impacted negatively by the Covid-19 pandemic.



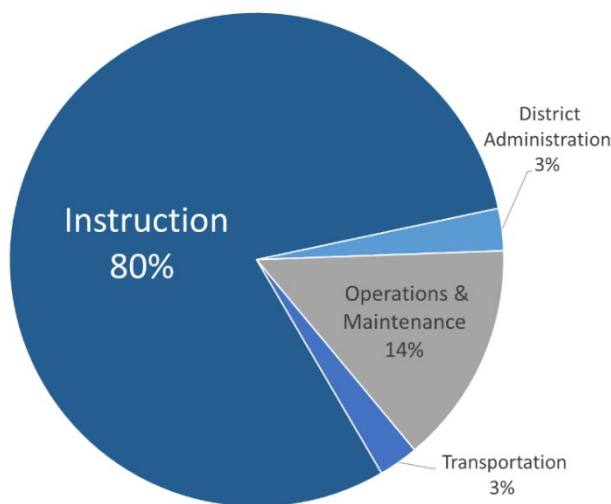
5.3 Expenditures

83% of the School District's operating expenditures are associated with salaries and benefits. And 62% of Salaries are for teachers. The balance of expenditures is related to amortization of capital assets, and supplies and services including utilities, professional development and maintenance.

Overall expenditures are up by 2.3% versus last year. This is due mainly to increases in staffing to cover enrolment, collective agreement wage settlements, benefit premiums and costs for replacement staff.



Looking at expenditures by Program, 80% of expenditures are on Instruction, and 17% on operations, maintenance and transportation.



5.4 COVID-19

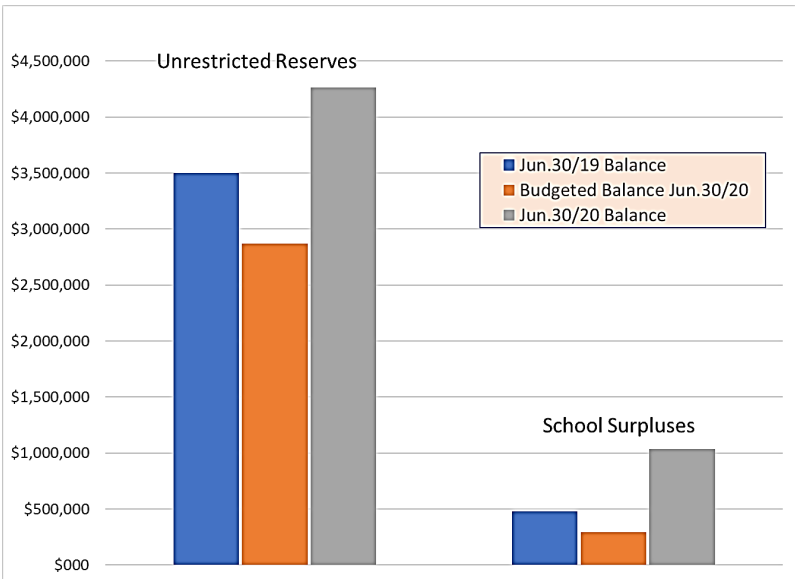
The COVID-19 pandemic had a significant impact on expenditures for this year. With schools closed and drastically reduced attendance, we spent much less on supplies, services, travel, etc. Additional resources were required for improved cleaning equipment, shields for buses, and laptops/tablets to allow students to learn remotely. There is more detail around these in the Financial Analysis section later in this document.



5.5 Reserves

Unrestricted Reserves (all funds) increased in 2019/20 from \$3,501,676 to \$4,262,500. This is better than budgeted due mainly to the cost savings from the Covid-19 pandemic. Of this the District is required to provide \$5.0 million towards the cost of the new Stitó:s Lá:lém Totí:lt school and \$0.5 million towards the Vedder Elementary addition. The District will have to generate operating surpluses over the next two years to make up the difference.

Also, schools are permitted to carry over any budget surpluses to the next year. The total school surpluses (which are included in restricted reserves) increased by \$373,269 this year to \$1,037,744.



6.0 Financial Analysis of the School District as a Whole

6.1 Budgetary Highlights / Analysis of Operating Results to Budget and Last Year

Revenues

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|--|--------------------|--------------------|--------------------|-----------------------------------|------------|--|------------|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| REVENUE | | | | | | | |
| Provincial Grants, Ministry of Education | 132,511,467 | 134,349,615 | 127,871,444 | 1,838,148 | 1% | 6,478,171 | 5% |
| LEA/Direct Funding from First Nations | 2,292,396 | 2,366,835 | 2,237,995 | 74,439 | 3% | 128,840 | 6% |
| Provincial Grants, Other | 150,000 | 213,700 | 145,590 | 63,700 | 42% | 68,110 | 47% |
| International Student Tuition | 1,557,521 | 1,635,323 | 1,430,146 | 77,802 | 5% | 205,177 | 14% |
| Other Revenue | 295,120 | 362,638 | 454,814 | 67,518 | 23% | (92,176) | -20% |
| Rentals & Leases | 430,000 | 368,715 | 430,214 | (61,285) | -14% | (61,499) | -14% |
| Investment Income | 456,000 | 392,213 | 474,026 | (63,787) | -14% | (81,813) | -17% |
| Total Revenue | 137,692,504 | 139,689,039 | 133,044,229 | 1,996,535 | 45% | 6,644,810 | 21% |



Provincial Grants – Ministry of Education

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|--|-------------|-------------|-------------|--------------------------------|----|-------------------------------------|----|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Provincial Grants – Ministry of Education | 132,511,467 | 134,349,615 | 127,871,444 | 1,838,148 | 1% | 6,478,171 | 5% |

- Funding for the collective agreement settlement with the teachers union: \$1,476,000.
- February student count provided additional funding: \$297,000 for Special Needs students, and \$40,000 for students in trades programs.
- Due to the pandemic, the May count for Distributed Learning students was not done. Instead, the estimates from last year were utilized resulting in \$45,000 additional FVDES funding plus \$45,000 Graduated Adult funding.
- Funding for the Support staff collective agreement settlement was \$20,000 less than what was budgeted, while funding for the new Support benefit plan was \$31,000 more than budgeted.
- The reduction to our operating grant for First Nations students was higher by \$74,000 due to higher enrolments. This was offset by increased billings to local bands for these students (see below).

- Funding for collective agreement settlements with the unionized staff: \$3,520,000.
- Enrolment increases: \$2,890,000.
- Distributed Learning enrolments: (\$556,000)
- Aboriginal Education Supplement rate increase: \$484,000
- Funding to assist with additional costs around Employer Health Tax/MSP funding: \$734,000
- Salary Differential funding which fluctuates with the average teacher salary in the District: (\$448,000).
- Increase in the amount deducted from our operating grant for First Nations students: (\$129,000).

LEA (Local Education Agreement) / Direct Funding from First Nations

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|--|-----------|-----------|-----------|--------------------------------|----|-------------------------------------|----|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| LEA/Direct Funding from First Nations | 2,292,396 | 2,366,835 | 2,237,995 | 74,439 | 3% | 128,840 | 6% |

The portion of our Operating Grant pertaining to First Nations students is deducted from our grant and we then direct bill the local bands.

Higher enrolments resulted in \$74,000 higher billings. This was offset by a higher reduction to our Operating Grant.

The portion of our Operating Grant pertaining to First Nations students is deducted from our grant and we then direct bill the local bands.

Higher enrolments resulted in \$128,000 higher billings.



Provincial Grant – Other

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|--------------------------|---------|---------|---------|--------------------------------|-----|-------------------------------------|-----|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Provincial Grants, Other | 150,000 | 213,700 | 145,590 | 63,700 | 42% | 68,110 | 47% |

The increased number of students enrolled in Trades Programs resulted in Industry Training Authority grants being \$64,000 higher than budgeted to date.

The increased number of students enrolled in Trades Programs resulted in Industry Training Authority grants being \$68,000 higher than budgeted to date.

International Student Tuition

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|-------------------------------|-----------|-----------|-----------|--------------------------------|----|-------------------------------------|-----|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| International Student Tuition | 1,557,521 | 1,635,323 | 1,430,146 | 77,802 | 5% | 205,177 | 14% |

International students are billed \$13,500 per FTE. This year's enrolments resulted in \$78,000 more than budgeted.

International students are billed \$13,500 per FTE. This year's enrolments resulted in \$205,000 more than last year.

Other Revenues

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|------------------|---------|---------|---------|--------------------------------|-----|-------------------------------------|------|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Other Revenues | 295,120 | 362,715 | 454,814 | 67,518 | 23% | (92,176) | -20% |

Textbook deposits for FVDES have been taken into income totalling \$85,000. Also through some provincial negotiations, we received a refund of \$30,000 from Telus. These were offset by a negative variance in our Energy Rebates of \$30,000, as none have become available to us so far this year.

Due to the pandemic, \$24,000 in Transportation refunds were paid out.

- Textbook deposits taken into income: \$70,000.
- Provincially negotiated Telus refund: \$30,000.
- Energy rebates not available in 2019/20: (\$34,000).
- Transportation refunds due to pandemic: (\$24,000)
- Unallocated prior year funding taken into income in 2018/19: (\$166,000)
- UBC grant for primary teacher study (EDI): \$38,000



Rentals & Leases

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|-----------------------------|---------|---------|---------|--------------------------------|------|-------------------------------------|------|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Rentals & Leases | 430,000 | 368,715 | 430,214 | (61,285) | -14% | (61,499) | -14% |

The shutdown of sites due to the pandemic cost us \$84,000 in rents for use of our facilities. This was offset by renting space for the Federal election this past Fall.

The shutdown of sites due to the pandemic cost us \$84,000 in rents for use of our facilities. This was partially offset by renting space for the Federal election this past Fall.

Investment Income

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|--------------------------|---------|---------|---------|--------------------------------|------|-------------------------------------|------|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Investment Income | 456,000 | 392,213 | 474,026 | (63,787) | -14% | (81,813) | -17% |

At the beginning of the year, our cash available for investment was lower than anticipated. Also, the pandemic has reduced the interest rate we earn on invested cash to half of what it was at the beginning of March. This resulted in us being under budget \$64,000.

Cash available for investment was lower than previously. Also, the pandemic has reduced the interest rate we earn on invested cash to half of what it was at the beginning of March resulting in a loss of \$64,000 interest income.



6.1 Budgetary Highlights / Analysis of Operating Results to Budget and Last Year (continued)

Wages & Benefits

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|--------------------------------------|--------------------|--------------------|--------------------|-----------------------------------|-----------|--|-----------|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| EXPENSE | | | | | | | |
| Salaries | | | | | | | |
| Teachers | 58,627,978 | 60,079,197 | 57,521,695 | 1,451,219 | 2% | 2,557,502 | 4% |
| Principals & Vice-Principals | 7,747,273 | 7,724,471 | 7,607,088 | (22,802) | 0% | 117,383 | 2% |
| Education Assistants | 11,622,485 | 11,393,568 | 10,493,462 | (228,917) | -2% | 900,106 | 9% |
| Support Staff | 12,877,062 | 12,765,041 | 12,350,632 | (112,021) | -1% | 414,409 | 3% |
| Other Professionals | 3,129,809 | 3,316,307 | 3,018,156 | 186,498 | 6% | 298,151 | 10% |
| Substitutes | 5,272,204 | 4,640,645 | 5,211,980 | (631,559) | -12% | (571,335) | -11% |
| Total Salaries | 99,276,811 | 99,919,229 | 96,203,013 | 642,418 | 1% | 3,716,216 | 4% |
| Employee Benefits | 23,367,309 | 23,396,154 | 22,298,281 | 28,845 | 0% | 1,097,873 | 5% |
| Total Salaries & Benefits | 122,644,120 | 123,315,383 | 118,501,294 | 671,263 | 1% | 4,814,089 | 4% |
| Services & Supplies | 14,731,362 | 13,920,397 | 16,251,788 | (810,965) | -6% | (2,331,390) | -14% |
| Total Expense | 137,375,782 | 137,235,781 | 134,753,082 | (139,702) | 0% | 2,482,699 | 2% |



Teachers

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|------------------|------------|------------|------------|--------------------------------|----|-------------------------------------|----|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Teachers | 58,627,978 | 60,079,197 | 57,521,695 | 1,451,219 | 2% | 2,557,502 | 4% |

The collective agreement settlement resulted in increased salary cost of \$1,199,000.

This was offset by additional Operating Grant funding.

The remaining variance of \$252,000 (0.4%) is made up of a number of small variances.

The increase from last year to this year was made up of the following:

- More teachers were hired due to the enrolment increase: \$998,000
- Wage increases: \$2,068,000, plus increase in elementary teacher prep time: \$192,000
- Excluding the collective agreement wage increases, the average teacher salary dropped between last year and this year due to the number of new hires: (\$109,000)
- The continued downsizing of Fraser Valley Distance Education: (\$183,000)
- Increased enrolment and per student funding for aboriginal students: \$178,000
- The end of the 3-year K-1 Intervention project meant reduced teacher staffing from the operating budget (\$423,000)
- Extra administration time was left at some of the elementary schools for the reconfiguration transition period. These were finished at the end of 2018/19 (\$115,000).

Principals & Vice Principals

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|------------------------------|-----------|-----------|-----------|--------------------------------|----|-------------------------------------|----|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Principals & Vice Principals | 7,747,273 | 7,724,471 | 7,607,088 | (22,802) | 0% | 117,383 | 2% |

No significant variance to the budget.

Wage increases accounted for \$106,000.



Education Assistants

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|----------------------|------------|------------|------------|--------------------------------|-----|-------------------------------------|----|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Education Assistants | 11,622,485 | 11,393,568 | 10,493,462 | (228,917) | -2% | 900,106 | 9% |

The Aboriginal Education Department was \$125,000 under budget due to staff vacancies and late hires. Regular EAs were under budget \$103,000 due to vacancies at the beginning of the year (Sept & Oct).

The increase from last year to this year was made up of the following:

- More EAs were hired due to increased special needs student enrolment: \$790,000
- Wage increases: \$512,000
- The continued downsizing of Fraser Valley Distance Education: (\$37,000)
- Reduction in EAs in shift to hire Child and Youth Care Workers: (\$158,000)
- Staff Vacancies: (\$159,000)

Support Staff

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|------------------|------------|------------|------------|--------------------------------|-----|-------------------------------------|----|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Support Staff | 12,877,062 | 12,765,041 | 12,350,632 | (112,021) | -1% | 414,409 | 3% |

The positive variance is mainly due to the following:

- Maintenance \$78,000 due to staff vacancies and \$45,000 from not hiring summer students in May and June.
- Bus Drivers \$76,000 due to staff vacancies, and \$95,000 due to cancelled school trips in the last quarter of the year.
- Custodial \$37,000 due to staff vacancies.

These were partially offset by Operations Charge-outs being less than budget by \$160,000. Also, Clerical reductions at FVDES didn't fully take effect, putting us over budget by \$35,000. Extra work for Technology staff due to the pandemic resulted in them going over budget by \$12,000.

The positive variance is mainly due to the following:

- Wage increases: \$378,000
- Increased staffing due to enrolment/hours changes: \$90,000
- Elimination of summer students for May & June: (\$45,000)
- Cancelled school trips due to the pandemic meant less hours for bus drivers: (\$95,000), but more overtime for Technology staff: \$12,000.
- Operations Charge-outs were less than last year: \$23,000



Other Professionals

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|---------------------|-----------|-----------|-----------|--------------------------------|----|-------------------------------------|-----|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Other Professionals | 3,129,809 | 3,316,307 | 3,018,156 | 186,498 | 6% | 298,151 | 10% |

The unfavourable variance of \$30,000 was mainly due to vacation payouts in January. Also, due to the pandemic, many spring break vacations were cancelled resulting in a much larger increase in outstanding vacation accrued at the end of June (\$83,000). Also, retirement allowances of \$47,000 were paid out during the year.

Wage increases accounted for \$146,000. Payout of vacation and allowances at retirement: \$77,000.

Due to the pandemic, many staff were unable to take vacation during the Spring Break resulting in an increase in the vacation bank at year end: \$65,000.

Substitutes

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|------------------|-----------|-----------|-----------|--------------------------------|------|-------------------------------------|------|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Substitutes | 5,272,204 | 4,640,645 | 5,211,980 | (631,559) | -12% | (571,335) | -11% |

At the end of March these costs were very close to budget. The Teacher collective agreement increase resulted in \$81,000 increase in these costs. However, due to the pandemic, there was a dramatic drop in use of substitutes in the last quarter resulting in the costs being \$631,000 lower than budget.

- Collective agreement wage increases: \$81,000
- Increase due to increased absences: \$66,000
- Due to the pandemic there was a dramatic drop in use of substitutes in the last quarter: (\$713,000).

Employee Benefits

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|-------------------|------------|------------|------------|--------------------------------|----|-------------------------------------|----|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Employee Benefits | 23,367,309 | 23,396,154 | 22,298,281 | 28,845 | 0% | 1,097,873 | 5% |

Most of the variance is due to the positive variance in salaries, or small differences in the various benefit categories. As well, the teacher collective agreement settlement resulted in additional benefit costs of \$196,000.

Most of the variances are due to the differences in salaries costs. However rate changes account for the following:

- Extended Health& Dental Benefits: \$162,000
- Employer Health Tax/MSP: \$347,000
- Teacher Pension Plan Premiums: (\$507,000)
- Other Benefits (CPP, EI, WCB): \$488,000



6.1 Budgetary Highlights / Analysis of Operating Results to Budget and Last Year (continued)

Supplies and Services

Services and supplies categories represent approximately 11% of the operating budget expenditures. Overall, services and supplies are 6% under budget. Details for each supplies category are explained below.

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|---|-------------------|-------------------|-------------------|-----------------------------------|-----------|--|-------------|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| NON-DISTRICT PORTION OF SUPPLIES/SERVICES: | | | | | | | |
| Schools | 3,669,271 | 3,213,883 | 3,852,484 | (455,388) | -12% | (638,601) | -17% |
| Aboriginal Education | 822,416 | 681,041 | 696,507 | (141,375) | -17% | (15,466) | -2% |
| Fraser Valley Distance Education School | 62,396 | 35,568 | 230,172 | (26,828) | -43% | (194,604) | -85% |
| DISTRICT PORTION OF SUPPLIES/SERVICES: | | | | | | | |
| Services | 2,781,482 | 2,627,268 | 3,935,655 | (154,214) | -6% | (1,308,387) | -33% |
| Student Transportation | 9,000 | 45,155 | 7,640 | 36,155 | 402% | 37,516 | 491% |
| Professional Development & Travel | 969,929 | 803,946 | 976,739 | (165,983) | -17% | (172,793) | -18% |
| Rentals & Leases | 32,029 | 31,360 | 15,510 | (669) | -2% | 15,850 | 102% |
| Dues & Fees | 344,360 | 351,062 | 311,089 | 6,702 | 2% | 39,973 | 13% |
| Insurance | 284,748 | 274,590 | 157,518 | (10,158) | -4% | 117,072 | 74% |
| Supplies | 3,276,439 | 3,579,904 | 3,481,092 | 303,465 | 9% | 98,812 | 3% |
| Utilities | 2,479,292 | 2,276,620 | 2,587,382 | (202,672) | -8% | (310,762) | -12% |
| | 14,731,362 | 13,920,397 | 16,251,788 | (810,965) | 6% | (2,331,390) | -14% |



Schools

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|------------------|-----------|-----------|-----------|--------------------------------|------|-------------------------------------|------|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Schools | 3,669,271 | 3,213,883 | 3,852,484 | (455,388) | -12% | (638,601) | -17% |

Schools routinely spend a good portion of their budgets in the last third of the school year once they know how the year has transpired. While the suspension of in class learning produced some savings in the areas of printing and office supplies, a large portion of the decrease from budget was due to schools not purchasing learning resources as they would normally do in the Spring.

These unspent funds will be available for schools in the Fall when they can revisit their learning resource needs.

2018/19 was the first year of the District's grade reconfiguration, thus Middle and Secondary schools had to invest in additional resources for the new grades in their respective schools.

Schools had less opportunities to spend their supplies budgets in the current year as they were closed for 2 months due to the pandemic.

Aboriginal Education (AbEd)

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|-----------------------------|---------|---------|---------|--------------------------------|------|-------------------------------------|-----|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Aboriginal Education | 822,416 | 681,041 | 696,507 | (141,375) | -17% | (15,466) | -2% |

Due to the suspension of in person learning in the Spring, there was minimal opportunity to continue AbEd programming and use up the budgeted amount of supplies and services.

The per-student AbEd funding increased significantly this year, so the expectation would have been for greater spending; however, there were limitations on what was achievable in the Spring due to suspension of in person learning.

Fraser Valley Distance Education School

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|--|---------|--------|---------|--------------------------------|------|-------------------------------------|------|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Fraser Valley Distance Education School | 62,396 | 35,568 | 230,172 | (26,828) | -43% | (194,604) | -85% |

As the school downsized and restructured, there was a concerted effort to minimize the amount of supplies used.

With a drop-in enrolment in 2019/20 came a proportionate drop in supplies and services spending compared with the prior year.



Services

This account includes costs for contracted professionals, consultants and technical services, software maintenance, grounds upkeep, security services, bank charges, telephones, and legal and audit fees.

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|------------------|-----------|-----------|-----------|--------------------------------|-----|-------------------------------------|------|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Services | 2,781,482 | 2,627,268 | 3,935,655 | (154,214) | -6% | (1,308,387) | -33% |

The majority of the underspending (close to \$200,000) came from not having to use 3rd party services for counselling, mobility and other student supports in the last few months of the school year as the Covid pandemic ensued. Also included with this was a delay in arbitrations and investigations.

There were also savings of \$39,000 for teacher and international student recruiting due to limitations on travel.

This was offset by cost pressures of \$52,000 for the District's Employee Assistance Program and opportunities to accelerate bus engine maintenance while the fleet was not in use costing around \$53,000.

In 2018/19, the District continued the work of renovating the Learning Services building as well as making modifications to schools for grade reconfiguration. This added a one-time cost of \$1.2 million to the operating results that year.

The Board trustee election occurred in 2018/19 which incurred \$121,000 of expenses.

In 2019/20 there was less recruiting of TTOCs and other staff decreasing this expense by \$51,600.

The District did see an increase in the use of the Employee Assistance Program in the current year which was \$39,000 more than the prior year.

Student Transportation

The account includes payments for charter buses and travel assistance reimbursements to parents.

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|------------------------|---------|--------|---------|--------------------------------|------|-------------------------------------|------|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Student Transportation | 9,000 | 45,155 | 7,640 | 36,155 | 402% | 37,516 | 491% |

This was the first year that this category was used for contract bussing. The decision to move costs here was made after budgets were set for the year.

In 2019/20, the District started classifying contract bussing in this category as per the definition. In prior years, this expense was captured in Supplies costs.



Professional Development & Travel

This account includes costs incurred for training and travel. Costs included are registrations fees, transportation, mileage allowances, meals, accommodation, per diem payments and other related expenses.

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|--|---------|---------|---------|--------------------------------|------|-------------------------------------|------|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Professional Development & Travel | 969,929 | 803,946 | 976,739 | (165,983) | -17% | (172,793) | -18% |

The primary explanation for this variance was due to Covid travel restrictions and cancelled conferences in the Spring. District travel was suspended as sites were closed for over 2 months.

In 2018/19, the District was fully operational and it was expected that the same level of Professional Development and travel would occur in 2019/20. The decrease in travel expenses is consistent with the variance from budget which was due to Covid travel restrictions.

Rentals & Leases

Included here are the operating expenditures for the rental of space, vehicles and equipment for temporary or long-term use by the School District.

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|-----------------------------|---------|--------|---------|--------------------------------|-----|-------------------------------------|------|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Rentals & Leases | 32,029 | 31,360 | 15,510 | (669) | -2% | 15,850 | 102% |

Difference insignificant.

Cultus Lake Park Board had under charged the District for the lease of land at Cultus Lake Elementary in the past few years. In 2019/20, the District made a catch-up payment to rectify this.



Dues & Fees

This account includes membership fees and/or dues in professional organizations as determined by the policies and regulations of the School District.

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|------------------|---------|---------|---------|--------------------------------|----|-------------------------------------|-----|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Dues & Fees | 344,360 | 351,062 | 311,089 | 6,702 | 2% | 39,973 | 13% |

Fees paid to UFV to wrap up programs that had begun in the prior year (unanticipated outstanding invoices).

The increase in expenditures in the current year was due to more students enrolled in UFV dual credit programs such as Carpentry, Welding and Auto Mechanics.

Final invoices to wrap up some programs from the prior year were paid in 2019/20.

Insurance

This account includes all forms and types of insurance coverage (vehicles, buildings, liability).

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|------------------|---------|---------|---------|--------------------------------|-----|-------------------------------------|-----|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Insurance | 284,748 | 274,590 | 157,518 | (10,158) | -4% | 117,072 | 74% |

Insurance for the District's bus fleet was stopped while face to face instruction was suspended.

\$47,000 of 2018/19 insurance was recognized in the previous year making that year's insurance expense unusually low.

There was also a \$46,000 insurance rebate cheque given in 2018/19 from prior years.

New buses and bus routes were added in 2019/20 adding to overall insurance needs.



Supplies

This item consists of expenditures for supplies and materials of a consumable and/or non-capital nature. This includes classroom supplies, learning resources, furniture and equipment and computer equipment.

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|------------------|-----------|-----------|-----------|--------------------------------|----|-------------------------------------|----|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Supplies | 3,276,439 | 3,579,904 | 3,481,092 | 303,465 | 9% | 98,812 | 3% |

The District increased its spending above budget in the following areas:

- \$200,000 for computers to lend out to students for remote learning.
- \$120,000 in additional computer technology for upgrading staff workstations
- \$120,600 in Covid related costs for retrofitting bussing with shields and buying additional Custodial supplies such as disinfectant sprayers.

Notable savings due to Covid:

- \$56,000 in bus fuel
- \$76,000 in District programs that were unable to run in the Spring.

Overall spending between the two years appears to have gone up incrementally.

While there was significant spending in technology in the current year, there was also \$135,000 in technology in the prior year due to reconfiguration and \$62,000 in additional server replacements making the difference in spending between the two years only \$123,000.

The remaining \$25,000 decrease in spending in the current year can be attributed to transportation savings in fuel.

Utilities

Included here are the expenditures for electricity, heating, water and sewage, garbage and recycling costs, as well Ministry internet infrastructure usage.

| Operating Budget | 2019/20 | | 2018/19 | Increase (Decrease) vs. BUDGET | | Increase (Decrease) from PRIOR YEAR | |
|------------------|-----------|-----------|-----------|--------------------------------|-----|-------------------------------------|------|
| | BUDGET | ACTUAL | ACTUAL | \$ | % | \$ | % |
| Utilities | 2,479,292 | 2,276,620 | 2,587,382 | (202,672) | -8% | (310,762) | -12% |

Most of the variance can be explained by the following:

- Next Generation Network (NGN) savings of \$91,000 as the Ministry charged less for this service than it originally expected.
- BC Hydro savings of \$80,000 due to lower inflation adjustment than projected.
- Covid savings of \$36,000 as there was less use of facilities during this time.

Significant changes in Utilities expenditures from the prior year are as follows:

- Next Generation Network (NGN) lower by \$113,000 as the Ministry had lower operating costs than originally planned.
- Heating (Gas) lower by \$240,000 as 2018/19 had a spike in heating costs due to the pipeline eruption, and the District had a gas delivery contract that had volatile pricing.
- Garbage Collection higher by \$60,000 as there has been more activity in shredding and composting as well as increased cost of services.
- Closure of schools during Covid contributed to \$36,000 savings.



6.3 Special Purpose Funds

The Special Purpose Fund consists of restricted grant and other funding subject to a legislative or contractual restriction on its use. These revenues are deferred until the relevant expenditures are incurred. The School District incurred the following expenditures in 2019/2020 as related to significant Special Purpose grants:

| GRANT | SOURCE | AMOUNT RECEIVED | AMOUNT EXPENDED | DISCUSSION |
|--|-----------------------------|-----------------|-----------------|---|
| Annual Facility Grant (AFG) Operating Portion | Ministry of Education | \$456,531 | \$456,531 | Please see discussion in the Capital Projects section under "Annual Facility Grant (AFG) Funding." |
| Learning Improvement Fund (LIF) | Ministry of Education | \$497,024 | \$495,298 | Funding used specifically to augment EAs hours providing additional support to complex learners. |
| Scholarships and Bursaries | Other and Investment Income | \$130,675 | \$73,025 | Funds collected from donors which are awarded to graduating students in the district to attend post-secondary schools. |
| School Generated Funds | Other and Investment Income | \$2,901,091 | \$2,943,181 | Monies collected by schools for field trips, school sports, and fundraising for school equipment. |
| Strong Start | Ministry of Education | \$225,106 | \$231,003 | Strong Start early learning centers provide school-based, drop-in programs for children from birth to age five and their parents or caregivers. |
| Ready, Set, Learn (RSL) | Ministry of Education | \$49,681 | \$53,758 | Eligible RSL events for 3 to 5-year-olds and their parents are hosted to support early learning and facilitate a smooth transition to Kindergarten |
| Official Languages in Education French Programs (OLEP) | Ministry of Education | \$137,537 | \$122,201 | Funding for core French- language programs and curriculum resources. |
| Community LINK | Ministry of Education | \$709,553 | \$741,037 | Funding for programs and initiatives to improve the education performance of vulnerable students, including both academic achievement and social functioning. |
| Classroom Enhancement Fund (CEF) Overhead, Staffing and Remedies | Ministry of Education | \$8,103,041 | \$8,026,126 | Eligible expenses include teacher staffing, overhead staffing and equipment costs resulting from restoration of class size and composition language. |
| First Nation Student Transportation | Ministry of Education | \$126,677 | \$69,382 | Funding to assist on-reserve First Nation students with transportation to/from school and extra-curricular activities. |
| Mental Health in Schools | Ministry of Education | \$26,500 | \$26,500 | Fund for Mental Health literacy activities with a goal to build a safe, caring and inclusive environment in schools. |
| Changing Results for Young Students (CR4YC) | Ministry of Education | \$12,106 | \$4,684 | Collaborative professional learning for early learning educators focused on improving social-emotional outcomes for young children. |
| After School Sport and Arts Initiative | Ministry of Education | \$66,000 | \$66,262 | ASSAI supports participating school districts to offer safe, accessible, high-quality, and fun programming that meets the needs of their school communities. |



6.4 Capital Fund Accounts

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

During the year ended June 30, 2020, the District invested \$13.9 million in capital additions, as follows: Funding to make these additions came from the following sources: \$12.7 million from the Ministry of Education, \$1.1 from District Operating Funds, and \$0.1 million from other sources.

| 2019/20 Projects | Current Year Additions | TOTAL SPENT TO DATE |
|---------------------------------|------------------------|---------------------|
| Stitó:s Lá:lém Totí:lt School | \$ 9,988,647 | \$ 11,151,530 |
| Imagine High Renos/Gym | 1,315,024 | 1,430,181 |
| Vedder Elementary Addition | 97,040 | 97,040 |
| GWG Secondary Addition | 45,274 | 45,274 |
| Sardis Secondary Dust Collector | 532,023 | 532,023 |
| Building Envelope Program | 58,912 | 58,912 |
| Facility Improvements (AFG) | 65,000 | 65,000 |
| School Buses | 525,933 | 525,933 |
| Playground-Unsworth | 129,432 | 129,432 |
| Playground-Rosedale | 20,218 | 20,218 |
| Portables | 684,595 | 684,595 |
| Vehicles & Equipment | 463,916 | 463,916 |
| | \$ 13,926,014 | \$ 15,204,054 |

6.5 Major Capital Projects

Stitó:s Lá:lém Totí:lt School is currently under construction and expected to be occupied in September 2022. It will be an Elementary/Middle school with space for 930 students. The budget of \$56.3 million is made up of \$38.6 million from the Ministry of Education, \$5.0 million from the Chilliwack School District, and \$3.75 million from the City of Chilliwack.



The **Imagine High Integrated Arts and Technology Secondary School** project involves the addition of a gymnasium and renovation to the former UFV site on Yale Road. It will have space for 600 students and has a budget of \$17.8 million. It is expected to be occupied in September 2021.

The addition to **Vedder Elementary School** is currently in the design phase. It will add space for an additional 240 students and has a budget of \$12.3 million. It is expected to be occupied in September 2022.

The addition to **GW Graham Secondary School** is currently in the design phase. It will add space for an additional 450 students and has a budget of \$23.9 million. It is expected to be occupied in September 2023.



6.6 Capital Fund Balances

Specific balances in the Capital Fund are as follows:

| Capital Funds | June 30, 2020 | June 30, 2019 | Change |
|--------------------------|---------------|---------------|--------------|
| Bylaw Capital | \$ - | \$ - | \$ - |
| Restricted Capital | 1 | 1 | - |
| Other Provincial Capital | 65 | 11,939 | (11,874) |
| Land Capital | 3,745,515 | 3,332,289 | 413,226 |
| Other Capital | 140,577 | 167,061 | (26,484) |
| Local Capital | 2,293,332 | 1,293,332 | 1,000,000 |
| | \$ 6,179,490 | \$ 4,804,622 | \$ 1,374,868 |

Bylaw Capital

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

Restricted Capital

Ministry of Education restricted capital represents the Ministry's portion (usually 75%) of the proceeds on disposal of land and buildings, and any bylaw project surpluses on completed projects. The Ministry's permission must be received to spend these funds. There is currently a zero balance as at June 30th, 2020.

Other Provincial Capital

These funds were provided by the Ministry of Jobs, Tourism and Skills Training to purchase trades training equipment in support of Industrial Training Authority Youth Trades programs.

Land Capital

The balance in the Land Capital Reserve Fund is comprised of School Site Acquisition Charges (SSAC), which municipalities collect on behalf of school districts to help school boards pay for future school sites. Municipalities collect these charges for each new residential parcel to be created and new multiple family residential units to be constructed on an existing parcel. The funds may only be used to purchase ministry approved sites for new schools.

Other Capital

Other capital is comprised of funds from other non-provincial government sources, such as municipal grants, PAC contributions for playgrounds, etc. All of the current balance is funding raised for playgrounds.

Local Capital Reserve

The Board's Local Capital Reserve is designated for local capital expenditures. The entire balance in the fund at June 30, 2020 is restricted towards the District's share of two major projects currently underway: the Stitó's Lá:lém Totí:lt School and the addition to Vedder Elementary School.



6.7 Reserves – Operating, Special Purpose and Capital Balances

Reserves

| | <u>June 30, 2020</u> | <u>June 30, 2019</u> |
|---|----------------------------|----------------------------|
| 1 Operating Fund Accumulated Surplus | | |
| Internally Restricted | \$ 1,306,614 | \$ 762,691 |
| Unrestricted Operating Surplus | <u>1,969,168</u> | <u>2,208,342</u> |
| Total Operating Fund Accumulated Surplus | <u>3,275,782</u> | <u>2,971,033</u> |
| 2 Special Purpose Funds Surplus | <u>73,261</u> | <u>73,261</u> |
| 3 Capital Fund Accumulated Surplus | | |
| Contingency Reserve-Local Capital | 2,293,332 | 1,293,332 |
| Investment in Tangible Capital Assets | <u>65,833,606</u> | <u>65,797,477</u> |
| Total Capital Fund Accumulated Surplus | <u>68,126,938</u> | <u>67,090,809</u> |
| Total Accumulated Surplus | <u>\$71,475,981</u> | <u>\$70,135,103</u> |

1 - Operating Fund Surplus

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

The District closed out the year with a \$3,275,782 operating surplus of which \$1,306,614 was internally restricted for specific purposes and \$1,969,168 was unrestricted. Most of the restricted reserve balance represents an accumulation of surpluses that the Board has allowed schools to carry forward for expenditure in a future year. At the end of June 2020, the amount of school carry forward was \$1,037,745.

2 - Special Purpose Fund Surplus

This amount of \$73,261 is for endowments where the original donors have stipulated that the principal amounts cannot be spent. Investment income earned on the balances is able to be paid out as scholarships.



3 - Capital Fund Surplus

There are two categories of Capital Fund Surpluses:

The **Local Capital Reserve** fund represents a portion of accumulated operating surpluses designated to fund the purchase of Tangible Capital Assets. The Local Capital Reserve fund is increased if the Board of Education passes a motion to transfer operating surpluses to Local Capital. The current balance of \$2,293,332 represents funds set aside to help meet the District share of the costs for the new Stitó:s school (\$5,000,00) and the Vedder Elementary Addition (\$500,000). The plan is to fund the remainder of the District's commitment over the next two years.

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



7.0 Factors Bearing on the School District's Future / Other Potentially Significant Matters

Enrolment Growth

The District's long-term student enrolment projections show ongoing, moderate growth across the city. After a number of years of having to purchase portables to address this growth, we are excited to see the approval of several capital building projects to alleviate this pressure. There is a continuing need to identify new building sites to keep pace with the growth.

Funding Model Review

Approximately 96 per cent of the District's operating funding is provided by the Ministry of Education (MOE) and is based on student enrolment and other factors. The current funding formula has been in place since 2002. In 2018, the MOE began a review of the formula and work is currently underway on the development, review and consultation on a potential new formula. While it was expected that the new formula would be announced and implemented for 2020/21, the Ministry has postponed the decision to implement any changes at this time. It is not known whether a new formula will have a positive or negative impact on the operating budget. Due to this uncertainty, the District has taken a conservative approach to making budget decisions the last two years.

Pandemic

The Covid pandemic continues to impact school operations. While it may be too early to identify the material effect that the pandemic will have in future budgets, the District has identified the follow areas that will need to be reviewed or adjusted:

- Loss of rental revenue
- Decrease in interest income
- Increase in Pension expenses
- Replacement cost due to increase in sick leaves
- Decrease in number of International students.

Strategic Plan

The Chilliwack Board of Education's current strategic plan ends in 2021. Plans are underway to revise and update the plan. The strategic plan will guide the District's financial priorities and resource allocation for the next five years. This forward-thinking plan will build on the achievements of the past while looking ahead to the future of education. More information on the plan can be found on the District's website.



Space/Capacity

There continues to be an increasing demand for space throughout the District. While reconfiguration created some additional space in our Elementary schools, it did put more pressure on our Middle and Secondary Schools. The District is currently utilizing 94 portables to meet space demands, which are expensive to purchase and maintain. While new schools and expansions are in the works for the next few years, they will not be adequate for our current over-capacity situation and future enrolment projections. The long-term facilities plan has identified the need for a number of new schools; however, suitable land is in short supply in the area, and the government capital approval process takes significant time. Also, the Ministry continues to request that school districts contribute more local funds towards capital projects, which puts further pressure on the district's operating budget.



8.0 Contacting Management

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

If you have questions about this financial report or need additional financial information, please contact the Secretary Treasurer's office at 604-792-1321.



Gerry Slykhuis, Secretary Treasurer
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Mark Friesen, Assistant Secretary Treasurer
mark_friesen@sd33.bc.ca



Talana McNally, Executive Assistant
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Secondary schools honoured grads with individual signs during the pandemic.



BOARD OF EDUCATION

DECISION REPORT

DATE: September 15, 2020
TO: Board of Education
FROM: Rohan Arul-pragasam, Interim School Superintendent
RE: **STRATEGIC PLAN REFRESH – OVERVIEW**

RECOMMENDATION:

THAT the Board of Education approve the Strategic Plan Refresh Process as outlined below.

BACKGROUND:

The Chilliwack School District Strategic Plan expires in June 2021. The current strategic plan was co-created by the Board of Education after extensive consultation with the Chilliwack community, including all stakeholder groups, in the fall of 2016. The Strategic Plan has been the district north star that has driven all operational decisions for the last 5 years.

Elected school boards, as part of their governance function, have always had responsibility for creating strategic direction. Strategic planning, at its best, is a clear and compelling roadmap forward. A strategic plan must invite and engage staff, students and the community into the shared future of the Chilliwack School District and the challenging task of implementation. An effective process can create shared meaning among district staff and partners, thereby creating ownership and a shared sense of responsibility for the success of the outcomes. An effective strategic plan is a living “green” document that continues to be evident through the ongoing work of the district. It creates a clear direction for staff, community and students, and can create an action plan. An effective strategic plan will guide the daily operations and improvement initiatives in Chilliwack School District.

High performing districts have exceptional clarity of vision, focusing all district work on the improvement of teaching and learning, clarity about their educational goals, and a clear sense of direction and focus. This common understanding of the vision and mission of the district needs to be consistent for all staff and stakeholders, and needs to be communicated regularly.

A strategic plan can support improvement through the use of goals and data to reinforce a sense of urgency, can maintain productive working relationships, based on high levels of trust between the Superintendent and the Board of Education, and can establish a trustful relationship with parents and the Wider community.

OBJECTIVE OF THE STRATEGIC PLAN:

Chilliwack School District will have a renewed and revised comprehensive Strategic Plan – including a clear vision and mission as well as defined goals, objectives and priorities that are realistic, achievable and measurable. The Strategic Plan will recognize the uniqueness of the Chilliwack School District and recognize the importance of the engagement of and communication to stakeholders throughout the process.

PROCESS:

Executive staff will work with the Board of Education, as well as assist in creating and leading a consultation process with staff, partners and community, to create a Strategic Plan that has long-range components (vision, mission, values), medium term considerations (objectives and priorities) and short term components (action plans). Performance measures will also be a feature of the plan to enable regular progress reviews.

PRINCIPLES OF PROCESS AND DELIVERABLES:

- Stakeholder perspectives and interests considered, and a community engagement process in which there is a commitment to a collective learning process.
- Emphasis on building relationships, trust and capacity.
- Information shared and communicated broadly and openly.
- Focus on dialogue and conversations aimed at collective learning.
- Commitment to communication.

Chilliwack School District Strategic Planning Process Timeline – September 15, 2020

Board Working Session.

Review of Strategic Planning Timeline, including reviewing our Mission (Why do we exist); Vision (What do we want to achieve in the future); and Key Values. Also, do our values reflect how we behave in the organization - in and out of classrooms?

Consultation and Forums

Consultant to work with the Board on key organization values, and review of Mission statement. Forum with All Leaders - F2F and online, and a forum with parents on the **Question:** What are the most important things our Chilliwack Schools should consider as we work together to prepare our students for their future?

Consultation and Forums

Host 3 separate Family of Schools Forums (groups of students, staff, and admin) to go through a similar process to the forum with DPAC. Also included will be a forum for Indigenous parents/guardians hosted by members of Aboriginal Education Advisory Committee. At each forum, they will add to the existing Exchange as they discuss the question.

Board Consultation

Organize a meeting with the Board of Education and key stakeholders from the community to ask the same questions, with info captured on an Exchange. This will be a valuable conversation for the members of the Board of Education to hear from the community.

Writing of the Plan

We will hire a writer to create documentation based on the final themes and goal areas.

This process will take the month of May as the writer finalizes the plan in consultation with senior staff.



Aug/20

Sep/20

Oct/20

Nov/20

Dec/20

Jan/21

Feb/21

Apr/21

May/21

Jun/21



Thought Exchange Community Question

Initiate a Thought Exchange with "All Leaders," and then open up the Exchange to staff, and finally to parents and community.

Question: As we develop our vision for the future, what do you think are the **core values** that should define the School District and guide our actions?

Consultation and Forums

Host 3 separate Family of Schools Forums (groups of students, staff, and admin) to go through a similar process to the forum with DPAC.

At each forum, they will add to the existing Exchange as they discuss the question.

Thought Exchange Community Question

Initiate a Thought Exchange with staff, parents, and community using the above question - The community will be invited to provide input and engage with "thoughts" provided by others. At the end of Exchange, the data will be themed and available for Board consideration as they engage with the community in Feb.

Analysis of Data and Consultation

Analyze all of the Exchange data from Feb into key themes. The analysis will ascertain if we need to change any of the themes, and goal areas. The collated information will be used and provided back to the community for further feedback with a new Exchange question.

Board Approval of Plan

The strategic plan information that has been provided to the Board of Education at planning meetings will be formally presented to the Board of Education as a recommendation to be approved at its June 15, 2021 meeting.

BOARD OF EDUCATION

DECISION REPORT

DATE: September 15, 2020
TO: Board of Education
FROM: Kirk Savage, Assistant School Superintendent
RE: **DISTRICT PROGRAM – HYBRID MODEL**

RECOMMENDATION:

THAT the Board of Education approve the District Hybrid Program as presented.

BACKGROUND:

See attachment.

PRIORITY: Strengthening meaningful relationships within and across schools, district and community to support success for students.

GOAL: To foster, develop and enhance quality partnerships to improve student experiences and learning outcomes.

ACTION: Develop strategies to encourage blended learning opportunities and personalization.



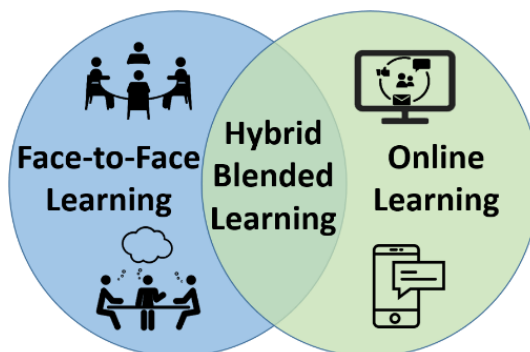
Chilliwack
School District

HYBRID LEARNING
September, 2020

A hybrid learning model is the delivery of BC curriculum through a blend of in person and online learning. This District Program will provide students with in person learning two days per week, and learning from home three days per week.

PHILOSOPHY

- Engagement with curricular competencies integrated with authentic tasks and real-life application.
- Personalization of learning, leading to developing proficiency in Core Competencies.
- Innovative and integrated curriculum
- Programs are site-based, but have consistency across the district



RATIONALE

- In June 2020 we surveyed families to gain an understanding of the interest level in the community for a hybrid learning program. We received 813 responses to the survey with 616 respondents requesting further information.
- We received 276 registrations, enrollment is currently 78.
- A common theme from families was that some students thrived with online learning during the initial provincial response the COVID 19 pandemic. These families have expressed a desire to continue this type of learning while maintaining the important connection to their child's school.

STAFFING

- Unsworth Elementary (K – 5)
 - Jamie Poettcker
- Mount Slesse Middle (6 – 8)
 - Margo Porro
 - Cori Dewiin
- Chilliwack Middle (6 – 8)
 - Brin Gibson

VISIONING/PLANNING

- September 9 ½ day collaborative visioning with teachers.
- September 30 ½ day collaboration
- Ongoing support provided by Michelle Reilly, Distance Learning Coordinator, Sean Wicker, District Principal Distributed Learning, Kim Parker, VP Kwiyeqel

STUDENTS

- The Hybrid Learning Program is available for all students in grades K – 8.
- Current Registrations:
 - K – 5 17 students
 - 6 – 8 61 students

TRANSPORTATION

- Transportation is the responsibility of the parent/guardian.

ONLINE DELIVERY PLATFORMS

- MS Teams
- Moodle
- Fresh Grade



September 14, 2020

**PROCEDURES FOR ESTABLISHING A DISTRICT PROGRAM
(ADMINISTRATION REGULATION 611.1)**

HYBRID LEARNING PROGRAM CHECKLIST

1. The Hybrid Learning Program:

- ✓ Has a clearly articulated philosophy and mission statement.
 - *Engagement with curricular competencies integrated with authentic tasks and real-life application.*
 - *Personalization of learning, leading to developing proficiency in Core Competencies.*
- ✓ Acknowledges parental desire for a hybrid learning model.
 - *In June 2020 we surveyed families to gain an understanding of the interest level in the community for a hybrid learning program. We received 813 responses to the survey with 616 respondents requesting further information.*
- ✓ Fulfills a recognized educational need.
- ✓ Conforms with collective agreements.
 - The CTA was consulted during planning and development in June and July, 2020.
- ✓ Is consistent with Board policy.
- ✓ Is housed in a suitable facility/ies.
 - *Unsworth Elementary School*
 - *Mount Slesse Middle School*
 - *Chilliwack Middle School*
- ✓ Is subject to the normal planning schedule established for the district.
- ✓ Articulates a process for assessing student achievement in relation to MOE outcomes.

2. The initial proposal to proceed with development of a Hybrid Learning model was presented to the board on June 22, 2020. The Board was favorable with moving forward with this program, providing approval in principle.



3. The Superintendent established a Development Team:
 - a. **District:** Kirk Savage, Janet Hall, Sean Wicker, Joanne Britton
 - b. **Middle:** Danielle Wicker, Sharon Bernard, Paula Gosal
 - c. **Elementary:** Janine McCurdy, Brad Johnson, Paula Jordan, Shawna Petersen
4. The Development Team considered the following during their work:
 - ✓ Overview of the hybrid learning program including uniqueness, need and primary objectives.
 - *A common theme from families was that some students thrived with online learning during the initial provincial response the COVID 19 pandemic. These families have expressed a desire to continue this type of learning while maintaining the important connection to their child's school.*
 - ✓ Student, parent, staff and community support.
 - *In June 2020 District staff surveyed families to gain an understanding of the interest level in the community for a hybrid learning program. The District received 813 responses to the survey with 616 respondents requesting further information.*
 - *We received 276 registrations, enrollment is currently 78.*
 - ✓ Staffing, facility and resources:
 - ✓ Consultation with administration and staff at school locations.
 - ✓ Additional financial resources
 - There is minimal additional cost to the district to provide this program.
 - ✓ Staffing
 - One elementary and three middle school teachers have been hired as of September 9, 2020.
 - ✓ Marketing Plan
 - Social Media, website, school newsletters and networks
 - ✓ Catchment area:
 - District wide (no catchment)
 - ✓ Transportation
 - Parents are responsible for transporting their child(ren) to school
 - ✓ Implementation Timeline
 - Fall 2020
5. As per Board Policy 611 District Magnet Schools, Schools of Choice and District Programs, the **Hybrid Learning Program** is presented here as a District Program.

BOARD OF EDUCATION

INFORMATION REPORT

DATE: September 15, 2020

TO: Board of Education

FROM: Rohan Arul-pragasam, Interim Superintendent

RE: **CHILLIWACK SCHOOL DISTRICT RETURN TO SCHOOL PLAN**

Interim Superintendent Rohan Arul-pragasam and the Executive Team will provide an update on the Chilliwack School District Return to School Plan.

BOARD OF EDUCATION

INFORMATION REPORT

DATE: September 15, 2020
TO: Board of Education
FROM: Heather Maahs, Audit Committee Chair
RE: **AUDIT COMMITTEE REPORT**

The Board of Education received the Audit Committee Report of September 3, 2020.

Minutes

Audit Committee Meeting
Sept 3, 2020



Chilliwack
School District

AUDIT COMMITTEE MEETING

Meeting Held Thursday, Sept 3, 2020 – 2:30 p.m.
Remotely – via Zoom

| | | |
|---------------------|---|--|
| Attendance: | Heather Maahs Don Davis Michael Olson | Chair Community Member Community Member |
| Staff: | Rohan Arul-pragasam Gerry Slykhuis Mark Friesen Talana McNally | Interim Superintendent Secretary Treasurer Assistant Secretary Treasurer Executive Assistant (Recorder) |
| Regrets: | Barry Neufeld Dan Coulter | Trustee Trustee |
| Also in Attendance: | Scott Robertson Tim Holloway David Swankey | KPMG KPMG Trustee |

1. CALL TO ORDER

Meeting was called to order at 2:31 p.m.

2. APPROVAL OF AGENDA

Mover: Michael Olson

Second: Don Davis

THAT the agenda be approved as circulated.

CARRIED

3. APPROVAL OF MINUTES

Mover: Don Davis

Second: Michael Olson

THAT the minutes of the May 13, 2020 meeting be approved as circulated.

CARRIED

Don inquired on the final Business Continuity and Disaster Recovery Plan as presented in draft at the May 13, 2020 meeting. Mark Friesen stated he will email the final report to the committee and it will be added for discussion at the next Audit Committee meeting.

Minutes

Audit Committee Meeting
Sept 3, 2020



Chilliwack
School District

4. AUDIT/YEAR-END REVIEW

Tim Holloway and Scott Robertson of KPMG reviewed the Audit Findings Report and Audited Financial Statements for School District 33 (Chilliwack) for the year ended June 30, 2020.

An explanation was provided for each key area of the report presenting the following comments:

- Non-capital deferred contributions – no significant issues
- Tangible capital assets and deferred capital contributions – no significant issues
- School generated funds – no significant issues
- Employee future benefits and salaries – no significant issues

COVID-19 was identified in other matters as an enhanced audit risk; however, no significant issues were identified, no adjustments were necessary, and the District's ability to continue is not a concern.

5. RESERVE SUMMARY

The Assistant Secretary Treasurer reviewed the Reserve Summary as of June 30, 2020, and gave further details of the Unrestricted Surplus and Local Capital. The Unrestricted Surplus has dropped from \$2,208,342 to \$1,969,168 due to a budgeted transfer of \$1,000,000 to Local Capital and at the same time, an unplanned increase to the surplus of \$766,000 as a result of missed spending opportunities caused by the pandemic. The overall reserve balance is \$4,262,500, putting the district at \$737,500 remaining towards the \$5 million commitment to Stitò's Elementary/Middle School.

6. FINANCIAL STATEMENT DISCUSSION & ANALYSIS PAPER

The Secretary Treasurer introduced the Financial Statement Discussion & Analysis paper that will be an annual report to the Board. The report will be posted on the website under Financial Information.

David Swankey suggested that the FSDA also be shared with the Budget Committee for feedback as the stakeholders are the targeted audience.

7. KPMG DISCUSSION WITH BOARD: STAFF EXCUSED

3:47 p.m. – District staff left the Zoom meeting. Trustee and community members were provided an opportunity for discussion with Tim Holloway and Scott Robertson, KPMG.

4:00 p.m. – District staff returned to the Zoom meeting.

8. ADJOURNMENT

The meeting was adjourned at 4:01 p.m.

BOARD OF EDUCATION

INFORMATION REPORT

DATE: September 15, 2020

TO: Board of Education

FROM: Gerry Slykhuis, Secretary Treasurer

RE: TRUSTEE REMUNERATION

BACKGROUND:

Policy 227 states that trustee remuneration will be adjusted annually effective July 1st each year. The adjustment will reflect the Canadian Consumer Price Index (CPI) established for July of each year for the previous 12 months.

CPI for the twelve months ending June 30, 2020 was 0.7% higher. Therefore, trustee remuneration was adjusted effective July 1, 2020 as follows:

| | Previous Rate | New Rate | Total Increase |
|-------------------|---------------|----------|----------------|
| Trustee | \$21,536 | \$21,687 | \$151 |
| Vice Chair | \$22,807 | \$22,967 | \$160 |
| Chair | \$24,380 | \$24,551 | \$171 |

BOARD OF EDUCATION

INFORMATION REPORT

DATE: September 15, 2020

TO: Board of Education

FROM: Rohan Arul-pragasam, Interim Superintendent

RE: ENROLMENT UPDATE

Interim Superintendent Rohan Arul-pragasam will present an enrollment report as of September 14, 2020.

MEETING SUMMARIES

In-Camera Meeting – June 16, 2020

Trustees: Dan Coulter, David Swankey, Darrell Furgason, Heather Maahs, Jared Mumford, Barry Neufeld, Willow Reichelt

Staff: Rohan Arul-pragasam, Gerry Slykhuis, Tamara Ilersich, Donna Vogel

1. HR Report
2. BCPSEA Report
3. Board Working Session: Late August or Early September
4. Assistant Superintendent Hiring
5. CTA Meeting Request
6. Trustee Conduct
7. Motion of Non-Confidence

Special In-Camera Meeting #1 – June 26, 2020

Trustees: Dan Coulter, David Swankey, Darrell Furgason, Heather Maahs, Jared Mumford, Willow Reichelt

Staff: Rohan Arul-pragasam, Mark Friesen, Tamara Ilersich, Donna Vogel

1. Principal Appointment
2. Sale of Ryder Lake Property
3. Principal Vice Principal Appointments

Special In-Camera Meeting #2 – June 26, 2020

Trustees: Dan Coulter, David Swankey, Darrell Furgason, Heather Maahs, Jared Mumford, Willow Reichelt

Staff: Rohan Arul-pragasam, Mark Friesen, Tamara Ilersich, Donna Vogel

1. Resolution Decision Framework

Special In-Camera Meeting – August 21, 2020

Trustees: Dan Coulter, David Swankey, Darrell Furgason, Heather Maahs, Jared Mumford, Barry Neufeld, Willow Reichelt

Staff: Rohan Arul-pragasam, Gerry Slykhuis, Tamara Ilersich, Donna Vogel

1. Resolution Framework