

For the Year Ended June 30, 2023

FINANCIAL STATEMENT DISCUSSION & ANALYSIS

Learning for a Lifetime



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INTRODUCTION

INTRODUCTION

This Financial Statement Discussion and Analysis document should be read in conjunction with the audited financial statements and accompanying notes for School District 43, Coquitlam for the year ended June 30, 2023.

The purpose of this report is to highlight information and provide explanations to enhance the reader's understanding of the school district's audited financial statements and the significant events and factors that influenced the financial results presented in these statements.

This report consists of the following sections:

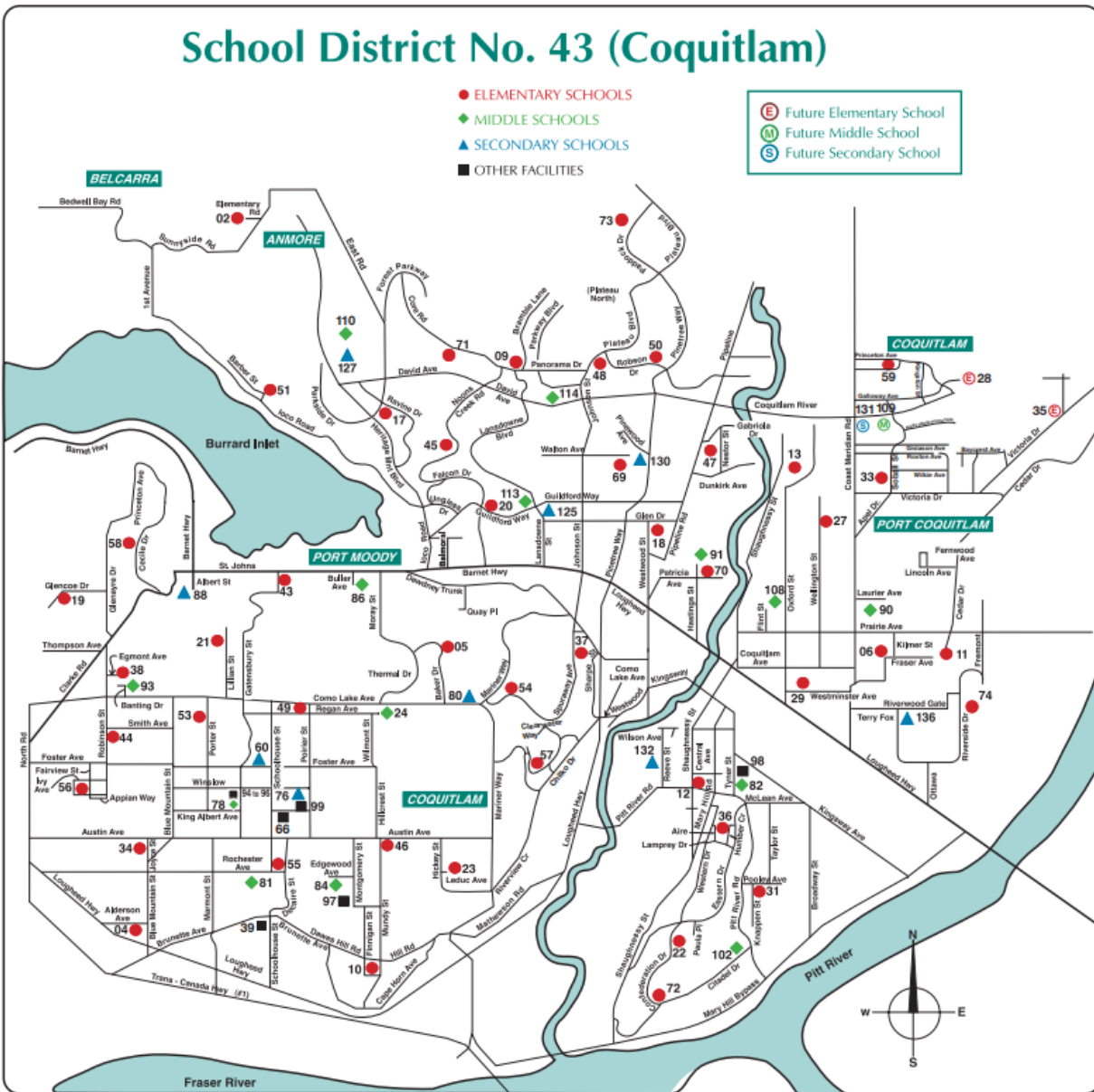
- Introduction: Background information about the school district and the Board's Strategic Plan, Directions 2025
- Highlights: Summary of significant events
- Financials: Summary of the district's financial performance and variance analysis of key performance indicators
- Risk & Uncertainty: Explanation of the district's enterprise risk management framework

A separate document, '*Guide to Financial Statements*', has been developed to assist users of school district financial statements with their understanding of the information provided.



DISTRICT OVERVIEW

As the third largest school district in B.C., SD43 meets the learning needs of approximately 32,000 students of all ages in Coquitlam, Port Coquitlam, Port Moody, Anmore, and Belcarra. The district employs approximately 4,370 employees, including approximately 2,700 teachers.



SD43 provides K-12 education in 47 elementary schools (kindergarten-grade 5), 14 middle schools (grades 6-8), 8 secondary schools (grades 9-12) and 4 alternate education programs. The district delivers a wide range of specialized education programs and services including:

- Indigenous Education
- Alternate Education
- Artists for Kids
- Band and Strings
- Career & Trade Programs
- Community Hubs & Schools
- Core French
- French Immersion
- English for Adult Learners
- Gifted Programs
- International Baccalaureate
- International Education
- Montessori
- Mandarin Bilingual
- Online Learning
- Reggio-influenced Program
- Summer Learning



VISION

Increasing Success in Life for All

MISSION

Our mission is to ensure quality learning opportunities for all students of all ages.

PURPOSE

The Board of Education accepts its responsibility to provide a quality and equitable public education for the success of all learners, within the limits and resources available.



CORE BELIEFS AND PRINCIPLES

The Board of Education believes in:

- Public Education and the need to advocate on its behalf
- Instilling a passion for learning
- Learners as the most important focus
- High quality and equitable learning opportunities
- Innovation, creativity, problem solving, critical thinking and sustainability
- The essential value of District/Community/Global Partnerships
- Safe, inclusive and socially responsible learning communities

The Board of Education is committed to:

- Creating a culture of care and shared responsibility where every learner matters
- Engaging and empowering lifelong learners
- Providing flexible, integrated, diverse, and active learning environments
- Developing shared leadership through innovative, sustainable professional learning

DIRECTIONS 2025

Strategic Goals and Objectives



For more information regarding the *Directions 2025* Strategic Plan, click [here](#).



INTRODUCTION



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Aligning Budget Planning & Resource Allocation with Directions 2025

The District is committed to a model of transparent budget planning and resource allocation that is directly aligned with our strategic vision and goals, *Directions 2025*, established by the Board.

It is a consultative model that coordinates budget planning and resource allocation activities with inclusive stakeholder consultation and feedback. The model includes:

- Articulating *Directions 2025*
- Providing timely and accurate budget information
- Receiving budget input and feedback
- Prioritizing budget requests for the upcoming budget year
- Allocating available resources to best meet requests that align with the vision, goals and objectives
- Communicating the outcomes effectively for transparent accountability

The model will ensure that budget input and resource allocation is connected to and aligned with the *Directions 2025* vision, goals and objectives and drives the district's operational plan for the year.

Budget Process

The *School Act* (Sec 113) requires that school districts submit a balanced budget to the Ministry of Education and Child Care by June 30 each year. SD43 starts the budget process in early January with a formal consultation engagement and completes the process by the end of April with the approval of the preliminary budget. The primary reasons that the SD43 budget must be approved by the end of April are that staffing levels need to be finalized by this date so that schools can be most effectively and efficiently organized and staffed for the following school year and that both teacher and support staff collective agreements stipulate a 60-day notification period to meet commitments as may be necessary.

Budget Implementation, Monitoring, and Reporting

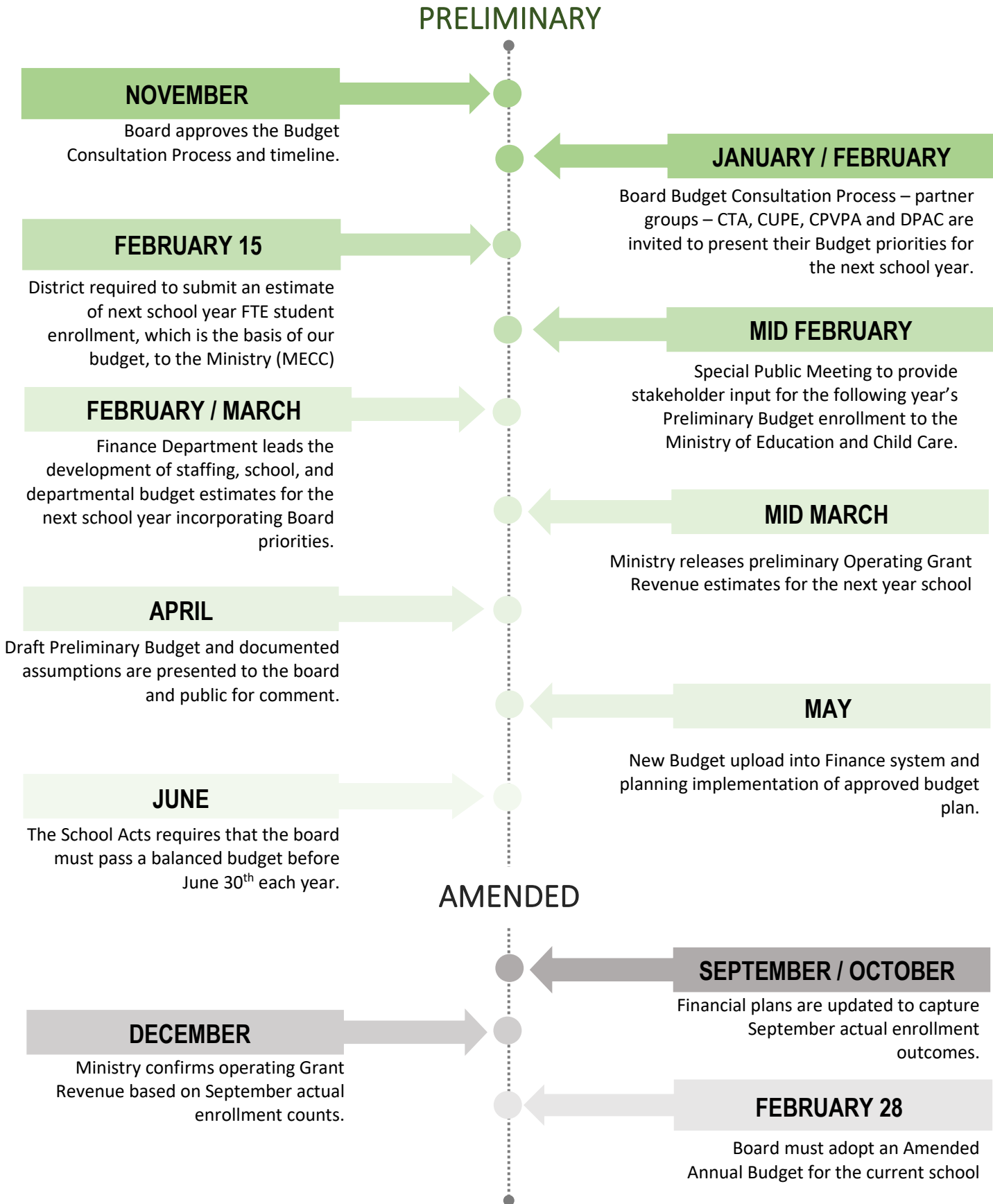
Once the preliminary budget is approved, it is continuously updated for known changes in estimates, updated grant funding, and current information on trends impacting the District's financial operations. These changes are consolidated into the amended budget (required by the Ministry) which requires Board approval and submission by February 28th of the fiscal year.

The District has established administrative procedures and controls with respect to budget implementation and reporting based on best practices. In adherence to these requirements, the Board allows management the appropriate flexibility to make the financial changes necessary to meet the unforeseen operational needs of the district and to fully maximize its financial resources.

Financial updates are presented to the board at least quarterly. These updates include a high-level summary of the budget and actuals-to-date, significant financial variances, or changes from the previous quarter, staffing changes, financial risk elements, and any other information that informs the Board in performing their governance duties. At the end of the fiscal year (June 30), management prepares a financial statement discussion and analysis report (FSD&A) in addition to the annual financial statements. The FSD&A includes detailed explanations on variances between the budget and actual financial results.



Budget Planning Cycle





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FINANCIAL HIGHLIGHTS: CONSOLIDATED SUMMARY

Below are the financial highlights for School District No. 43 Coquitlam’s fiscal year ending June 30, 2023. It includes all three funds (Operating, Special Purpose, and Capital), and the significant events and factors that influenced the financial results.

Overview

All school districts operate under the provincial government, and as such, the largest portion of the school district’s revenues come from the Ministry of Education and Child Care (MECC). For the 2022-23 fiscal year, this amount was \$380.4 million or 85% of our total revenues. Of this amount, \$312.3 million was in the form of an Operating Grant which is based on enrollment, \$14.4 million was in the form of other grants that included \$12.4 million in labour settlement funding related to the collective agreements, and \$53.7 million was in the form of Special Purpose Funds (SPF), targeted funds for specified programs.

The district also supplements its revenues from other sources such as; International Education programs that generated \$22.4 million, facility rentals and lease income provided \$2.6 million, strong investment returns added \$6.1 million, school generated funds of \$13.0 million, federal funding of \$3.3 million, and recognition of deferred capital revenue from the Ministry of \$17.0 million.

Overall, \$357.0 million or 82% of the school district’s expenses are associated with Instruction of students and the balance is administration, operations and maintenance, and student transportation.

The district generated a surplus of \$9.7 million for the year net of transfers between the Operating Fund and the Capital Fund. This surplus will be adjusted for budgeted use of prior year surplus and the revised total will then be restricted per the Accumulated Operating Surplus policy.

Statement of Operations by Fund	Operating	Special Purpose	Capital	Total
Revenue:				
Provincial Grants - MECC Operating	312,293,943	53,701,891	-	365,995,834
Provincial Grants - MECC Other	14,420,487	-	-	14,420,487
Provincial Grants - Other	29,652	200,000	-	229,652
Federal Grants	-	3,333,068	-	3,333,068
Tuition	22,367,161	-	-	22,367,161
Other Revenue	573,428	13,039,003	729,738	14,342,169
Rentals and Leases	2,264,821	-	366,885	2,631,706
Investment Income	4,530,012	-	1,599,395	6,129,407
Amortization of Deferred Capital	-	-	17,002,612	17,002,612
Total Revenue	356,479,504	70,273,962	19,698,630	446,452,096
Expenses:				
Instruction	288,273,607	68,744,009	-	357,017,616
District Administration	15,176,731	16,469	-	15,193,200
Operations and Maintenance	38,921,950	1,471,921	23,292,971	63,686,842
Transportation and Housing	749,354	41,563	-	790,917
Write-off/down of Buildings and Sites	-	-	101,499	101,499
Total Expenses	343,121,642	70,273,962	23,394,470	436,790,074
Surplus/(Deficit) for the Year	13,357,862	-	(3,695,840)	9,662,022
Net Transfers to (from) other funds:				
Capital Assets Purchased	(3,894,265)	-	3,894,265	-
Local Capital	(9,912,732)	-	9,912,732	-
Net Transfers to (from) other funds	(13,806,997)	-	13,806,997	-
Surplus/(Deficit) Including Net Transfers	(449,135)	-	10,111,157	9,662,022



Operating Fund

The actual financial results for the 2022/23 fiscal year are consistent with previous reporting at the end of the 3rd quarter and final year end projections. The factors that contributed to our realized surplus include:

- Higher February and May enrollment-based grant funding than budgeted
- Better than anticipated revenues for International Education due to conservative budgeting practices and confirmation of second semester enrollment
- Higher rental revenues due to increased bookings from community users with this being the first complete year since the Pandemic with no restrictions on school gatherings
- Higher investment income due to higher interest rates
- CUPE, Teacher and Management wage settlements were \$2.5 million higher than anticipated
- Lower salaries for Support Staff and Education Assistant staffing groups due to unfilled vacancies and unpaid leaves
- Higher substitute costs due to coverage required for staff illness, unpaid leaves, temporary coverage of unfilled vacancies and the full year impact of employment standards act with respect to payment of up to 5 sick days for TTOC's and casual staff
- Higher than expected services and supplies expenses incurred by schools and departments

Special Purpose Fund

Special Purpose Funds (SPF) consist of targeted funding allocated to school districts for a specific purpose. SPFs account for 16.09% of the school district's expenses and are made up of approximately 25 different funds. A full description of each of the funds is described in [Appendix A](#).

One of the more significant funds included in the special purpose classification is the Classroom Enhancement Fund (CEF). This fund was originally established in 2017 as an outcome of the restored teacher collective agreement pertaining to the class size and composition language. The funding is provided through a Ministry of Education and Child Care grant to cover related staffing, overhead and remedy costs.

In September of 2022, the Ministry of Education and Child Care provided \$3 million in one-time grant funding to increase food security and address affordability concerns for students and their families. Of this, \$2.5 million was distributed to the schools and \$500k was held at the district level to address overall community needs, such as an allocation of \$20k per month to Share Society to help families to augment food hampers.

Capital Funds

Funding for capital expenditures is sourced primarily through the Ministry of Education and Child Care with incremental funding provided through locally generated capital funds. Over the past few years, there has been a trend requiring school districts to contribute greater amounts towards major capital projects.

One of the more recent capital contribution requirements was towards the funding of Burke Mountain Middle/Secondary. The district was asked to contribute \$25 million towards this project. As of June 2023, the district has fully reserved the required funds in local capital to meet this obligation. This was accomplished through a combination of transfers from the operating fund in prior years, interest earned on local capital funds and planned transfers from the operating fund during the current year of \$3.75 million and lastly, \$3.7 million that came as result of a prior period adjustment eliminating the Environmental Remediation liability that was previously set up but is now provided under Asset Retirement Obligation.

During the year, the district also transferred \$2.25 million from operating to local capital to fund the purchase of 4 portables for enrollment growth and to finish classroom spaces at Centennial Secondary.



ENROLMENT AND STAFFING

As mentioned earlier, the school district operations are funded primarily through the Operating Grant received from the Ministry of Education and Child Care. The Operating Grant is based on student enrolment and includes supplementary funding for students with special needs, English language learners, indigenous education, newcomer refugees, and other grants based on demographic and geographic factors.

Enrolment projections are initially submitted in February and are used to prepare the Preliminary Budget as well as to determine initial staffing levels. The actual enrolment count occurs in September and subsequently is confirmed by the ministry in December. The confirmed enrolment count is then used as the basis for preparing the revised budget, referred to as the Amended budget. There are also two additional counts that occur in February and May, and these are to update funding counts for online learning, continuing education, special needs, and newcomer refugees.

Enrolment

Enrolment Count	Prior Year	Amended	Actual	Actual to Prior Year	Actual to Amended
School Age	30,417.38	31,087.87	31,087.87	670.49	-
Continuing Education	4.75	16.69	26.56	21.81	9.87
Alternate	265.00	241.00	241.00	(24.00)	-
Online	919.56	660.19	665.56	(254.00)	5.37
Adult	144.00	169.56	191.47	47.47	21.91
Newcomer Refugees	44.63	10.00	125.94	81.31	115.94
Summer School	54.50	581.00	581.00	526.50	-
Total	31,849.82	32,766.31	32,919.40	1,069.58	153.09

Enrolment Count	Prior Year	Amended	Actual	Actual to Prior Year	Actual to Amended
Level 1	27.00	28.00	28.00	1.00	-
Level 2	1,368.00	1,456.00	1,478.00	110.00	22.00
Level 3	360.00	343.00	378.00	18.00	35.00
English Language Learning	5,078.00	5,476.00	5,476.00	398.00	-
Indigenous Education	1,263.00	1,232.00	1,232.00	(31.00)	-

School aged enrolment increased by 670.49 FTE compared to the prior year. The enrolment was higher at the standard school levels due to increased immigration levels resulting in unprecedented growth of International Funding Eligible students. These are students who are primarily the children of parents who receive work permits or study permits.

Enrolment in Alternate schools decreased from prior year by 24 FTE mostly due to a reduction in the number of students at Suwa'ikh.

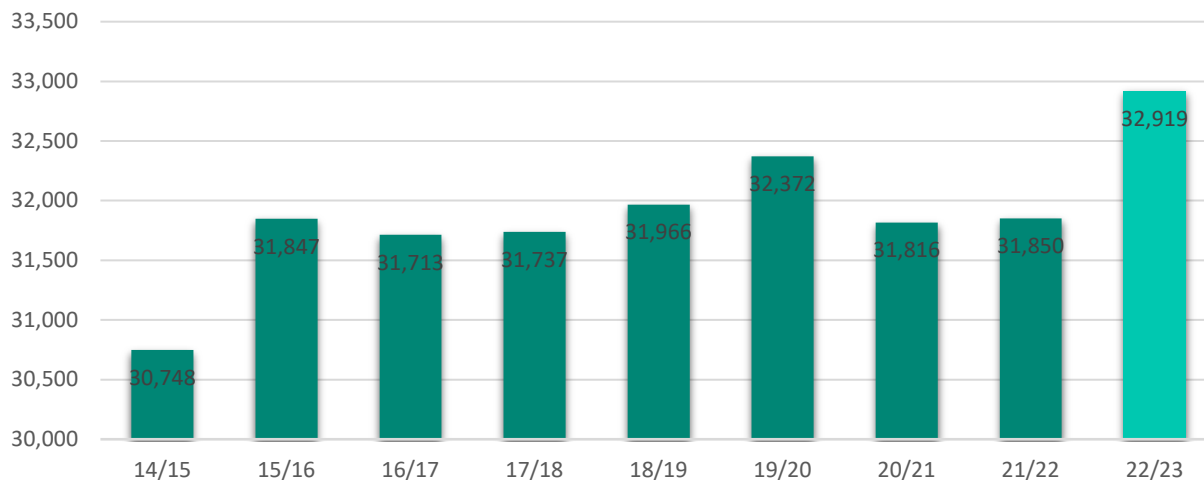
Enrolment in online learning decreased from prior year by 254 FTE as more students returned to their home schools post Pandemic.

The summer learning program increased by 526.50 FTE in comparison to last year, recovering to normal levels since the Pandemic. High school students were able to take face to face classes again instead of doing them online through the Fast Track program.

Students with designations are up significantly in all levels and English Language learners are up 398 FTE from prior year corresponding to the increase in International Education Funding eligible students mentioned earlier. Refer to [Appendix B](#) for complete details of student enrolment and MECC funding.

Overall, enrolment has surpassed pre-pandemic levels. This is a direct result of stronger immigration levels in the Metro-region, growth within the district, and in-person summer learning classes returning to normal.

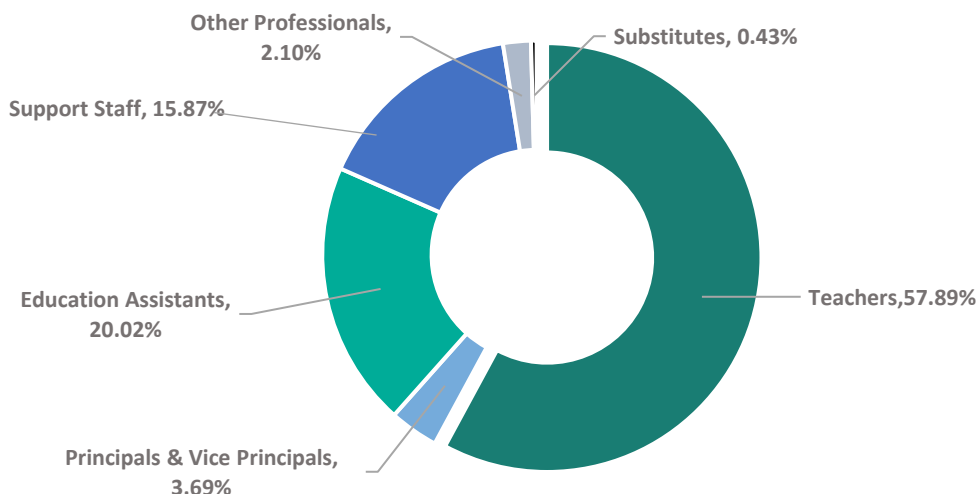
The graph below illustrates the district’s annual FTE enrolment since 2014-15.



Staffing

Student enrolment not only determines the grant funding, but it is also the main driver for teacher and educational assistant staffing levels. Staffing levels are adjusted predominantly in September, when classrooms are being organized based on actual student counts, class size and composition requirements.

Staffing is the largest component of the operating expense for the school district. The district has 3,524.66 full-time equivalent (FTE) employment positions, which is different than total headcount of employees (FTE number includes many part-time positions which are less than 1.0 FTE). The graph below illustrates the district’s percentage of staffing by payroll category for the 2022/23 fiscal year.





The steady increase in staffing since 2015/16 aligns with the FTE enrolment over the same time frame. The more recent plateau in staffing is reflective of the pandemic’s impact on enrolment since 2019/20.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Teachers	1,790.99	1,824.06	1,976.69	2,016.17	2,046.88	2,029.41	2,011.61	2,040.41
Principals & VP's	112.00	115.00	125.00	127.00	127.00	127.00	128.00	130.00
Educational Assistants	457.97	487.35	535.54	625.44	644.64	654.39	680.72	705.79
Support Staff	503.83	508.85	541.97	555.84	552.13	575.03	570.46	559.46
Other Professionals	55.50	59.10	71.00	74.00	74.00	74.00	74.00	74.00
Substitutes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.00
Total All Staff	2,920.29	2,994.36	3,250.20	3,398.45	3,444.65	3,459.83	3,464.79	3,524.66



The increase in Teacher staffing was directly related to the increased student enrolment. While much of the enrolment increase was due to the increase in immigration levels, there was also increased enrolment in our tuition based International Education Program. Teacher staffing for these students is not funded by the Ministry, which means all incremental staffing associated with these students must be self-funded through the tuition revenues received.

The increase in Educational Assistants was driven by an increase in students with Special Needs, primarily in the Level 2 category, which typically requires a higher ratio of teachers to students.

The district also added 15 permanent Teachers Teaching on Call (TTOC’s) which is reflected in the Substitutes category. The addition of these permanent positions was to address the staffing challenges experienced in filling the teacher absences due to the significant TTOC shortages.

It is worth noting that Teachers, Principals and Vice-Principals, Educational Assistants and Substitutes comprise 82.03% of all district staff. These positions are most directly involved with students and therefore the district works to ensure they are effectively staffed. The district strives to ensure that all staffing groups are properly staffed so that it is able to better realize its strategic goals and objectives; achieve student success, ensure success for all learners, and ensures a financially stable organization.





OTHER HIGHLIGHTS

Asset Retirement Obligation (ARO)

The Public Sector Accounting Standards Board issued a new standard on how to account and report liability for asset retirement obligations. The standard applies to fiscal years beginning on or after April 1, 2022.

The standard defines an ARO as the legal obligation associated with the retirement of a tangible capital asset primarily associated with the removal and disposal of deemed hazardous materials, such as asbestos and lead containing paints. The application of this standard has no impact on the operating accounts of the school district and minimal impact on the capital accounts going forward. Most of the assets that were identified as having an asset retirement obligation have been fully amortized.

The standard has been applied retroactively and as a result, the financial statements for the fiscal year ending June 30, 2022, have been restated and notes to the financial statements updated to include this new standard. Per the Ministry of Education and Child Care guidelines, the ARO has been reflected as an addition to the Capital asset with corresponding recognition of the liability and the accumulated depreciation recognized against the Capital surplus account. The financial impact of this adopted standard is \$10.4 million with approx. 92% of the estimated costs associated with asbestos removal and disposal.

Prior to the guidelines provided by the Ministry on the recording of ARO, the school district had made provisions for this liability under future environmental remediation costs. Since the ARO liability is now being funded from the Capital surplus account, the existing environmental remediation liability of \$3.7 million is no longer required and has been reversed as a prior period adjustment to the Operating surplus account. This increase in surplus was then repurposed and transferred to Local Capital to meet the remaining contribution required for Burke Mountain Middle/Secondary.

SD43 Education Foundation

The SD43 Education Foundation, is an independent registered charitable organization incorporated under the BC Societies Act on September 17, 2019, and was established to supplement the outstanding educational programs delivered through the Coquitlam school district.

Its goal is to appeal to the community in attracting donations and expanding on SD43's charitable status for tax receipting. It has a strong governance and legal structure that can support and enrich SD43 programs beyond Ministry grant funding limitations.

Its purpose is to provide the following:

1. Advance SD43 education initiatives by providing grants and general support to the Board.
2. Support extra-curricular activities, programs, and projects for SD43 students.
3. Provide scholarships and prizes to SD43 students.

The Foundation will continue to provide funding support to enrich educational programs and initiatives and directly support students whereby fostering a positive impact on their education and well-being.

Post Retirement Group Benefits (PRGB) – Plan Curtailment

As part of the agreement to transition active NTPP members to the MPP effective January 1, 2018, SD43 entered into an agreement with CUPE Local 561 to guarantee benefit coverage for those that retired under the legacy Non-Teaching Pension Plan and continue a 40% subsidy level for 15 years ending on December 31, 2032. Subsequently, the Board announced that effective January 1, 2033, the 40% subsidy for dental benefits would end (see *Note 9.b – Employee Future Benefits*, Post-Retirement Health, and Dental Benefits).



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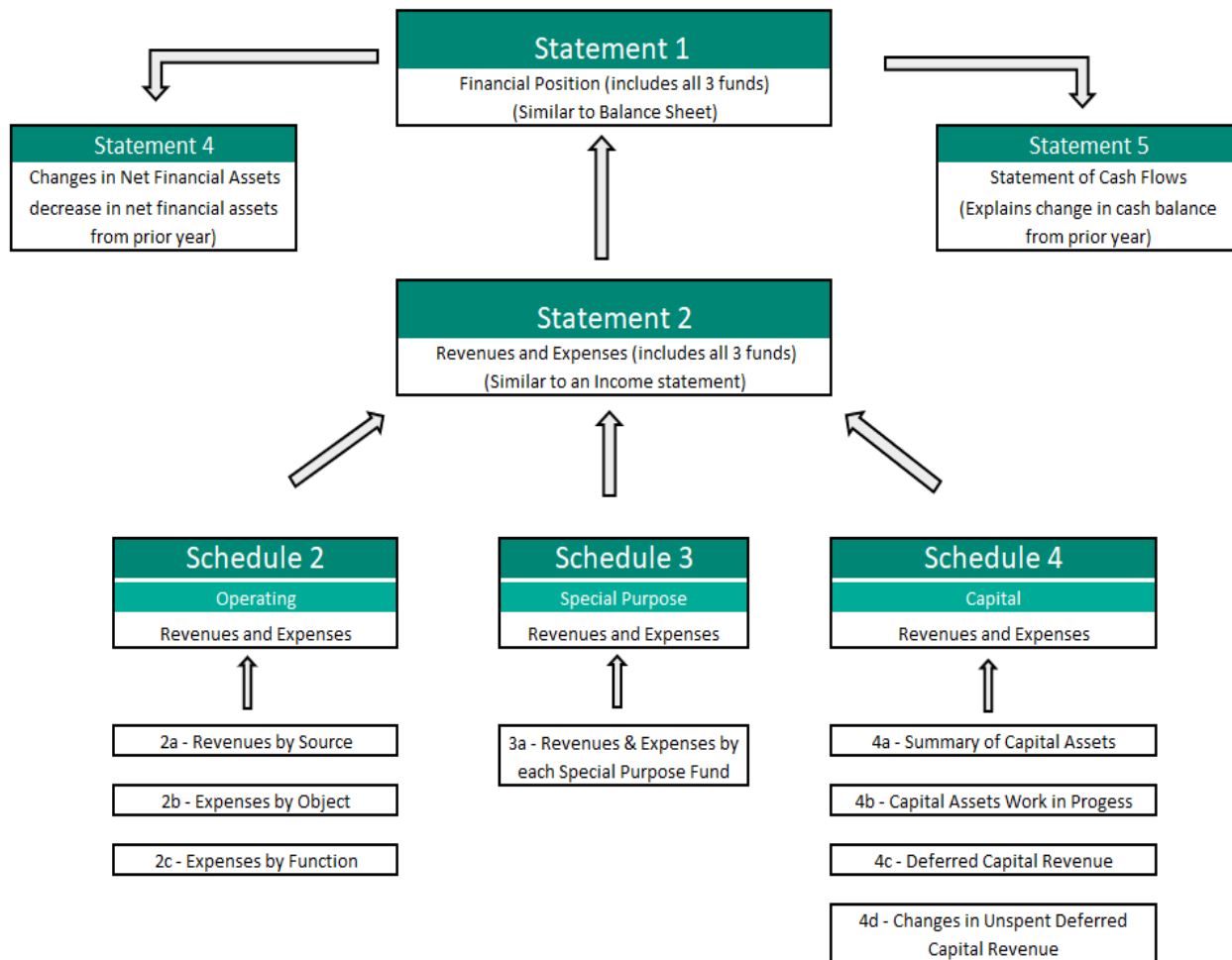
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FINANCIAL STATEMENT REPORTING

As a government organization, school districts across the province must prepare their financial statements under the Canadian Public Sector Accounting Standards (PSAS) framework. The financial statements have been prepared by management in accordance with 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.

The financial statements are comprised of multiple statements and notes to the financial statements (including a summary of significant accounting policies) which are audited each year. It also includes several unaudited schedules which support the information presented in the audited statements. The diagram below provides an overview of how the schedules flow into the statements that comprise the annual audited financial statements.



The financial statements also include comparative columns for budget and prior year amounts. Since our vision and strategic goals shape the district’s budget and where financial resources are allocated, the Financial Statement Discussion and Analysis includes a variance analysis of both budget-to-actual and prior year-to-actual comparisons. Given the magnitude of information included within the financial statements, only the largest and most significant variances are explained.

Please note the Financial Statement Discussion and Analysis (FSD&A) is intended to be read in conjunction with the Audited Financial Statements for the year ended June 30, 2023.

STATEMENT OF FINANCIAL POSITION: STATEMENT 1

The following table compares the school district's net financial position for the fiscal years ended June 30, 2023, and June 30, 2022, with the more significant year over year changes discussed below.

Statement 1	June 30, 2022, Balance	June 30, 2023, Balance	\$ Variance	% Variance
			Higher/ (Lower)	
Financial Assets				
Cash and Cash Equivalents	159,028,312	115,303,799	(43,724,513)	(27.49%)
Accounts Receivable				
Due from Ministry of Education and Childcare	1,615,073	1,230,970	(384,103)	(23.78%)
Other	7,309,620	8,355,660	1,046,040	14.31%
Portfolio Investments	40,000,000	95,000,000	55,000,000	137.50%
Total Financial Assets	207,953,005	219,890,429	11,937,424	5.74%
Liabilities				
Accounts Payable & Accrued Liabilities	39,818,946	40,905,310	1,086,364	2.73%
Unearned Revenue	18,425,772	21,882,995	3,457,223	18.76%
Deferred Revenue	12,734,314	13,274,070	539,756	4.24%
Deferred Capital Revenue	482,021,752	491,983,171	9,961,419	2.07%
Employee Future Benefits (EFB)	46,233,766	47,089,709	855,943	1.85%
Asset Retirement Obligations	10,376,581	10,312,567	(64,014)	(0.62%)
Capital Lease Obligations	1,119,113	-	(1,119,113)	(100.00%)
Other Liabilities	6,389,890	7,436,290	1,046,400	16.38%
Total Liabilities	617,120,134	632,884,112	15,763,978	2.55%
Net Debt	(409,167,129)	(412,993,683)	3,826,554	0.94%
Non-Financial Assets				
Tangible Capital Assets	639,202,509	652,374,160	13,171,651	2.06%
Prepaid Expenses	478,533	795,458	316,925	66.23%
Total Non-Financial Assets	639,681,042	653,169,618	13,488,576	2.11%
Accumulated Surplus - Capital	202,267,849	212,379,006	10,111,157	5.00%
Accumulated Surplus - Operations	28,246,064	27,796,929	(449,135)	(1.59%)
Total Accumulated Surplus (Deficit)	230,513,913	240,175,935	9,662,022	4.19%

Cash (including cash held in the Central Deposit Program (CDP)) decreased by \$43.7 million year as the district continued to proactively move funds into short and long-term higher interest rate investments as an alternative to the CDP offered by the Provincial Treasury.

Cash assets year over year is categorized as follows.

(\$ millions)	June 30, 2022, Balance	June 30, 2023, Balance	\$ Variance
Cash in Bank	27.4	47.4	20.0
CDP Investment Program	131.6	67.9	(63.7)
Short Term Investments	20.0	35.0	15.0
Long Term Investments	20.0	60.0	40.0
Total Cash Assets	199.0	210.3	11.3



Cash held in the bank for current operational needs totals \$47.4 million. The largest balance of \$67.9 million is held within the Central Deposit Program (CDP) by the Ministry of Finance and is available within 3 days. These deposits earn interest at 5.45% (as of June 30, 2023), an increase from 2.2% (July 1, 2022).

These cash assets are required to fulfill the following current financial liability obligations:

(\$ millions)	June 30, 2022, Balance	June 30, 2023, Balance	\$ Variance
Accounts Payable	13.1	10.6	(2.5)
Salary, Taxes & Benefits Payable	26.7	30.3	3.6
EFB – Post Retirement Group Benefits	8.3	8.1	(0.2)
EFB – Post Employment Benefits	37.9	39.0	1.1
EFB - Vacation Liability	6.1	7.0	0.9
Unearned Revenues (International Education)	18.4	21.9	3.5
Capital Reserve Accounts (Restricted)	53.9	60.7	6.8
Misc. Liabilities (net of assets)	6.4	4.9	(1.5)
Total Payment Obligations	170.8	182.5	11.7

* Tangible capital assets and deferred revenues are considered long-term and have not been omitted.

The difference between the cash assets and the liabilities is reflected as the accumulated surplus:

(\$ millions)	June 30, 2022, Balance	June 30, 2023, Balance	\$ Variance
Total Cash Assets	199.0	210.3	11.3
Total Payment Obligations	170.8	182.5	11.7
Accumulated Surplus	28.2	27.8	(0.4)

Accounts Receivable includes interest income earned on cash and investments but not yet received. The interest receivable increased from prior year due the Bank of Canada raising interest rates numerous times throughout the fiscal year. The district actively invests excess funds in the Ministry’s central deposit program and has also locked in higher interest rates in guaranteed term deposits.

Portfolio Investments includes ownership in stocks, bonds, and other financial assets. The district has built a conservative portfolio of investments to increase investment revenues. The annual rate of return for 2022/23 was 1.63% to 5.55% for short term and 5.25% to 5.98% for long term GIC’s respectively.

Unearned Revenue represents International Education Tuition Fees collected in advance for the 2022/23 school year. This will be recognized and recorded as revenue over the course of the next fiscal year (2023/24). The 2022/23 balance is \$3.5 million higher due to increase in registrations.

Deferred Capital Revenue relates to funding received and spent on capital projects. As required by Treasury Board regulations, funding for capital projects is recognized as revenues over the expected useful life (amortization) of the asset purchased. Deferred capital revenue increases by any provincial grant funding received and is reduced by the annual recognition of capital revenue over the life of the capital project. Deferred Capital revenue increased by \$10 million because of many new and ongoing capital projects (primarily related to schools that are under construction).

Employee Future Benefits Liability represents estimated future cost to the district to provide employees benefits such as vested sick leave, retirement/severance, vacation, overtime, death benefits, and remaining NTPP post-retirement health and dental benefits. Employee Future Benefits increased by \$855,943 primarily because a) \$1.114 million increase in liabilities associated with recognizing ongoing future costs of sick leave and early retirement obligations, and b) \$258,000 decrease in liabilities for post-retirement group benefits for NTPP retirees.



Asset Retirement Obligations represents the liability for the legal obligation associated with the retirement of a tangible capital asset primarily associated with the removal and disposal of deemed hazardous materials, such as asbestos and lead containing paints. Note: This is the first year of reporting this on the financial statements as the accounting standard applies to fiscal years beginning on or after April 1, 2022.

Capital Lease Obligations correspond to assets purchased under a lease that depreciate and incur interest over their useful life. At the end of the lease term the district will have the option to purchase these assets for below fair market value (a “bargain” purchase). The balance decreased by \$1.1 million as the district bought out the lease obligations.

Tangible Capital Assets represents the net balance of tangible capital assets less accumulated amortization. The district carries out various capital projects and purchases capital assets throughout the year including upgrades, additions, building of new schools and replacing old schools. Current year additions include the preliminary capitalization of the Education Learning Centre (ELC) and the final capitalization of Moody Middle School and Panorama Heights Elementary School. Also included in the additions are computer hardware, equipment and other minor capital projects and purchases.

Funds spent on these items are capitalized as Tangible Capital Assets. Net Tangible Capital Assets increased by \$13.2 million which is reflected in the deferred capital revenue balance.

Tangible Capital Assets	June 30, 2022, Balance	Additions	Disposals	Transfers (WIP)	June 30, 2023, Balance
Sites	112,496,185	-	-	-	112,496,185
Buildings	737,527,962	4,490,924	(109,728)	36,845,088	778,754,246
Buildings WIP	81,611,689	24,206,792	-	(36,845,088)	68,973,393
Furniture & Equipment	10,990,888	598,845	(620,576)	1,978,257	12,947,414
Furniture & Equipment WIP	-	1,978,257	-	(1,978,257)	-
Vehicles	1,554,227	-	-	-	1,554,227
Computer Hardware	18,282,788	5,117,333	(4,547,632)	-	18,852,489
Total	962,463,739	36,392,151	(5,277,936)	-	993,577,954

The cost of these assets is recognized over their expected useful lives through the recording of amortization expense, outlined in the table below.

Accumulated Amortization	June 30, 2022, Balance	Additions	Disposals	June 30, 2023, Balance
Sites	-	-	-	-
Buildings	308,981,841	17,650,517	(8,229)	326,624,129
Furniture & Equipment	3,942,776	1,227,947	(620,576)	4,550,147
Vehicles	587,803	155,424	-	743,227
Computer Hardware	9,748,810	4,085,113	(4,547,632)	9,286,291
Total	323,261,230	23,119,001	(5,176,437)	341,203,794

The net total of tangible capital assets and accumulated amortization make up the balance sheet amounts on *Statement 1* of the financial statements:

Net Tangible Capital Assets	June 30, 2022, Balance	Additions	Disposals	June 30, 2023, Balance
Total	639,202,509	13,273,150	(101,499)	652,374,160





STATEMENT OF OPERATIONS: STATEMENT 2

As required by Public Sector Accounting Standards (PSAS) and the Ministry of Education and Child Care, the school district reports revenues and expenses under three separate funds: the operating fund, the special purpose fund, and the capital fund. The consolidated revenues and expenses from these three funds are captured in *Statement 2 (Statement of Operations)*, of the audited financial statements. As an outcome, the districts financial performance can only be fully understood by reviewing each fund separately. A description of each of the funds is provided below along with the Statement of Operations.

OPERATING FUND: The operating fund includes Ministry grants and other revenues used to fund instructional programs, school and district administration, facilities operations, maintenance, and transportation.

SPECIAL PURPOSE FUND: The special purpose fund includes separate, identifiable funds designed for a specific use or program. These funds are received from the Ministry and other sources with restrictions on how these funds may be spent.

CAPITAL FUND: The capital fund includes a combination of Ministry capital grants, locally generated funds, and school site acquisition charges collected from developers through local municipalities. These funds are used for facility operations including construction, enhancement, maintenance of buildings and fields, infrastructure, and land purchases for future school development.

Statement 2	Prior Year	Amended	Actual	Actual vs Prior Year	Actual vs Amended
				Higher/ (Lower)	
Revenue:					
Provincial Grants	353,016,647	366,607,434	380,645,973	27,629,326	14,038,539
Federal Grants	3,211,317	3,319,117	3,333,068	121,751	13,951
Tuition	19,413,942	16,849,620	22,367,161	2,953,219	5,517,541
Other Revenue	10,404,004	14,159,429	14,342,169	3,938,165	182,740
Rentals and Leases	2,356,481	2,408,296	2,631,706	275,225	223,410
Investment Income	1,939,734	3,132,392	6,129,407	4,189,673	2,997,015
Amortization of Deferred Capital	15,579,421	17,250,000	17,002,612	1,423,191	(247,388)
Total Revenue	405,921,546	423,726,288	446,452,096	40,530,550	22,725,808
Expenses:					
Instruction	328,051,001	354,523,081	357,017,616	28,966,615	2,494,535
District Administration	11,202,465	16,857,343	15,193,200	3,990,735	(1,664,143)
Operations and Maintenance	60,423,916	64,862,519	63,686,842	3,262,926	(1,175,675)
Transportation and Housing	575,978	730,201	790,917	214,939	60,716
Write-off/down of Buildings and Sites	-	-	101,499	101,499	101,499
Total Expenses	400,253,360	436,973,144	436,790,074	36,536,714	(183,070)
Surplus/(Deficit) for the Year	5,668,186	(13,246,856)	9,662,022	3,993,836	22,908,878

OPERATING FUND: SCHEDULE 2

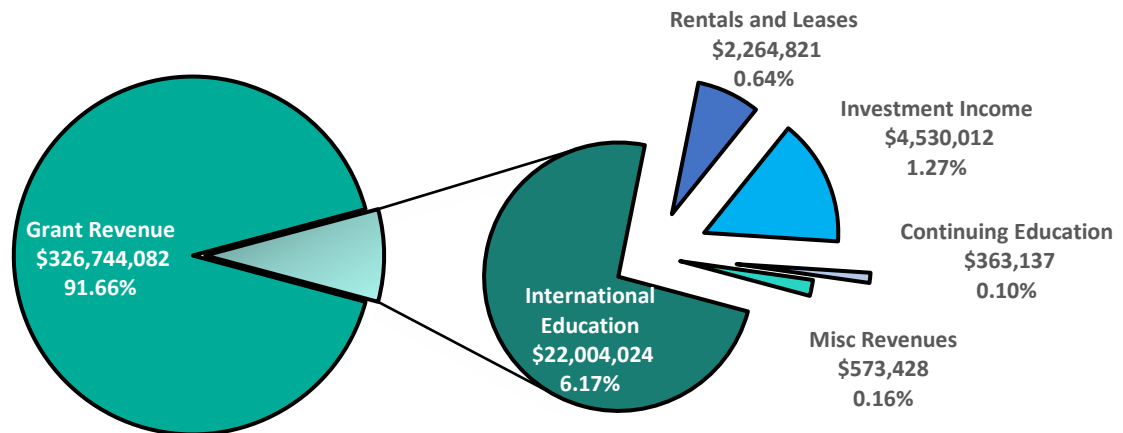
This statement reflects the day-to-day operations of the district. The following schedule compares the results for the period ending June 30, 2023, to the amended budget and the prior year results.

Schedule 2	Prior Year	Amended	Actual	Actual vs Prior Year	Actual vs Amended
				Higher/(Lower)	
REVENUE:					
Provincial Grants - MECC Operating	303,995,261	311,216,802	312,291,943	8,296,682	1,075,141
Provincial Grants - MECC Other	2,243,214	2,582,986	14,422,487	12,179,273	11,839,501
Provincial Grants - Other	51,072	-	29,652	(21,420)	29,652
Federal Grants	-	19,072	-	-	(19,072)
Tuition	19,413,942	16,849,620	22,367,161	2,953,219	5,517,541
Other Revenue	1,218,328	529,778	573,428	(644,900)	43,650
Rentals and Leases	2,007,068	2,058,296	2,264,821	257,753	206,525
Investment Income	1,528,644	2,132,392	4,530,012	3,001,368	2,397,620
Total Operating Revenue	330,457,529	335,388,946	356,479,504	26,021,975	21,090,558
EXPENSES:					
Salaries					
Teachers	147,148,259	154,960,111	154,642,010	7,493,751	(318,101)
Principals and Vice Principals	17,356,933	18,415,436	17,958,003	601,070	(457,433)
Educational Assistants	21,576,850	24,447,542	22,832,549	1,255,699	(1,614,993)
Support Staff	26,800,176	29,732,870	26,946,382	146,206	(2,786,488)
Other Professionals	7,583,208	7,757,481	8,055,225	472,017	297,744
Substitutes	12,320,123	11,149,601	14,164,550	1,844,427	3,014,949
Total Salaries	232,785,549	246,463,041	244,598,719	11,813,170	(1,864,322)
Employee Benefits	61,187,035	67,317,616	67,323,820	6,136,785	6,204
Total Salaries and Benefits	293,972,584	313,780,657	311,922,539	17,949,955	(1,858,118)
SERVICES AND SUPPLIES:					
Services	8,194,431	8,624,448	8,396,405	201,974	(228,043)
Student Transportation	485,051	633,384	694,455	209,404	61,071
Professional Dev and Travel	1,421,524	2,324,220	1,765,300	343,776	(558,920)
Rentals and Leases	327,441	429,898	251,568	(75,873)	(178,330)
Dues and Fees	1,344,608	759,089	1,704,114	359,506	945,025
Insurance	1,371,017	1,391,399	1,669,803	298,786	278,404
Supplies	7,586,800	9,975,635	10,742,390	3,155,590	766,755
Utilities	5,388,746	6,117,072	5,975,068	586,322	(142,004)
Total Services and Supplies	26,119,618	30,255,145	31,199,103	5,079,485	943,958
Total Operating Expenses	320,092,202	344,035,802	343,121,642	23,029,440	(914,160)
Total Operating Surplus (Deficit)	10,365,327	(8,646,856)	13,357,862	2,992,535	22,004,718
Budget Appropriation	-	17,146,856	-	-	(17,146,856)
Net Transfers to (from) other funds:					
Capital Assets Purchased	(3,433,647)	(2,500,000)	(3,894,265)	(460,618)	(1,394,265)
Local Capital	(6,075,773)	(6,000,000)	(9,912,732)	(3,836,959)	(3,912,732)
Net Transfers to (from) other funds	(9,509,420)	(8,500,000)	(13,806,997)	(4,297,577)	(5,306,997)
Surplus (Deficit) Including Net Transfers	855,907	-	(449,135)	(1,305,042)	(449,135)



Revenues – Schedule 2A

91.66% of the school district’s operating revenue was in the form of an Operating Grant from the Provincial government, which is based on enrolment levels, student categories, and geographical factors. 6.17% of overall revenue was generated from International Education programs, and the balance of 2.17% was made up of other revenue streams such as facility rental and lease income, investment income and continuing education.



Provincial Grant Revenues

Grant revenues were \$20.5 million higher than last year due to the \$12.4 million in funding received for labour settlements for Teacher and CUPE contractual agreements, and \$8.6 million increase in enrollment-based funding, offset by a slight decrease in supplemental funding of \$329,445 primarily related to salary differential funding and lower enrolment in Graduated adult courses of \$245,760.

Grant revenues were \$12.9 million higher than amended budget due to the \$12.4 million in funding received for labour settlements for Teacher and CUPE contractual agreements, \$1.1 million increase in enrollment-based funding, offset by lower enrolment in Graduated adult courses of \$583,717.

See [Appendix B](#) for complete enrolment and operating grant details.

Continuing Education

Continuing Education revenues were \$89,330 higher than last year and \$96,791 above amended budget resulting from increased enrolment in the business careers and job skills program and summer tuition-based credit programs from international students.

International Education Revenues

International Education revenues were \$2.864 million higher than last year due to increased enrolment as the International Education department continued to focus on rebuilding the program by marketing it to a wider base of international students to create long term sustainability. Student enrolment increased by 125 FTE students, or 11.5%, in the regular international program compared to the previous year.

International Education revenues were \$5.421 million higher than budget due to conservative forecasting of second semester enrolment, which is generally not confirmed until February, after the amended budget has been finalized. Final enrollment revenues in the regular program finished at 1,206 FTE, well above the budgeted amount of 940 FTE.

Rentals and Leases

Facility Rentals, childcare space rentals and other rental revenues were \$257,753 higher than last year and \$206,525 higher than amended budget. The increase is due to more bookings from community users as this has been the first complete year since the Pandemic where there are no restrictions on school gatherings and community use of school facilities.

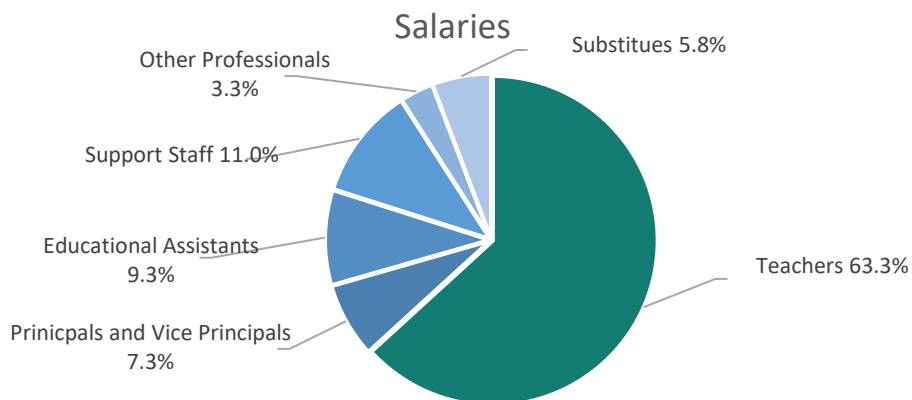
Investment Income

Investment income was substantially higher than last year by \$3.0 million due to increased interest rates. The Bank of Canada has raised its benchmark interest rate numerous times throughout the fiscal year, from 1.50% on July 1st, 2022, to 4.75% on June 30th, 2023, to offset severe inflation in the aftermath of the pandemic. The increase also impacted the interest rate the school district received on the provincially based Central Deposit Portal (CDP) deposits from a rate of 2.22 % on July 1st, 2022, to 5.45 % on June 30th, 2023.

Investment income was \$2.4 million higher than conservatively forecasted in the amended budget combined with a shift in the investment strategy by moving a portion of the investments from the CDP to higher yielding GIC’s with various institutions.

Salaries and Benefits Expenses – Schedule 2B

The largest component of the district’s operating expenses is associated with salaries and benefits. This makes up 90.9% of total operating expenses. The diagram below provides a percentage breakdown of staffing costs for each salary group. This information is derived from *Schedule 2B* of the financial statements. Overall, the district spent \$17.949 million more on salaries and benefits this year than the prior year, and \$1.858 million less than was budgeted.



Teachers

Teacher salary expenses were \$7.5 million higher than last year due to a combination of contractual wage increments effective July 1, 2022 (3.24% plus a \$427 grid a step increment), and an increase in staffing of 7.6 FTE related to increased enrolment levels. Teacher salary expense was \$318,101 below budget due to some unpaid days taken by staff during the year.

Principals and Vice Principals

Principal and Vice Principal salaries were \$601,070 higher than last year because of budgeted wage and step increases, and the addition of one principal position (.85 FTE) added for Careers, Trades and Transition Program. Actual expenses were \$457,433 lower than budget due to the timing of hiring a vacant position in the International Education department and the unexpected funding received from the ministry for wage increments.



Education Assistants

Actual expenses were \$1.3 million higher than last year due to a \$.25/ hour + 3.24% contractual wage increase effective July 1, 2022, and the following FTE additions:

- 16.0 EA's
- 3 temporary Youth Workers
- 7 temporary EA positions funded through in-year salary savings

Salaries came in \$1.6 million under budget primarily due to unfilled vacancies, temporary vacancies from staffing changes/turnover, and unpaid leaves. These salary savings were partially offset by additional in lieu of benefits and vacation payouts for casuals in temporary assignments.

Support Staff

Actual expenses were \$146,206 higher than last year due to a \$.25/hour and 3.24% contractual wage increase effective July 1, 2022, and the following FTE changes:

- 10.0 reduction in caretakers funded from Safe Return to Schools
- 2.0 unfilled custodial positions resulting from the delayed completion of Coast Salish Elementary
- 1.0 addition in district clerical

Support Staff salaries finished \$2.8 million under budget primarily due to unfilled vacancies (mainly in maintenance positions, HVAC, carpentry, IT), temporary vacancies occurring from staffing changes/turnover, and unpaid leaves. These salary savings were partially offset by additional in lieu of benefits and vacation payouts for casuals in temporary assignments as well as extra/overtime and shift differentials paid to regular staff.

Other Professionals

Actual expenses were \$472,017 higher than last year due to salary and step increments and the addition of one excluded position. Actual costs were \$297,744 higher than budget due to the reallocation of capital project managers salaries to the operating fund due to insufficient funding provided within the capital budget offset by some vacancies in the Finance and Facilities departments.

Substitutes

Actual expenses were \$1.84 million higher than the prior year and \$3.01 million higher than budget due to higher staff absenteeism due to illness, unpaid leave coverage, temporary coverage during staff turnover, full year impact of changes to the Employment Standards Act (ESA) to provide up to 5 sick days to TTOC's and Casual employees, and contractual wage increments applicable for TTOC's and support staff, and supplementary costs associated with converting the equivalent of 15 substitute positions into permanent TTOC's positions to mitigate shortages of substitutes.

Benefits

Actual employee benefits were \$6.1 million higher than last year due to increase of \$1.4 million in extended health and dental premiums, \$1.1 million increase in pension payments, \$1.9 million in CPP and EI rate increases, \$1.0 million in work safe and employer health tax payments, \$0.7 million increase in vacation liability. Many of these increments were directly related to contractual wage increments and increase in benefits directly related to increase in staff.

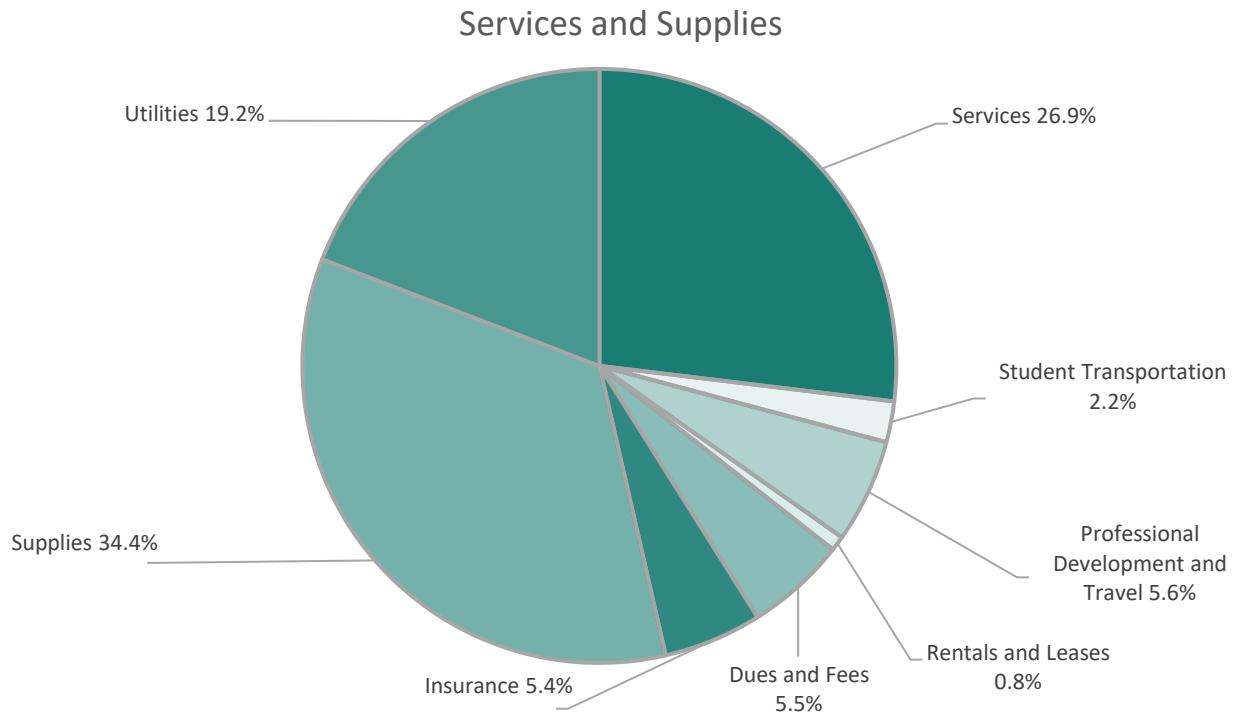
Actual expenses were in alignment with budget with only a minimal variance of \$6,204 above budget.





Services and Supplies – Schedule 2B

The remaining balance of 9.1% of the districts operating expenditures is spent on supplies and services. The diagram below provides a percentage breakdown of the services and supplies costs for each expense grouping which are derived from *Schedule 2B* of the financial statements. Overall, the district spent \$5.08 million more this year than the prior year and \$943,958 more than budget.



Services

Service expenses were \$201,974 more than last year, due to higher professional and contracting for the Information Services and Maintenance departments due to inflation, higher snow removal costs and higher marketing costs for the International Education Program. Actual expenses were \$228,043 below budget due to lower expenditures in advertising costs and lower contract services expenditures for the maintenance department.

Student transportation

Student transportation expenses were \$209,404 higher than last year due to increased fuel surcharges and additional bussing of students to Irvine Elementary due to delayed opening of Coast Salish Elementary. Transportation expenses were \$61,071 higher than budget due to increased fuel surcharges.

Professional development

Professional development expenses were \$343,776 higher than last year due to increased participation in face-to-face conferences and training opportunities and more travel related to rebuilding the International Education program. Actual Expenses were \$558,920 lower than budget as many professional development activities continued to be offered on-line at a reduced cost and less travel expenditures incurred for International than budgeted.



Rentals and Leases

Rental and lease expenses were \$75,873 less than the last year and \$178,330 less than budget due to fewer leased vehicles in the fleet. The district purchased 6 new vehicles in the previous years and 2 more in the current year contributing to lower lease expenses.

Dues and Fees

Actual expenses for dues and fees were \$359,506 and \$945,025 higher than last year and budget due to higher commission payments to agencies enrolling international students in our district. The commission generally ranges from 10-15% of the student's tuition. Commissions are paid after the student has been in attendance for at least 30 days. Expenses were also higher compared to budget due to homestay fees for international students participating in the short-term summer program.

Insurance

Insurance expense was \$298,786 more than last year and \$278,404 above budget due to higher Medical Services Premiums paid for students in the international program and higher property insurance payments to the provincially operated School Protection Program.

Supplies

Supplies expense was \$3,155,590 higher than last year and \$766,755 more than budget. This was primarily due to higher spending by schools on furniture and fixture replacement, photocopier supplies and general school supplies, as schools started purchasing items that were delayed or not required during Covid years. Other department spending was higher than last year and amended budget due to increased costs driven by inflation and contractual increases especially in materials required for maintenance of building and, custodial supplies. There were also higher expenditures related to replacements of computers and hardware that were delayed from prior years due to supply chain issues.

Utilities

Utilities expenses were \$586,322 higher than last year due to higher natural gas and water and sewer costs and lower than budget by \$142,004 due to lower electricity costs.



ACCUMULATED SURPLUS – OPERATING FUND

The school board established an Accumulated Operating Surplus policy (*Policy #23 – Accumulated Operating Surplus*) as part of its multi-year financial approach to create and maintain a stable and sustainable organization. This policy is reviewed by the Board on an annual basis.

The policy is designed to provide financial stability for future years while reducing volatility by smoothing peak surplus years. The policy also provides reserves to cover any unusual or unexpected expenses in a given fiscal year, support for one-time initiatives, and a source of capital funding primarily associated with technology, educational initiatives, deferred maintenance of facilities and other unfunded capital needs. The surplus is also restricted for any unspent targeted funds and unspent school allocated budgets to allow for expenses spanning multiple years.

The current year operating surplus summary is shown below including the usage of prior year reserves.

Current Year Surplus Summary	Amount
Operating Surplus (Deficit) for the year	13,357,862
Tangible Capital Assets Purchased	(3,894,265)
Transfer to Local Capital	(9,912,732)
Total Operating Surplus (Deficit), for the year – per Schedule 2	(449,135)
Use of Prior Year Reserves	15,149,988
2022/23 Adjusted Surplus	14,700,853

Surplus Continuity Summary

The table below details the net increase in the accumulated surplus balance by showing the changes between the beginning and ending balances as reflected in Schedule 2. The closing balance shows the intended future use of the operating surplus and will be approved by the Board through the approval of the financial statements.

Schedule of Accumulated Surplus	2021-22	2022-23		
	Opening	Utilized	Reserved	Closing
Internally Restricted Due to the Nature of Constraints on the Funds:				
School Carryforward Surpluses	3,947,425	(3,947,425)	3,298,036	3,298,036
ESA Contingency Reserve	1,000,000	-	-	1,000,000
Facility & Maintenance Initiatives	1,430,625	-	625,000	2,055,625
Technology Initiatives	1,268,876	(668,876)	625,000	1,225,000
Education Sustainability Reserve	3,047,014	(1,300,000)	2,253,000	4,000,014
Teacher Mentorship Funds	674,385	(20,955)	-	653,430
Business Systems Initiative	165,007	-	-	165,007
Burke Mountain	1,750,000	(1,750,000)	-	-
School Based Capital Initiatives	-	-	4,149,817	4,149,817
Subtotal Balance	13,283,332	(7,687,256)	10,950,853	16,546,929
Internally Restricted for Operations Spanning Multiple School Years:				
2022/23 - Staffing Stabilization Provision	3,750,000	(3,750,000)	-	-
2023/24 - Staffing Stabilization Provision	3,750,000	-	-	3,750,000
2024/25 - Staffing Stabilization Provision	2,500,000	-	1,250,000	3,750,000
2025/26 - Staffing Stabilization Provision	1,250,000	-	1,250,000	2,500,000
2026/27 - Staffing Stabilization Provision	-	-	1,250,000	1,250,000
Subtotal Balance	11,250,000	(3,750,000)	3,750,000	11,250,000
Total Internally Restricted Operating Fund Surplus	24,533,332	(11,437,256)	14,700,853	27,796,929
Prior Period Adjustment - Environmental Remediation	3,712,732	(3,712,732)	-	-
Total Internally Restricted Operating Fund Surplus Restated	28,246,064	(15,149,988)	14,700,853	27,796,929





SPECIAL PURPOSE FUND (SPF): SCHEDULE 3

Special Purpose Funds consist of targeted funding allocated to school districts for a specific purpose. The annual funding received varies from year to year and is confirmed throughout the year. SPF revenues are only recognized as expenses are incurred. SPF's account for approximately 16.09% of the district's total expenses and are made up approximately 25 different funds as summarized below. A full description of each of the Special Purpose Funds has been provided in [Appendix A](#).

Special Purpose Funds	Prior Year	Amended	Actual
Deferred Revenue, beginning of year	12,908,036	12,734,314	12,734,314
Total Contributions Received	59,298,552	67,603,631	70,813,718
Less: Allocated to Revenue or Recovered by MECC	59,472,274	69,389,107	70,273,962
Deferred Revenue, end of year	12,734,314	10,948,838	13,274,070
Total Allocated to Revenue	58,787,264	69,387,342	70,273,962
Total Expenses	58,787,264	69,387,342	70,273,962
Net Revenue (Expense)	-	-	-

Pursuant to Sections 156(4) and (5) of the School Act, each special purpose fund must be accounted for in accordance with the terms of that special purpose fund.

Special Purpose Funds	Prior Year	Amended	Actual
Annual Facilities Operating Grant (AFG)	1,115,585	1,139,837	1,139,837
Apprenticeship Program	131,479	287,570	229,794
Changing Results for Young Children (CR4YC)	19,494	6,000	5,545
Classroom Enhancement Fund - Overhead (CEF)	2,194,412	2,194,412	2,276,483
Classroom Enhancement Fund - Remedies (CEF)	2,345,501	3,282,666	3,733,695
Classroom Enhancement Fund - Staffing (CEF)	36,130,385	39,745,756	39,966,742
Community LINK (CLINK)	1,550,630	1,550,630	1,599,787
Contractual Reserves	85,274	100,000	40,728
Early Care and Learning (ECL) **New	-	175,000	159,295
FED C19 - K-12 Restart **ONE-TIME	347,858	200,074	91,356
First Nation Student Transportation Fund	41,710	40,105	41,563
IRCC Career Program	53,931	-	-
Language Instruction for Newcomers (ELSA/LINC)	2,316,998	2,442,334	2,469,186
Learning Improvement Fund (LIF)	1,055,631	1,033,399	1,072,048
Mental Health in Schools	81,308	79,472	55,517
Official Languages Education in French Programs (OLEP)	423,862	570,000	513,549
PROV C19 - K-12 Restart **ONE-TIME	733,663	-	-
Provincial Resource Program -Day Treatment (PRP)	150,877	168,423	177,236
Ready Set Learn (RSL)	105,755	125,347	117,602
Retiree Extended Health Fund	56,805	56,000	16,469
School Generated Funds (SGF)	7,695,909	11,000,000	12,182,729
Settlement Workers in Schools (SWIS)	840,388	857,711	863,882
Sick Leave Benefit Plan (SLBP)	463,497	40,000	49,844
Strengthening Early Yrs. to K Transitions (SEY2KT) New	-	19,000	4,292
StrongStart (SS)	430,429	451,441	439,683
Student and Family Affordability Fund (SFAF) **New	-	3,001,720	2,307,661
Others (Scholarships, Staff Dev, Sundry etc.)	415,883	820,445	719,439
Total	58,787,264	69,387,342	70,273,962



Classroom Enhancement Fund

On March 10, 2017, the Ministry, the BC Public Schools Employers' Association, and the BC Teachers' Federation ratified a Memorandum of Agreement, pursuant to Letter of Understanding No. 17 to the 2013-2019 BCPSEA–BCTF Provincial Collective Agreement. The Memorandum of Agreement fully and finally resolves all matters related to the implementation of the 2016 Supreme Court of Canada decision.

The ratification of this agreement resulted in the establishment of the Classroom Enhancement Fund (CEF) to address the additional teacher and corresponding overhead costs associated with LOU #17. A summary of the CEF funded staff and cost is captured in the table below.

Note: LOU #17 has been deleted and a new Letter of Understanding (LOU#12) has been approved with the BCTF.

CEF Expenses	FTE	Salaries	Benefits	Other Expenses	Total
Teachers	322.9	28,988,643	9,374,195	-	38,362,838
Substitutes	-	1,603,904	-	-	1,603,904
Remedy Costs	-	3,733,695	-	-	3,733,695
Educational Assistants	33.0	1,306,602	453,453	-	1,760,055
Administrators	-	320,800	95,628	-	416,428
Other Staffing	1.0	90,000	-	-	90,000
Non-staffing Expenses	-	-	-	10,000	10,000
Total	356.9	36,043,644	9,923,276	10,000	45,976,920

The school district is required to record and report actual costs incurred to the Ministry of Education and Child Care at the fiscal year end (June 20, 2023). If actual costs incurred are less than the approved amount, any unspent funds remaining are subject to being clawed back by the Ministry.

CEF funding is made of three separate components: Teacher Staffing, Overhead Costs and Remedy.

CEF Funding	Previous Year		Amended		Actual	
	FTE	\$	FTE	\$	FTE	\$
Teacher Staffing	302.95	36,130,385	322.90	39,745,756	322.90	39,966,742
Overhead Costs	34.00	2,194,412	34.00	2,194,412	34.00	2,276,483
Remedy	-	2,345,501	-	3,282,666	-	3,733,695
Total	336.95	40,670,298	356.90	45,222,834	356.90	45,976,920

The school district received \$39.9 million in teacher staffing funding which provided staffing of 322.9 FTE teachers. Staffing increased over the prior year because of planned classroom additions, non-enrolling student to staffing ratio requirements and the usage of the flex factor.

The district received \$2.3 million in overhead funding which provided staffing of 33 Educational Assistants, 1 District Principal, mentoring cost of new teachers, some administrative cost of remedy tracking and costs related to relief time for teachers to do Individual Education Plans (IEP's).

Initial remedy funding was based on extrapolation of actual October 2022 remedies incurred. Actual Remedy costs came in \$1.39 million higher than the prior year and \$451,029 more than amended budget. Since funding for remedy was based on estimates, the overage has been set up as a receivable and will be recovered from the Ministry in the following year.





CAPITAL FUND: SCHEDULE 4

The table below is a summary of the Schedule of Capital operations – see [Schedule 4](#) of the financials.

Capital Operations	Previous Year	Amended	Actual
Revenues	16,676,753	18,950,000	19,698,630
Expenses	21,372,378	23,550,000	23,394,470
Capital Surplus (Deficit) for the year	(4,695,625)	(4,600,000)	(3,695,840)
Fund Transfers	9,509,420	8,500,000	13,806,997
Change in Accumulated Surplus	4,813,795	3,900,000	10,111,157
Opening Accumulated Surplus	197,454,054	202,267,849	202,267,849
Closing Accumulated Surplus	202,267,849	206,167,849	212,379,006

Capital fund revenues and expenses reflect the capital activities of the school district. Revenues are comprised of lease income from closed schools, investment income from capital fund balances and any gain on the sale of capital assets. Revenues also include capital funding received from the Ministry that is recognized over the life of the asset that the funding was provided for, such as school buildings.

The recognition of this capital revenue is generally consistent with the recognition of expenses, which is done through the amortization of the asset's useful life. Fund Transfers represent transfers from the Operating Fund used to purchase capital assets such as computers, furniture and equipment and contributions to local capital for future capital projects.

The table below summarizes the school district's Restricted Capital Funds, which have specific restrictions on their use.

Capital Funds	June 30, 2022	June 30, 2023	Variance
MECC Restricted Capital	5,677,779	5,960,421	282,642
SSAC Capital	11,334,867	13,261,200	1,926,333
Other Provincial Capital	2,779,080	2,436,013	(343,067)
Other Capital	1,714,696	1,468,973	(245,723)
Total Deferred Capital Revenue	21,506,422	23,126,607	1,620,185
Local Capital	32,350,564	37,567,290	5,216,726
Total Capital Revenue Received	53,856,986	60,693,897	6,836,911

(Ministry of Education and Child Care) Restricted Capital: These are funds held on behalf of the Ministry of Education and Child Care and may include their portion of proceeds on the disposal of land and buildings, and any surpluses from completed MECC funded capital projects. The balance in this fund increased by \$282,642 of which \$261,107 is from interest earned; \$1,056,598 were surplus transfers from completed COA funded capital projects that came under budget (Panorama Heights Elementary and Minnehada Middle School); less \$1,035,063 of expenses incurred year to date for building the new Moody Elementary.

School Site Acquisition Charge (SSAC) Capital: These funds represent amounts collected by the district from the municipalities and villages (as part of the school site acquisition charge) which will be used for future school site land purchases identified in the capital plan. This fund increased by \$1.93 million which includes \$551,081 in interest earned. The current available balance as of June 30, 2023, is \$13.3 million.

Other Provincial Capital: These funds represent amounts received from the Ministry of Children and Family Development under their Childcare BC New Spaces initiative. The district has received funding under this initiative to add childcare spaces at the new Irvine Elementary School, the new Coast Salish Elementary and at the new Moody Elementary school.

Other Capital: These funds represent proceeds held back from the Glen Elementary land sale with the City of Coquitlam to provide annual maintenance to the artificial turf fields at Centennial Secondary. The decrease in this fund is due to recognizing the current fiscal's maintenance costs. The remaining balance represents the value of the maintenance costs for future years along with other miscellaneous contributions received.

Local Capital: Local capital funds are designated for local capital expenditures and have been restricted for the following capital items:

Projects	June 30, 2022	June 30, 2023	Variance
Education Learning Centre	13,520,421	9,038,444	(4,481,977)
Centennial NLC Space	500,000	1,900,000	1,400,000
Information Technology Infrastructure	1,383,581	1,785,869	402,288
Vehicle Replacement	74,641	274,641	200,000
Burke Mountain	15,948,003	22,375,811	6,427,808
Other Minor Capital Projects	923,918	736,161	(187,757)
Portables	-	1,456,364	1,456,364
Total	32,350,564	37,567,290	5,216,726

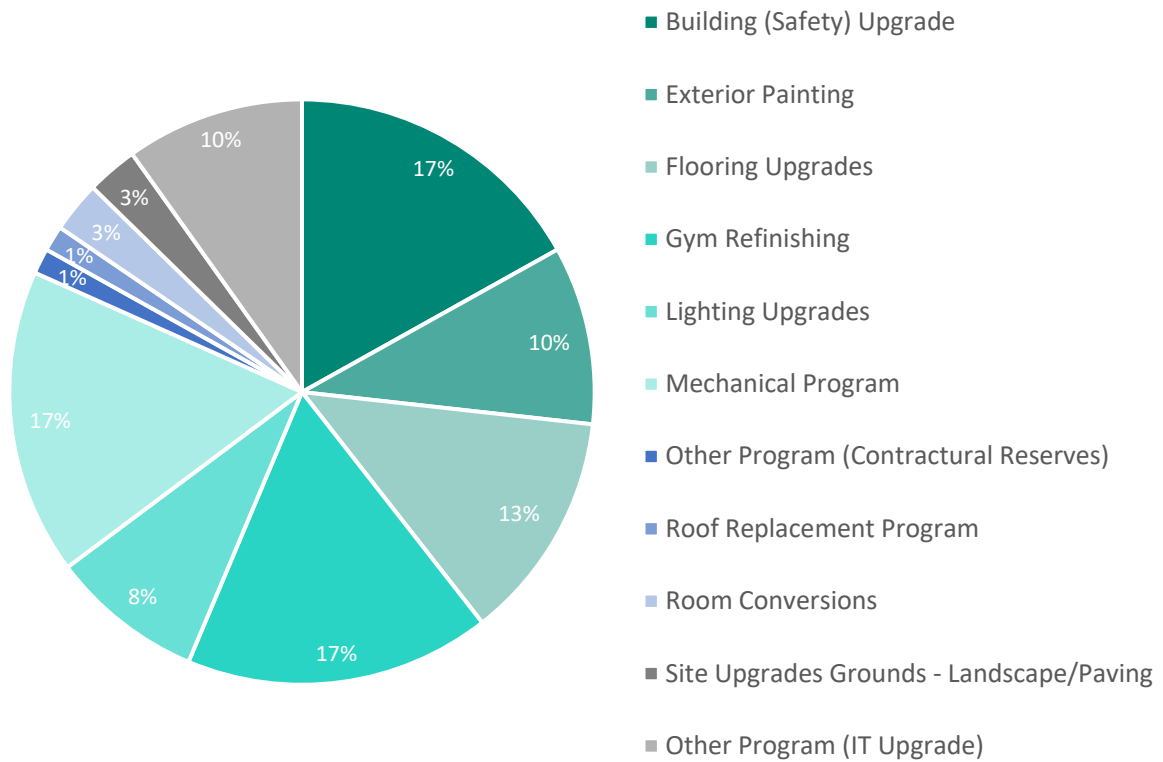
The net increase from the prior year was primarily driven by funds reallocated from the Operating fund to meet the \$25 million contribution requirement towards the Burke Mountain Middle/Secondary school, adding 5 classrooms in the Centennial NLC space and purchasing 3 new portables. Additional funds were also restricted within local capital to purchase 4 more portables required in the following year. The increase was offset by expenses incurred against these projects including \$4.5 million for the finishing of the new ELC building and \$2.6 million for Burke Mountain Middle/Secondary.

Once a project is complete, any remaining funds will be repurposed to other projects based on priority as previously determined by the district.



Annual Facility Grant (AFG)

The Annual Facility Grant is provided by the Ministry for designated school capital or maintenance upgrades. \$5.5 million was provided by the Ministry for the 2022/23 school year and was expensed on the following projects as illustrated below:



The district completed 71 AFG funded projects last year, detailed in the table below. These projects are in addition to work financed by SD43 operating funds. Note that upgrades, which account for over half (51%) of all AFG expenses, are designated by type.

Project Type	Total
Building (Safety) Upgrade	12
Exterior Painting	7
Flooring Upgrades	9
Gym Refinishing	12
Lighting Upgrades	6
Mechanical Program	12
Other Program (Contractual Reserves)	1
Roof Replacement Program	1
Room Conversions	2
Site Upgrades Grounds - Landscape/Paving	2
Other Program (IT Upgrade)	7
Total	71



Capital Projects

The district is engaged in various capital projects throughout the year. The following is a summary of some of the projects that are in-progress or planned:

Coast Salish Elementary (new school)

Located in the Burke Mountain area of Coquitlam, this new elementary school is currently under construction, with occupancy expected the fall of 2023.

Middle/Secondary Burke Mountain School (new school)

On March 1, 2022, funding approval was received from the Ministry of Education and Child Care to construct Burke Mountain Secondary School. This facility will open initially as both a middle school and a secondary school in the fall of 2026 and then as enrolment increases will transform to only a secondary school. The school is essential to meet the needs of this growing community. With an estimated total cost of \$160M, Burke Mountain Secondary is expected to be the most expensive school ever built in the history of BC.

The site itself is two separate parcels. One parcel is owned by SD43 and the other parcel owned by the City of Coquitlam. At the end of the building cycle, the SD43 property will have a secondary school, a middle school, a Grade A grass field, and parking space. On City owned land, there will be an artificial turf field and track, as well as other park amenities. The city will also maintain the Grade A grass field through a joint use agreement.

As part of this approval process, the Ministry of Education and Child Care required SD43 to contribute \$25M towards the project over a 5-year period. SD43 was able to fund this obligation through the reallocation of funds set aside for a Scott Creek Middle Addition, the reallocation of funds from other capital projects, and transfers from the operating fund.

Other major capital developments currently in progress include:

Facility Name	Project Description	Est. Completion Date
Centennial Secondary – NLC Building	Seismic Replacement	Fall 2023
Irvine Elementary	Seismic Replacement	Fall 2023
Moody Elementary	Seismic Replacement	Occupancy 2024
Pinetree Way Elementary	Envelope Replacement	TBD
Roy Stibbs Elementary	Envelope Replacement	TBD
Bramblewood Elementary	Envelope Replacement	TBD
Mountain Meadows Elementary	Envelope Replacement	TBD

Portables and Classroom conversions:

In addition to the above, two portables will be relocated from Irvine to Minnekhada and seven new portables are planned to be installed at Banting (4), Minnekhada (1), Cape Horn (1), and James Park (1). This is to address enrolment growth and the portable procurement is funded from a local transfer of operating funds as the purchase of portables is not funded by the Ministry of Education and Child Care.

Further to the portable additions, unused or underutilized spaces at Centennial Secondary and Central Elementary are planned to be converted into classroom spaces in support of efforts to address class size and composition issues.

Capital Plan Funding Requests

SD43’s capital plan requests, submitted to the Ministry of Education and Child Care annually in June, consists of the following highest priority projects.

Facility Name	Project Description	Description
Maple Creek Middle	Seismic Mitigation	600 Capacity Middle (Full Seismic Replacement)
Cedar Drive	Seismic Mitigation	40K/275 Capacity Elementary (Seismic replacement with enhanced)
Marigold Elementary	New School Expansion Project	New 100K/450 Capacity Elementary & NLC
NE Coquitlam Middle	New School Expansion Project	New 600 Capacity Middle & NLC (with 700 core)
Scott Creek Middle	School Addition	10 Classroom Addition
Banting Middle	School Addition	8 Classroom Addition
Fraser Mills Elementary	Site Acquisition	New 80K/375 Capacity Elementary & NLC (Land acquisition only)
Como Lake Middle	Replacement School	Current Middle School replacement
Nestor Elementary	Replacement School	100K/475 Capacity Elementary (Replacement with enhanced capacity)



INTRODUCTION



HIGHLIGHTS



FINANCIALS



RISK & UNCERTAINTY

RISK & UNCERTAINTY



FINANCIAL STABILITY, RISKS, AND OTHER SIGNIFICANT ITEMS

In 2017 an enterprise risk assessment was completed which identified 29 areas of risk. The Risk Registry is updated on an annual basis and presented to the Board. While the operationalization of the accumulated surplus policy helps to soften or reduce some of these risk exposures, the following risks have been identified to have the greatest impact on school district operations.

Lingering Impacts from COVID-19

For the past three years, COVID-19 had a profound impact on our daily lives. It impacted the delivery of education and school district operations, as well as how we socialized and interacted with each other. Despite the pandemic being over, there are still some long-term effects on the district including:

- Increased absenteeism as an outcome of increased awareness of avoiding the spread of any flu, cold or virus and staff choosing to stay home when sick
- Rebuilding the International Education program to pre-COVID levels will take a few years

Staff Recruitment

Staffing recruitment challenges resulting from the cost of living in the lower mainland and unprecedented increases in student enrollment for all Metro Vancouver school districts makes hiring staff even more competitive in an already tight market. Recruiting is especially difficult for specialized positions and the continual need to maintain enough Teachers on Call and casual replacement staff to fill in for absences. While this is certainly critical in speciality subject matter (STEAM), language arts, and supporting students with unique needs, including education assistants, it is also difficult to recruit professionals in the finance, human resources, payroll, procurement, facilities project management, and qualified trades staffing in our information technology, and maintenance departments.

Inflation and Cost Pressures

The operating grant is the single largest source of funding for the school district's operating expenses. The Ministry of Education and Child Care provides funding based on student enrollment, unique student needs as well as some other supplemental funds. While the Ministry funds districts for contractually negotiated increases, it does not generally fund for any inflationary cost pressures and statutory increases. Canada Pension Plan contributions have increased sharply over the past five years and the new second tier costs that begin in 2024 will add a further 4% to CPP costs on a larger salary base. WorkSafe premiums have also substantially increased and the provision to grant up to 5 paid sick leave days for substitute staff without a funding source also detracts from educational resources.

Capital Projects Financing

As previously reported, tackling system stresses to address increased demand for enrollment space in elementary schools, especially in the northeast sector of the district and municipal urban core, requires intensive forward-looking capital planning. In some situations, this involves the advancement of local capital funds to mitigate the risk of school overcrowding and student and staff safety. The requirement to comply with collective agreement restored language places an increased burden and demand on class space.

Local capital is being depleted to fund new classroom additions, portable placements, classroom conversions, and contributions towards major capital projects. Significant underfunding and the requirement to contribute towards capital projects will lead to the redirection of funds out of the classroom to meet this requirement. Building adequate surplus to address this risk is critical.

The district submits a 5-year capital plan annually to the Ministry for approval as required by the *School Act* and Ministry policy. The most recent plan can be found on SD43's website [here](#)



Classroom Enhancement Fund (CEF)

Classroom Enhancement Funding resulted from the restoration of collective agreement language associated with class size and class composition. In 2022/23 the total CEF budget, totaled \$45.6M. This includes \$3.3M in remedy costs and \$1.6M of the first year of the recent collective agreement salary increments. At the March grant funding announcement, the Ministry confirmed it will provide 100% of this amount for budget planning purposes. However, additional funding requirements for staffing and remedies will not be confirmed until December 2023, well after staffing contracts have been confirmed and classroom organization completed which can pose a challenge to the district. This poses a significant financial risk to the school district.

Funding Model Review - Outcome

During 2018 the Ministry of Education and Child Care initiated a review of the existing grant funding model that has been in place since 2002. The report of the Funding Model Review Panel was released in late December 2018 under the title of Improving Equity and Accountability. The Ministry accepted 22 recommendations and Phase I of the recommendations were primarily associated with accountability and financial matters, and included the following additional reporting:

1. Strategic Plans developed by the board and based on Ministry-established goals,
2. Operational plans to deliver on the stated goals,
3. Financial Statement Discussion and Analysis (FSD&A) report,
4. Budget and Multi-Year plan report, and
5. Board approved Accumulated Operating Surplus Policy.

All the above reporting is prepared or updated annually and requires significant staffing resources. Phase II recommendations, primarily associated with funding equity, was delayed due to the pandemic.

Cyber Security

In today's digital world, a potential cyber-attack is an ongoing threat. As systems and infrastructure age, the threat increases. Systems must be kept current to mitigate cyber threats and to run operations efficiently. The district must carefully monitor operations and educate staff and students about cyber security to ensure that our systems and information are securely protected. Keeping up with the rapid pace of technological change will require additional technical expertise and financial resources that will increase budgetary pressures.

Student Mental Health and Vulnerable Children

The issues of mental health and that of vulnerable children and the importance of student's nutrition was a concern to SD43 well before the pandemic. COVID-19 has worsened these issues as socialization, personal interaction and in person program delivery have been severely impacted. The degree to which school districts can provide these services and supports is challenging, as grant funding for programs such as CommunityLink and Equity of Opportunity Supplement remains relatively unchanged and underfunded. To meet the growing demands for support in these areas requires a shift of funding from classroom education. In early 2022, the school district established a Mental Health Task Force with community partners to build systems for students and staff to access various support services during school and non-school hours. While SD43 is bringing increased focus and support into this area, there has not been adequate funding provided from the Provincial ministries to adequately support students.



Ministry of Education and Child Care Mandate Letter

A ministerial mandate letter was issued in December 2022 which provides overall guidance to school district on Provincial priorities. While all elements of the mandate are important, there are several that suggest the need for either additional financial resources or a redirection of financial resources. This includes the following extracted from the letter:

- *To help make sure students are properly fed for learning, expedite work with school districts to create more local school meal programs based on district data and priorities, and work with the Minister of Agriculture and Food to integrate Feed BC into this plan so that districts can include locally grown food.*
- *Deliver targeted investments to help make sure students have the classroom supplies they need to succeed, so parents and teachers don't have to pay the full cost out-of-pocket.*
- *Continue to invest in new and modernized schools, including focusing on meeting seismic requirements, increasing childcare spaces, and achieving climate change and energy efficiency standards as set out in our CleanBC plan.*
- *Work with staff, Boards of Education, teachers, parents, students, and other stakeholders to identify and address issues of racism in our education sector.*
- *Support the Minister of State for Child Care by working toward universal access to before and after school care, continuing to build spaces on school grounds, and finalizing development of a capital plan for child care.*
- *Work with the Minister of Children and Family Development and support the work of the Minister of Mental Health and Addictions to continue our government's commitment to addressing mental health problems early by expanding Integrated Child and Youth Teams to 20 school districts.*

On February 21, 2023, the government released Budget 2023 and announced new supports for childcare and school based early learning programs including the expansion of the Seamless Day Kindergarten (SDK), Just B4 (JB4) and Strengthening Early Years to Kindergarten Transition (SEY2KT) initiatives. These programs are intended to integrate childcare into the broader learning environment.

SD43 has already maximized its underutilized classroom and space capacity in providing childcare – including, pre-kindergarten and before and afterschool care. To increase childcare spaces further, SD43's strategy is to explore offerings in schools that currently do not have before or after school care, investigate expanding offerings in current Strong Start Classrooms, and work with existing on-site providers and independent providers to modify age offerings to minimize competing with any services provided by the district. An obstacle to increasing further childcare spaces is the increased elementary school enrolment experienced in the current year and the limitations on classroom space for existing educational priorities.

The integration of before and after school childcare will likely have a profound operational and financial impact on school operations. None of the impacts of these elements are known at this time and are therefore not included in the current or multi-year financial forecasts at this time.

APPENDIX A - Special Purpose Funds Descriptions

Annual Facility Grant (AFG)

The Annual Facility Grant was established to account for Ministry of Education and Child Care grants and expenditures relating to annual facility maintenance projects. The AFG allocation is comprised of both a special purpose fund allocation and a bylaw capital allocation.

AFG funds may be spent for the purpose of:

- Upgrading or replacing existing facility components throughout the expected economic life of an existing capital asset
- Enhancing the service potential of an existing capital asset or a component of an existing capital asset by correcting deficiencies in design or construction and unsafe conditions
- Significantly lowering the associated operating costs of an existing capital asset
- Extending the life of an existing capital asset or a component of an existing capital asset beyond its original life expectancy

SD43 must provide the Ministry with the 2022/23 AFG project spending plan prior to April 30th of each year. The plan includes a list of the AFG projects and expenditures the District will undertake between April 1st and March 31st.

Apprenticeship Programs

Work in Trades program provides students with an opportunity to begin an apprenticeship in various trades while still in school. The program combines paid work-based training and a provincial curriculum that allows students to earn up to 16 graduation credits and 480 work-based training hours required for provincially and nationally recognized industry trades credentials. The school district works closely with Post Secondary Institutions and receives funding from the Industrial Training Authority to support these programs.

Changing Results for Young Children (CR4YC)

This fund is a partnership with approximately 47 school districts and the United Way of the Lower Mainland to implement on-going collaborative professional learning among early learning educators across school and communities to support social, emotional, and learning outcomes for children in the early learning years (birth through age eight).

Classroom Enhancement Fund (CEF)

This fund was originally established in 2017 as an outcome of the restored teacher collective agreement pertaining to the class size and composition language. The funding is provided through a Ministry of Education and Child Care grant to cover related staffing, overhead and remedy costs.

CommunityLINK (CLINK)

Learning Includes Nutrition and Knowledge (Community LINK) funding from the Ministry of Education and Child Care is designed to support the academic achievement and social functioning of vulnerable students. Programs and services can include breakfast, lunch and snack programs, academic supports, counseling, youth workers and after-school programs. Additional funding is provided through public donations.

Contractual Reserves

The School District participates in a joint use agreement with Douglas College and the City of Coquitlam at Pinetree Secondary School. The school district holds the reserves for this partnership for facility renewal purposes. A second joint use agreement exists with the City of Coquitlam related to the Centennial field.

Early Care and Learning (ECL)

This project-based funding is to help districts gather information about existing early learning and child care offered on school grounds and use this information to support a planned, integrated approach to increase access to affordable, quality child care by strengthening relationships with the community and existing providers.

Federal Safe Return to Class Fund/Safe Return to School Site

The Ministry of Education and Child Care administered one-time funding intended to support incremental costs resulting from COVID-19.

First Nation Student Transportation

This grant is provided as part of the BC Tripartite Education Agreement (BCTEA) supporting First Nation Student Success, to assist with the cost of transportation for on-reserve students attending public schools.

Language Instruction for Newcomers to Canada (ELSA/LINC)

This program is designed to assist parents of newcomers and refugee children to improve their English skills; learn about Canadian society; laws and health care; the job market; and other valuable information to support successful life in Canada. LINC enables our District to help parents connect with the local community, find volunteer work and network with other new Canadians. The program provides three free childminding centres for two to five-year old's to be cared for while their parents are participating in LINC classes.

Learning Improvement Fund (LIF)

The Learning Improvement Fund was established by the province for the purpose of providing additional resources, specifically targeted to support complex classes that present challenging learning conditions. Districts are required to submit a spending plan to the Ministry of Education and Child Care by October of each year for approval. To develop the spending plans, district staff work collaboratively with CUPE. In the past these funds have been utilized to create additional education assistant (EA) positions and provide additional hours of support to all EA's.

Mental Health in Schools

This fund is to support the development of new/enhanced evidence-based inclusive mental health and well-being activities, either universal or targeted in support of students, families and/or educators. It also enables our District to design action plans to capture how funding is spent and what outcomes are achieved.

Official Language Education Program (OLEP)

The Ministry of Education and Child Care administers federal funding intended to support incremental costs resulting from offering French as a second official-language instruction in BC. All French funding is to be spent by June 30th of each year. An annual report outlining how the funds were spent and what benefits were derived is required at the end of the fiscal year.

Provincial Safe Return to Class Fund/Safe Return to School Site

The Ministry of Education and Child Care administered one-time funding intended to support incremental costs resulting from COVID-19.

Provincial Resource Program - Day Treatment (PRP)

This fund represents educational programming services offered to youth receiving intensive structured psychiatric care through the Fraser Health Authority.

Ready Set Learn (RSL)

The Ready Set Learn funding is provided by the Ministry of Education and Child Care that allows the District to facilitate community events targeted towards 3-year-old children. The events are about providing good information on how to support a young child's early learning and development, and how to help develop positive connections between families, the school system and local community agencies.

Retiree Extended Health Fund

The Retiree Extended Health Fund is a Benefit Premium Stabilization account for retirees of the Non-Teaching Pension Plan or NTPP, who are in receipt of the benefits under the Post Retirement Group Benefit Plan.

School Generated Funds (SGF)

This fund represents the accumulated funds held by individual schools. Each school has its own bank account and records the funds received and disbursed throughout the year. These funds are raised at the school level through fundraising, cafeteria revenue, school store revenue, and various other activities. The school generated funds are intended to be used to fund activities that directly benefit the students in the school.

Settlement Workers (SWIS)

The SWIS program is a school-based service for new immigrant families to meet their immediate and ongoing settlement needs. Families who have children in the district are connected to schools and community and government organizations. SWIS services include settlement support, culturally sensitive services, workshops and links to various resources.

Sick Leave Benefit Plan (SLBP)

This fund represents contributions received from support staff workers and matched by the board, to provide short term disability benefits to CUPE members who are disabled from employment resulting from illness or injury. The Trust pays for health and dental benefits and NTPP pension payments for these individuals. This plan has ceased effective February 2022. The purpose of the remaining balance is to support pre-existing obligations that have already been approved prior to the agreement's date of execution.

Strengthening Early Years to Kindergarten Transitions (SEY2KT)

This project partners with districts/community sites and is focused on developing guidelines, models, and district/site partnerships to ensure children and their families experience coherent transitions from community based early learning experience to kindergarten in schools/districts.

StrongStart (SS)

The Ministry of Education and Child Care funded StrongStart program allows parents to participate with their young children (aged birth to five) in play-based early learning activities, including story time, music and art. This early learning drop-in program helps prepare children for success in kindergarten and is provided at no cost to the families. The school district currently has 13 StrongStart centres.

Student Family and Affordability Funds (SFAF)/Feeding Futures School Food Program (FFSFP)

The Student & Family Affordability Funding was introduced in August 2022 as a one-time fund to improve students access to nutritional food/meals before, during and after the school day and help to offset cost to parent, guardian, and students for the cost of field trips, fees, extracurricular fees, and school supplies. In April 2023, this fund was replaced with a multi-year Feeding Futures School Food Program, targeted to help school districts increase food security for students by expanding or creating food programs.

Other - Scholarships and Bursaries

Scholarships and bursaries are established and awarded through the generosity of individuals and corporations in our community. The scholarships and bursaries administered by the school district range from memorials to honour the passing of a loved one, to corporations and individuals wanting to give back to the community. The school district administers over 55 different scholarships and bursaries. A significant amount of the scholarships and bursaries have been moved to the SD43 Education Foundation, however there are still funds that remain under this program.

Other - Staff Development

This grouping of funds consists of a variety of smaller grants to enhance teaching staff development. This includes the ART Starts grant, (resources for teachers and art leadership) and Decoda Literacy programs (resources, training to support community-based literacy and learning).

APPENDIX B – Ministry Operating Grant

Final Operating Grant Summary - 2022/23 School Year

School District 43 Coquitlam

September 2022 Enrolment Count				
	School-Age Enrolment	Funding Level	Funding	Total Supplement
Standard (Regular) Schools	31,087.8750	\$7,885	\$245,127,894	
Continuing Education	5.6875	\$7,885	\$44,846	
Alternate Schools	241.0000	\$7,885	\$1,900,285	
Online Learning	240.1875	\$6,360	\$1,527,593	
Home Schooling	37	\$250	\$9,250	
Course Challenges	159	\$246	\$39,114	
Total Enrolment-Based Funding (September)	31,574.7500			\$248,648,982

	Total Enrol. Change	Funding Level	Funding	Total Supplement
1% to 4% Enrolment Decline	427.3750	\$3,943	\$0	
4%+ Enrolment Decline		\$5,914	\$0	
Significant Cumulative Decline (7%+)	258.5625	\$3,943	\$0	
Supplement for Enrolment Decline				\$0

	Enrolment	Funding Level	Funding	Total Supplement
Level 1 Special Needs	28	\$44,850	\$1,255,800	
Level 2 Special Needs	1,446	\$21,280	\$30,770,880	
Level 3 Special Needs	343	\$10,750	\$3,687,250	
English Language Learning	5,476	\$1,585	\$8,679,460	
Indigenous Education	1,232	\$1,565	\$1,928,080	
Adult Education	56.5628	\$5,030	\$284,511	
Equity of Opportunity Supplement			\$949,272	
Supplement for Unique Student Needs				\$47,555,253

Variance from Provincial Average	\$836			
Estimated Number of Educators	1,757.295		\$1,469,099	

	Enrolment	Funding Level	Funding	Total Supplement
FTE Distribution	31,631.3128	\$180.33	\$5,704,075	
Supplement for Salary Differential				\$7,173,174
Supplement for Unique Geographic Factors				\$2,479,811
Funding Protection				\$0
Curriculum and Learning Support Fund				\$280,326
September 2022 Enrolment Count, Total				\$306,137,546

July 2022 Enrolment Count				
	Enrolment	Funding Level	Funding	Total Supplement
Summer Learning Grade 1-7	2,876	\$224	\$644,224	
Summer Learning Grade 8-9	688	\$224	\$154,000	
Summer Learning Grade 10-12	1,085	\$448	\$485,856	
Supplemental Summer Learning Funding			\$315,091	
Cross-Enrolment, Grade 8 and 9	0	\$448	\$0	
Summer Learning, Total				\$1,599,171

February 2023 Enrolment Count				
	Enrolment	Funding Level	Funding	Total Supplement
School-Age FTE - Continuing Education	9.7500	\$7,885	\$76,879	
Adult FTE - Continuing Education	76.9070	\$5,030	\$386,842	
K-Grade 9 School-Age FTE - Online Learning	9.0000	\$3,180	\$28,620	
Grade 10-12 School-Age FTE - Online Learning	353.2500	\$6,360	\$2,246,670	
Adult FTE - Online Learning	0.2500	\$5,030	\$1,258	
Youth Train in Trades	0	\$7,885	\$0	
Level 1 Special Needs Enrolment Growth	0	\$22,425	\$0	
Level 2 Special Needs Enrolment Growth	32	\$10,640	\$340,480	
Level 3 Special Needs Enrolment Growth	35	\$5,375	\$188,125	
Newcomer Refugees	125.9375	\$3,943	\$496,572	
ELL Supplement - Newcomer Refugees	117	\$793	\$92,781	
February 2023 Enrolment Count, Total				\$3,858,227

May 2023 Enrolment Count				
	Enrolment	Funding Level	Funding	Total Supplement
School-Age FTE - Continuing Education	11.1250	\$7,885	\$87,721	
Adult FTE - Continuing Education	57.1250	\$5,030	\$287,339	
K-Grade 9 School-Age FTE - Online Learning	14.0000	\$2,120	\$29,680	
Grade 10-12 School-Age FTE - Online Learning	49.1250	\$6,360	\$312,435	
Adult FTE - Online Learning	0.6250	\$5,030	\$3,144	
May 2023 Enrolment Count, Total				\$720,319

2022/23 Full-Year Operating Grant Total	
Estimated 2022/23 Operating Grant from Indigenous Services Canada	\$0
Estimated 2022/23 Operating Grant from Ministry of Education	\$312,315,263



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, please contact the Office of the Secretary–Treasurer/Chief Financial Officer at 604-939-9201.

You are encouraged to also review the Board’s strategic vision and plan [*Directions 2025*](#).

School District No. 43 (Coquitlam)

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