

NOTICE OF MEETING FINANCE COMMITTEE

Secretary Treasurer's Office
Wednesday, September 13, 2023
Public viewing via live broadcast

Joshua Zhang (Chair)
Alfred Chien (Vice-Chair)
Janet Fraser
Suzie Mah

Helen McGregor, Superintendent of Schools
Flavia Coughlan, Secretary-Treasurer

Notice of Meeting

A Meeting of the **Finance Committee** will be held in room 180 of the VSB Education Centre (1580 West Broadway, Vancouver BC) **for participating trustees, staff, and stakeholder representatives** on **Wednesday, September 13, 2023 at 6:30pm**. The meeting will be live broadcast for the public.

Trustees:	Lois Chan-Pedley (Alternate) Preeti Faridkot Victoria Jung	Jennifer Reddy Christopher Richardson
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Student Trustee:	Mia Liu
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Other Senior Management Staff:	Pedro da Silva Michael Gray Jody Langlois	David Nelson Pete Nuij Shehzad Somji
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Representatives:	Terry Stanway, VSTA Sam Couture, VEAES Stephen Leung, VEPVPA Ian Rowe, DPAC Tyson Shmyr, PASA Warren Williams, CUPE 15 Brent Boyd, CUPE 407 Justin Chapman, Trades Tim De Vivo, IUOE Kai Nishimura, VDSC	Alternate Representatives: Vanessa Lefebvre, VEAES David Bach, VASSA Riley McMitchell, VEPVPA Kyenta Martins, DPAC (Alt. 1) Michael Lang, DPAC (Alt. 2) Marisa Dikeakos, CUPE 15 Charleen Ann Derzak, CUPE 407 Tim Chester, IUOE
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Other Staff:	Helen Yee Will Hsu
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FINANCE COMMITTEE

MEETING AGENDA

Wednesday, September 13, 2023 at 6:30 pm
Room 180, VSB Education Centre

With deep gratitude and respect, we are honoured to be learning and unlearning on the ancestral and unceded lands of the x^wməθk^wəyəm (Musqueam), Skwxwú7mesh Úxwumixw (Squamish Nation) & səlilwətał (Tsleil-Waututh Nation).

The meeting is currently being broadcasted live, and both the audio and video recordings will be accessible to the public for viewing even after the meeting ends. Footage from this meeting may be viewed from Canada or anywhere else in the world.

Meeting Decorum:

The Board has a strong commitment to ethical conduct. This includes the responsibility of committee members to conduct themselves with appropriate decorum and professionalism. As Chair of the Committee, it is my responsibility to see that decorum is maintained. To do that I ask that:

- i. all members/delegates request to speak through the chair;
- ii. civility towards others is maintained as stakeholder representatives and trustees share perspectives and participate in debate;
- iii. staff be able to submit objective reports without influence or pressure as their work is acknowledged and appreciated;
- iv. committee members refrain from personal inflammatory/accusatory language/action;
- v. committee members, trustees, representatives and /staff present themselves in a professional and courteous manner.

Please see reverse for the Purpose/Function and Power and Duties of this Committee.

1. Items for Approval

1.1 Banking Resolution

Presenters

Flavia Coughlan, Secretary-Treasurer

2. Discussion Items

None

3. Information Items

3.1 Audited Financial Statements June 30, 2023

Flavia Coughlan, Secretary-Treasurer
Shehzad Somji, Assistant Secretary-Treasurer

4. Information Item Requests

Committee members may request by email to the Chair of the committee follow-up information on previously discussed items and/or suggest possible topics for future committee meetings agendas. All requests for future agenda items will be considered by the Chair and Vice Chair at their weekly Agenda Setting meeting.

Finance Committee

5.1 Purpose/Function:

5.1.1 To assist the Board in being fiscally responsible.

5.2 Powers and Duties:

5.2.1 Annually make recommendations to the Board regarding its submission to the Select Standing Committee on Finance and Government Services.

5.2.2 Provide input regarding the budget development process.

5.2.3 Review Budget assumptions and budget priorities that provide a framework for the preparation of the annual District budget and to be approved by the Board of Education in conjunction with senior administration.

5.2.4 Make recommendations regarding school fees.

5.2.5 By reviewing quarterly financial reports make recommendations for increasing value for money including: reducing costs, increasing revenue, eliminating or reducing resource allocations where commensurate results are not being achieved, disposal of assets, and increasing benefits without increasing costs.

5.2.6 Make recommendations re the appointment of the District Banker and review banking services at least every three years.

5.2.7 Fiscal Matters Referred to the Committee by the Board:

5.2.7.1 Review matters referred and make recommendations as requested.

September 13, 2023

ITEM 1.1

TO: Finance Committee

FROM: Flavia Coughlan, Secretary-Treasurer/CFO

RE: Banking Resolution

*Reference to
Education Plan*

GOAL: *The Vancouver School Board will increase equity by:*

OBJECTIVE: *improving stewardship of the district's resources by focusing on effectiveness, efficiency, and sustainability.*

INTRODUCTION

This report includes a proposed new banking resolution.

BACKGROUND

At the request of our banker, the Bank of Montreal, we have drafted the revised Banking Resolution included below.

This resolution reflects the new standard banking resolution required by the Bank of Montreal. The authority given to the authorized signatories is detailed in section 1 paragraphs (a) to (f) of the Banking Resolution. Also, through this new banking resolution all resolutions held with the Bank previous to this resolution are repealed.

BANKING RESOLUTION

The Board of Education of School District No. 39 (Vancouver) Banking Resolution

BE IT RESOLVED:

1. THAT the following members, officers, agents and employees of the Corporation (as may be replaced from time to time pursuant to subparagraph 1(f) below, the "Authorized Person(s)") are authorized to do any one or more of the following on behalf of the Corporation, all to the extent indicated in the table under subparagraph 1(f):

- (a) to sign all cheques and orders for the payment of money and other negotiable instruments of the Corporation drawn on the accounts indicated in the table under subparagraph 1(f);
- (b) to open or close any deposit or other account(s) with the Bank (the "Accounts") and to sign authorization, set-up or other documentation and agreements with the Bank regarding any of the Accounts, any services (including, without limitation, cash management services) or any other matter as such Authorized Person(s) in his, her or their sole discretion deem advisable or as the Bank may request including, without limitation, providing for ratification of any signature or action on behalf of the Corporation;
- (c) to negotiate with, deposit with or transfer to the Bank (but for credit to the Corporation's account only) all or any bills of exchange, promissory notes, cheques and orders for the payment of money and other negotiable instruments, and for the said purpose to endorse the same on behalf of the Corporation (by rubber stamp or otherwise);
- (d) to arrange, settle, balance and certify all books and accounts between the Corporation and the Bank; and to receive all paid cheques and vouchers, unpaid and unaccepted bills of exchange and other negotiable instruments;
- (e) to obtain delivery from the Bank of all or any stocks, bonds and other securities held by the Bank in safekeeping or otherwise for the account of the Corporation and to give valid and binding receipts therefor.
- (f) to revoke or modify any or all of the authorizations herein and to authorize on behalf of the Corporation from time to time at their discretion other person(s) or Authorized Person(s) to do all or any of the foregoing including the matters set out in this subparagraph 1(f).

Types of Authorities 1(a)- (f)	Title of Authorized Person(s)	Number of Authorized Person(s) required to sign
1(a) 1(c) 1(d) 1(e)	Superintendent Secretary Treasurer Assistant Secretary Treasurer	One to sign
1(b) 1(f)	Superintendent Secretary Treasurer Assistant Secretary Treasurer	Two to sign

2. THAT all acts and actions taken by the Authorized Person(s) or any of them prior to the date hereof with respect to the transactions contemplated by these resolutions, including, without limitation, the Accounts and any services in connection with the Accounts, be, and hereby are, in all respects confirmed, approved and ratified.

3. THAT previous authorities granted by way of a resolution/by-law in respect of the foregoing matters passed by the Board of Education of School District No. 39 (Vancouver) is repealed as of the date of this resolution in respect of matters done hereafter. The foregoing resolution shall continue in force until a certified copy of a resolution revoking, repealing or modifying it has been received by the Bank.

RECOMMENDATION

THAT the Finance Committee recommends that the Board of Education of School District No. 39 (Vancouver) approve the new Banking Resolution.

September 13, 2023

ITEM 3.1

TO: Finance Committee

FROM: Flavia Coughlan, Secretary-Treasurer/CFO
Shehzad Somji, Assistant Secretary Treasurer

RE: Audited Financial Statements June 30, 2023

*Reference to
Education Plan*

GOAL: *The Vancouver School Board will improve student achievement, physical and mental well-being, and belonging by:*
OBJECTIVE: *ensuring the alignment among school district, and provincial education plans.*

GOAL: *The Vancouver School Board will increase equity by:*
OBJECTIVE: *improving stewardship of the district's resources by focusing on effectiveness, efficiency, and sustainability.*

INTRODUCTION

This report is provided for information.

BACKGROUND

It is the role of the Audit Committee to review the audited financial statements and recommend approval of the audited statements by the Board.

FINANCIAL STATEMENTS

The *Financial Statements Discussion and Analysis* is included in Attachment A and the *Financial Statements for the Board of Education of School District No. 39 (Vancouver)* for the fiscal year ended June 30, 2023 are included in Attachment B.

The financial statements of School District No. 39 (Vancouver) have been prepared by VSB staff in accordance with the Section 23.1 of the Budget Transparency and Accountability Act of the Province of

British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

In accordance with Section 157(5) of the *School Act*, Boards of Education must prepare and approve financial statements with respect to the preceding fiscal year and forward a copy to the Minister of Education and Child Care by September 30th, together with the auditor's report.

While the preparation and presentation of the Financial Statement Discussion and Analysis is not a legislative requirement, it is recommended by the Province of British Columbia's Ministry of Education and Child Care.

The purpose of the Financial Statement Discussion and Analysis is to highlight information and provide explanations, that enhance the reader's understanding of the school district's financial statements and the factors that influenced the financial results presented in these statements.

INDEPENDENT AUDITOR'S REPORT

The financial statements have been audited by KPMG LLP and the draft Independent Auditor's Report for the year ended June 30, 2023 is included with the Audited Financial Statements.

In their draft report, KPMG LLP states: "In our opinion, the accompanying financial statements as at and for the year ended June 30, 2023 of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia."

Attachments:

- A. Financial Statement Discussion and Analysis June 30, 2023
- B. Audited Financial Statements June 30, 2023



FINANCIAL STATEMENTS

Discussion and Analysis

for the year ended June 30, 2023

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The following is a discussion and analysis of the Vancouver School District's financial results for the fiscal year ended June 30, 2023. This report is a summary of the school district's financial activities based on currently known facts, decisions, or conditions. The financial results for the current year are discussed in comparison with the financial results for the fiscal year ended June 30, 2022, and the amended annual budget for the 2022-2023 fiscal year. This report should be read in conjunction with the school district's audited financial statements for the year ended June 30, 2023.

Who We Are

At VSB, we are proud to provide exceptional learning experiences for students. As a large, urban school district, VSB is one of Canada's most diverse school systems.

With deep gratitude and respect, we are honoured to be learning and unlearning on the ancestral and unceded lands of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh Úxwumixw (Squamish Nation) & səliłwətał (Tsleil-Waututh Nation). We embrace Indigenous ways of knowing and learning and work to expand Indigenous perspectives across the curriculum and within our 107 schools and programs, where more than 50,000 students learn and grow.

Equity and inclusivity are at the forefront of our approach to education. More than 7,700 staff work to create learning environments where every student thrives by prioritizing students' needs, applying evidence-informed practices and building relationships. VSB's culture reflects the diversity of our city. Students enrolled in VSB come from varied backgrounds and lived experiences and are encouraged to explore and share their unique selves and gifts. Within our school district, 2,275 students self-identify as Indigenous community members from First Nations, Métis, and Inuit communities. Nearly 45 per cent of students at VSB speak languages other than English at home, with about 150 mother-tongue languages spoken overall. Approximately 13 per cent of students are diverse learners with Individualized Education Plans. Our educational programs also support adult learners pursuing secondary school completion, post-secondary prerequisites or upgrading their skills, and more than 1,400 international students from around the globe who choose to pursue their education here in Vancouver.

Our commitment to students goes beyond academics. Students' overall well-being and sense of belonging are equally important. We strive to build a school system where every student can be their authentic self and succeed throughout their learning journey. In doing this work, we champion equity and accountability by making evidence-based decisions. As a learning organization, humility is our guidepost as we seek to continually improve student outcomes in service to them, their families, and the broader community.

Key School District Highlights for 2022-2023

In 2022, a new board of education was elected, including six new trustees and three returning trustees. Throughout the school year, trustees were active participants in various learning activities, school-based and school district events, celebrations, and ceremonies, strengthening their connection with the school community.

Several strategic initiatives were advanced by the Board:

- The development of the Child Care Policy underscores our commitment to provide accessible and high-quality child care services for families within our educational framework.
- A significant decision was made regarding the Queen Elizabeth Annex, resulting in a one-year lease of the site to School District No. 93 (Conseil scolaire francophone de la Colombie-Britannique). This move aligns with our collaborative approach to education.
- Approval was granted for the Filipino Languages Board/Authority Authorized Course, reflecting our dedication to fostering linguistic diversity and cultural understanding.
- The Board's endorsement of the five-year Capital Plan demonstrates our proactive approach to maintaining and improving our educational facilities, with the plan submitted to the Ministry of Education and Child Care (MECC).
- To accommodate changing demographics and enhance educational experiences, adjustments to the Sir Guy Carleton Elementary catchment boundary were reviewed and approved.
- The approval of a seismic upgrade project for Grenfell Elementary underscores our commitment to student safety and modernized infrastructure.
- In partnership with x^wməθk^wəyəm (Musqueam), the unveiling of the seismically safe school, wək^wañəs tə syaq^wəm, formerly known as Sir Mathew Begbie Elementary, marks a significant achievement in collaboration as well as infrastructure development.
- The expansion of Hudson Elementary, including the repurposing and relocation of the Little Yellow Building to Sk^wxwú7mesh Úxwumixw (Squamish Nation), is advancing with government approval, reflecting our commitment to educational growth.
- A balanced budget for 2023-2024 was adopted without utilizing surplus funds, while also channeling resources toward student leadership initiatives and sustainability projects led by students themselves.

These collective efforts underscore the Board's commitment to fostering an inclusive, innovative, and safe learning environment for all students, guided by a strong sense of collaboration and community engagement.

Education Plan 2026

Education Plan 2026, created through consultation with students, families, staff, and the public, will guide the school district’s work throughout the next five years. The Board approved the following statements, goals and objectives, which are included in [Policy 1 – Foundational Statements](#).

VALUES

The Vancouver School Board believes an effective public education system will prepare students to be active, productive, and socially responsible citizens

Students who complete their education with the Vancouver School Board should possess a strong educational foundation; be disposed to treat others with respect and work cooperatively with them; act upon the values and principles that make us human; care for themselves, for others, and for the planet; and exercise a critical intelligence adaptable to new situations.

The VSB will foster school communities where students can learn, see themselves, feel supported and connected so that they develop a love of learning and become lifelong learners.

EQUITY STATEMENT


The Vancouver School Board – a large, urban school district located on the unceded, traditional lands of the x̱m̱əθḵəy̱əm (Musqueam), Skwxwú7mesh (Squamish), and səliłwətaɫ (Tsleil-Waututh) Nations – respects and supports Indigenous ways of knowing and learning.


The VSB will create an equitable learning environment where every child can experience a deep sense of belonging and is free to pursue pathways of learning in ways that are authentic to themselves. The VSB will achieve this by:


- having students see themselves and their communities in the curriculum and in the staff throughout the District;
- prioritizing student needs by making informed decisions and engaging in open communication with rightsholders and stakeholders; and
- actively fighting systems of oppression through relationship building, ongoing communication and transparency.


GOAL 1


The Vancouver School Board will improve student achievement, physical and mental well-being, and belonging by ...


 Encouraging students to reach beyond previous boundaries in knowledge and experience.

 Increasing literacy, numeracy, and deep, critical, and creative thinking.

 Ensuring the alignment among school, district, and provincial education plans.


 Improving school environments to ensure they are safe, caring, welcoming, and inclusive places for students and families.


 Ensuring that students develop and can implement a plan for a successful transition upon completion of secondary school.


 Reporting student results about performance, well-being, and outcomes to the community and using the results to improve the quality and effectiveness of the education and supports provided to students.


GOAL 2

The Vancouver School Board will increase equity by ...

 Eliminating gaps in achievement and outcomes among students.


 Eliminating racism and discrimination in all forms.


 Evaluating and renewing plans for the improvement of Indigenous learners' education.


 Improving stewardship of the district's resources by focusing on effectiveness, efficiency, and sustainability.

GOAL 3

The Vancouver School Board will continue its Reconciliation journey with First Nations, Métis, and Inuit by ...

 Increasing knowledge, awareness, appreciation of, and respect for Indigenous histories, traditions, cultures, and contributions.

 Aligning its policies and practices in a manner consistent with the United Nations Declaration on the Rights of Indigenous Peoples and the calls to action of the Truth and Reconciliation Commission.

 Engaging and gathering with the x^wməθk^wəyəm (Musqueam), Skwxwú7mesh (Squamish) & səliłwətał (Tsleil-Waututh) nations.



Financial Statements: Discussion and Analysis

The following Financial Statements Discussion and Analysis should be read in conjunction with the audited financial statements and accompanying notes for School District No. 39 (Vancouver) for the year ended June 30, 2023.

The purpose of the Financial Statements Discussion and Analysis is to highlight information and provide explanations that enhance the reader's understanding of the school district's financial statements and the factors that influenced the financial results presented in these statements.

While the preparation and presentation of the Financial Statements Discussion and Analysis is not a legislative requirement, they are recommended by the Ministry of Education and Child Care.

The preparation of the Financial Statements Discussion and Analysis is the responsibility of school district management.

Accounting Policies

The financial statements of School District No. 39 (Vancouver) have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

Significant accounting and reporting practices are summarized in Note 2 of the financial statements. These include the following:

- operating expenses are recorded in the year the good or service is received;
- operating grants are not restricted in use and are recorded as revenue when received or receivable;
- restricted contributions are recorded as deferred contributions until the funds are expended;
- contributions for capital projects are recorded as deferred capital contributions once they are invested in capital assets;
- capital assets and deferred capital contributions are amortized over the estimated useful life of the assets.

To meet reporting requirements, the following funds are utilized:

OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND
<p>The operating fund includes operating grants and other revenues used to fund instructional programs, school and district administration, facilities operations, maintenance, and transportation.</p>	<p>Special purpose funds consist of targeted funding provided to the school district for a specific purpose. 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. Treasury Board Restricted Contribution Regulation 198/2011, issued in November 2011, defines a restricted contribution as “a contribution that is subject to a legislative or contractual stipulation or restriction as to its use.”</p>	<p>Capital funds include capital expenditures related to equipment and facility purchases as well as equipment and facility enhancements. The funding source of these purchases and enhancements determines which capital fund the expenditures will be charged. Funding sources include Ministry of Education and Child Care Bylaw Capital, Ministry of Education and Child Care Restricted Capital, Other Provincially Restricted Capital, Land Capital as well as Local Capital.</p>

Statement of Financial Position

The following table provides a comparative analysis of the school district's net financial position for fiscal years ending June 30, 2023, and June 30, 2022, along with the year-over-year dollar and percentage changes. The variances are explained below.

	2023	2022	Variance	% Change
Financial Assets				
Cash and Cash Equivalents	260,849,132	246,302,561	14,546,571	5.9%
Accounts Receivable				
Due from Province - MECC	5,702,015	10,260,655	(4,558,640)	(44.4)%
Due from Province - Other	94,000	-	94,000	
Other	18,806,469	8,507,795	10,298,674	121.0%
Portfolio Investments	419,516	412,517	6,999	1.7%
Total Financial Assets	285,871,132	265,483,528	20,387,604	7.7%
Liabilities				
Accounts Payable & Accrued Liabilities				
Due to Province - Other	641,332	613,513	27,819	4.5%
Other	87,392,634	83,901,719	3,490,915	4.2%
Unearned Revenue	56,318,061	52,614,786	3,703,275	7.0%
Deferred Revenue	42,294,538	25,387,704	16,906,834	66.6%
Deferred Capital Revenue	917,555,273	860,965,554	56,589,719	6.6%
Employee Future Benefits	33,236,114	32,387,116	848,998	2.6%
Asset Retirement Obligation	67,117,711	67,117,711	-	0.0%
Capital Lease Obligations	3,680,067	5,524,778	(1,844,711)	(33.4)%
Other Liabilities	-	99,369	(99,369)	(100.0)%
Total Liabilities	1,208,235,730	1,128,612,250	79,623,480	7.1%
Net Financial Assets (Debt)	(922,364,598)	(863,128,722)	(59,235,876)	6.9%
Non-Financial Assets				
Tangible Capital Assets	991,045,169	940,474,668	50,570,501	5.4%
Prepaid Expenses	1,686,027	1,431,188	254,839	17.8%
Supplies Inventory	1,112,118	988,979	123,139	12.5%
Total Non-Financial Assets	993,843,314	942,894,835	50,948,479	5.4%
Accumulated Surplus (Deficit)	71,478,716	79,766,113	(8,287,397)	(10.4)%

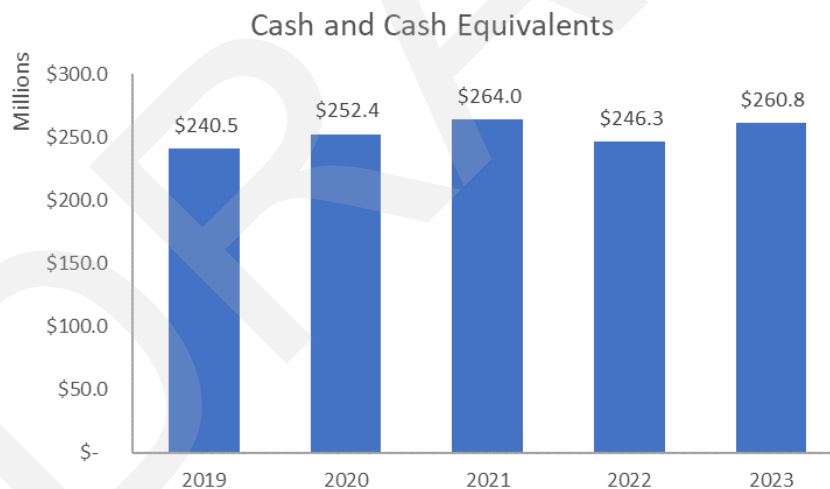
Cash and Cash Equivalents

As illustrated in the following table, cash and cash equivalents consist of deposits with the Bank of Montreal and the Provincial Central Deposit Program. Funds deposited in this latter program are held by the Ministry of Finance and earn interest at the CIBC Prime Rate less 1.5 per cent. Funds in this program are available to the school district within forty-eight hours of a withdrawal request.

Investment Type	2023	2022	Change
BMO Bank of Montreal - Operating Accounts	44,924,639	38,674,702	6,249,937
Provincial Central Deposit Program	142,963,133	137,697,320	5,265,813
Provincial Central Deposit Program - restricted capital	72,961,360	69,930,539	3,030,821
Total	260,849,132	246,302,561	14,546,571

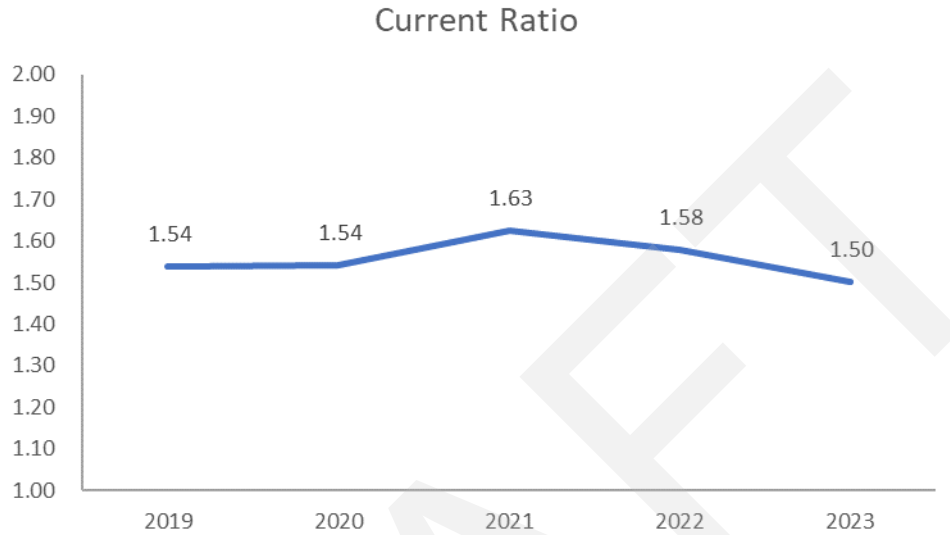
The cash and cash equivalents balances were higher by \$14.5 million year-over-year, primarily due to cash generated from financing activities of \$79.0 million, and cash generated from operating and investing activities of \$28.4 million, offset by the deficit for the year of \$8.3 million, and purchases of tangible capital assets of \$84.6 million (see Statement 5).

The restricted capital amount of \$73.0 million included in the cash balance is the amount related to the proceeds from the sale of an underground airspace parcel to BC Hydro in 2018 and interest earned since then. Interest earned on the deposit in the current year was \$3.0 million.



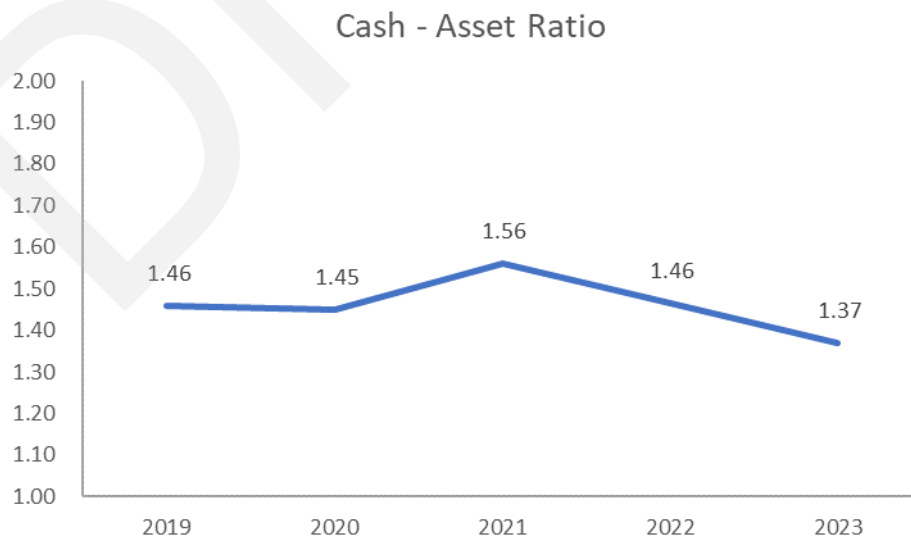
Current Ratio

The current ratio is calculated as current assets divided by current liabilities and measures the school district's ability to pay current, or short-term, liabilities with its current, or short-term, assets. If the current ratio is greater than or equal to 1, then sufficient current assets are on hand to meet current liabilities. On June 30, 2023, the school district reported a current ratio of 1.50.



Cash Asset Ratio

The cash asset ratio is another tool to assess the ability of the school district to meet its current obligations and is calculated as cash and cash equivalents divided by current liabilities. This ratio measures the school district's ability to pay off its current, short-term, obligations with cash and cash-equivalents. On June 30, 2023, the school district had 137 per cent of the cash and cash equivalents required to meet current obligations.



Accounts Receivable is comprised of three categories of receivables – Due from the Ministry of Education and Child Care, Due from Province, and Other.

Description	2023	2022	Variance
Due from Ministry of Education and Child Care	5,702,015	10,260,655	(4,558,641)
Due from Province - Other	94,000	-	94,000
Other	18,806,469	8,507,795	10,298,674
Total	24,602,484	18,768,450	5,834,032

The receivable from the Ministry of Education and Child Care is funding for work in progress for capital projects that the school district requested but was not received prior to June 30, 2023. The \$4.6 million decrease year-over-year is due to the timing of when payments are received.

The amount that is Due from the Province of \$0.09 million is for Assistive Technology BC's services rendered to the Ministry of Post-Secondary Education and Future Skills.

The Other category of receivables is shown in the following table:

Description	2023	2022	Variance
Due from Federal Government	520,359	402,659	117,700
Due from Municipalities	10,651,904	3,628,481	7,023,425
Due from Other School Districts	206,138	3,019	203,119
Rentals and Leases	48,460,646	40,899,306	7,561,340
Other Receivables	7,365,882	3,964,589	3,401,293
Allowance for Doubtful Accounts	(48,398,460)	(40,390,259)	(8,008,201)
Total	18,806,469	8,507,795	10,298,674

The \$7.0 million year-over-year increase in amounts Due from Municipalities is for amounts due from the City of Vancouver for child care spaces in replacement schools being built under the Seismic Mitigation Program and other receivables. The \$7.6 million year-over-year increase in Rentals and Leases is primarily due to an invoiced amount for unpaid ground lease revenue and related interest that is the subject of an arbitration award which is being appealed. Due to uncertainty surrounding the collectability of this amount, it is included in the Allowance for Doubtful Accounts. The balance in the Allowance for Doubtful Accounts related to this is \$48,033,442.

Accounts Payable and Accrued Liabilities is comprised of two categories – Due to the Province and Other.

Description	2023	2022	Variance
Due to Province - Other	641,332	613,513	27,819
Other	87,392,634	83,901,719	3,490,915
Total	88,033,966	84,515,232	3,518,733

The Other Accounts Payable category is shown in the following table.

Description	2023	2022	Variance
Accrued vacation payable	11,273,531	11,197,304	76,227
Other payable	20,371,913	19,671,170	700,743
Salaries and benefits payable	40,359,078	36,520,793	3,838,285
Trades payable	15,388,112	16,512,452	(1,124,340)
Total	87,392,634	83,901,719	3,490,915

The year-over-year increase of \$3.5 million in Other Payable is primarily due to an increase in contractor holdbacks for capital projects. The year-over-year increase of \$3.8 million in Salaries and Benefits payable is partly due to one additional day of wages accrued this year compared to last year as well as salary increases resulting from negotiated collective agreements. The decrease in trades payable is due to a lower value of construction invoices recorded and not yet paid to suppliers as of June 30, 2023, compared to June 30, 2022.

Unearned Revenue represents amounts that have been collected by the school district in advance of providing the related programming or service. These unearned revenues are comprised of international student tuition fees, prepaid program of choice fees, and facilities rentals. The year-over-year increase of \$3.7 million is due to a \$2.9 million increase in international student tuition revenue, reflecting higher enrolment and increased tuition fees, an increase of \$0.8 million in interest revenue related to funds received from the 2018 sale of an underground air parcel at Lord Roberts Annex, offset by a \$0.03 million decrease for facilities rental deposits.

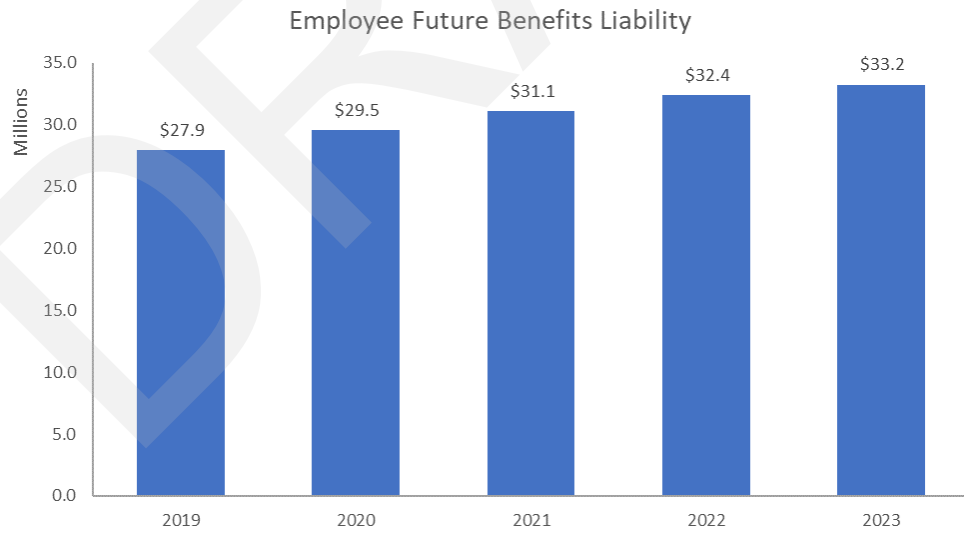
Deferred Revenue consists of non-capital amounts that are subject to a legislative or contractual stipulation or restriction as to their use. The amounts will be recognized as revenue when eligible expenses are incurred. The table below details the components of the \$42.3 million balance on June 30, 2023, and the \$25.4 million balance on June 30, 2022.

Deferred Revenue				
Description	2023	2022	Change	
Assistive Technology BC (AT-BC)	12,228,500	10,643,553	1,584,947	
Changing Results for Young Children	7,607	1,739	5,868	
Classroom Enhancement Fund (CEF)	1,317,389	898,207	419,182	
Communication Assistance for Youth & Adults (CAYA)	18,925,391	3,653,598	15,271,793	
CommunityLINK	377,234	377,587	(353)	
CommunityLINK - Other	472,069	782,977	(310,908)	
Early Care and Learning	164,946	35,450	129,496	
Learning Improvement Fund	589,531	475,048	114,483	
Mental Health in Schools	38,890	49,136	(10,246)	
OLEP	184,732	196,775	(12,043)	
Provincial Resource Centre for the Visually Impaired (PRCVI)	864,196	633,516	230,680	
Provincial Resource Programs	277,706	308,493	(30,787)	
Ready, Set, Learn	18,056	23,692	(5,636)	
Safe Return to School Grant	-	1,081,444	(1,081,444)	
Scholarships and Bursaries	556,273	531,979	24,294	
School Generated Funds	3,847,427	4,023,290	(175,863)	
Settlement Workers in Schools	303,583	390,422	(86,839)	
Special Education Technology (SET-BC)	459,047	666,054	(207,007)	
Student & Family Affordability Fund	1,043,896	-	1,043,896	
Miscellaneous	618,065	614,744	3,321	
Total Deferred Revenue	42,294,538	25,387,704	16,906,834	

Deferred Capital Revenue relates to capital contributions received for the acquisition of depreciable tangible capital assets. As a requirement of Treasury Board Regulation 198/2011, these contributions are recorded as Deferred Capital Revenue (DCR) and over time this liability is reduced and recognized as revenue over the expected life of the asset acquired. The Deferred Capital Revenue (DCR) balance consists of amounts related to completed capital projects, work in progress and contributions received that have not been spent. Capital grants received and related interest income are initially accounted for as unspent DCR. The balance in DCR related to completed projects is amortized to revenue throughout the expected life of the completed assets. The balance in DCR is explained in the following table:

Deferred Capital Revenues			
Description	2023	2022	Change
Deferred Capital Revenue - Opening Balance	860,965,554	783,059,363	77,906,191
Additions - New Grant Funding received	81,143,163	100,339,251	(19,196,088)
Current Year Recognition of Deferred Grant Revenue	(24,553,444)	(22,433,060)	(2,120,384)
Closing Deferred Capital Revenue Balance	917,555,273	860,965,554	56,589,719

Employee Future Benefits is a liability that measures the estimated future cost to the school district to provide employee benefits such as retirement allowances, vacation, sick pay, as well as maternity and other leave benefits. The annual increase is linear and predictable, suggesting that the cost of benefits increases over time as wages increase and the workforce ages. The Ministry of Education and Child Care provides this amount annually to the school district based on actuarial valuations and the school district's benefit plans. Although no plan assets are uniquely identified, the school district provided for the payment of these benefits.



Asset Retirement Obligations – The school district adopted a new accounting standard in 2023 related to legal liabilities that exist for the removal and disposal of asbestos and other environmentally hazardous materials within some school district-owned buildings that will undergo major renovations or demolition in the future. A reasonable estimate of the fair value of the obligation has been recorded in the current year.

Capital Lease Obligations decreased by \$1.8 million during the year due to technology leases that matured.

Tangible Capital Assets – The school district undertakes capital work each year by upgrading and extending the life of existing buildings through the Seismic Mitigation Program, which may include the construction of new school buildings. The funds expended on these capital projects, as well as those spent on furniture and equipment, vehicles and computer hardware and software, are reported as Tangible Capital Assets. The costs of these assets are amortized over their expected useful lives.

These assets are deemed to be disposed of at the end of their useful life and the asset value and corresponding accumulated amortization are removed from the asset register. A summary of the school district’s Tangible Capital Asset is provided below:

Tangible Capital Assets								
	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	2023	2022
Cost, beginning of year	20,781,543	1,233,403,733	18,985,751	2,125,351	679,878	23,760,497	1,299,736,753	1,163,963,321
Additions	-	109,084,914	1,950,016	36,731	15,240	1,130,942	112,217,843	141,036,197
Disposals	-	-	1,660,102	231,756	355,327	4,362,700	6,609,885	5,262,765
Cost, end of year	20,781,543	1,342,488,647	19,275,665	1,930,326	339,791	20,528,739	1,405,344,711	1,299,736,753
Add: WIP Balance	-	130,060,761	13,893	-	-	-	130,074,654	157,375,296
Cost and WIP, end of year	20,781,543	1,472,549,408	19,289,558	1,930,326	339,791	20,528,739	1,535,419,365	1,457,112,049
Accumulated Amortization - Opening	-	495,341,289	8,375,945	1,100,126	510,628	11,309,393	516,637,381	422,503,811
Amortization Expense	-	27,699,949	1,913,072	202,785	101,968	4,428,926	34,346,700	99,396,335
Deemed Disposal Recapture	-	-	1,660,102	231,756	355,327	4,362,700	6,609,885	5,262,765
Accumulated Amortization - Closing	-	523,041,238	8,628,915	1,071,155	257,269	11,375,619	544,374,196	516,637,381
Tangible Capital Assets - Net Book Value	20,781,543	949,508,170	10,660,643	859,171	82,522	9,153,120	991,045,169	940,474,668



Statement of Operations – Consolidated

Statement 2 includes the revenues and expenses for all three funds, with expenses shown by function. The following schedule shows the consolidated results of operations of the school district.

	Budget 2023	Actual 2023	Variance to Budget	Actual 2022	Variance to 2022
Revenues					
Provincial Grants	591,858,469	597,942,892	6,084,423	554,925,757	43,017,135
Federal Grants	2,720,926	2,686,892	(34,034)	2,381,164	305,728
Tuition	22,527,764	23,467,077	939,313	22,276,057	1,191,020
Other Revenue	22,235,501	27,837,780	5,602,279	25,412,788	2,424,992
Rentals and Leases	7,243,713	7,727,957	484,244	9,446,489	(1,718,532)
Investment Income	5,902,306	7,232,917	1,330,611	2,015,598	5,217,319
Amortization of Deferred Capital Revenue	24,706,427	24,553,444	(152,983)	22,432,349	2,121,095
Total Revenue	677,195,106	691,448,959	14,253,853	638,890,202	52,558,757
Expenses					
Instruction	552,425,182	556,351,264	3,926,082	517,042,506	39,308,758
District Administration	24,343,293	26,288,842	1,945,549	23,347,664	2,941,178
Operations and Maintenance	111,385,885	113,433,643	2,047,758	106,483,763	6,949,880
Transportation and Housing	3,504,294	3,477,279	(27,015)	3,487,561	(10,282)
Debt Services	187,527	185,328	(2,199)	110,798	74,530
Total Expense	691,846,181	699,736,356	7,890,175	650,472,292	49,264,064
Surplus (Deficit) for the year	(14,651,075)	(8,287,397)	6,363,678	(11,582,090)	3,294,693

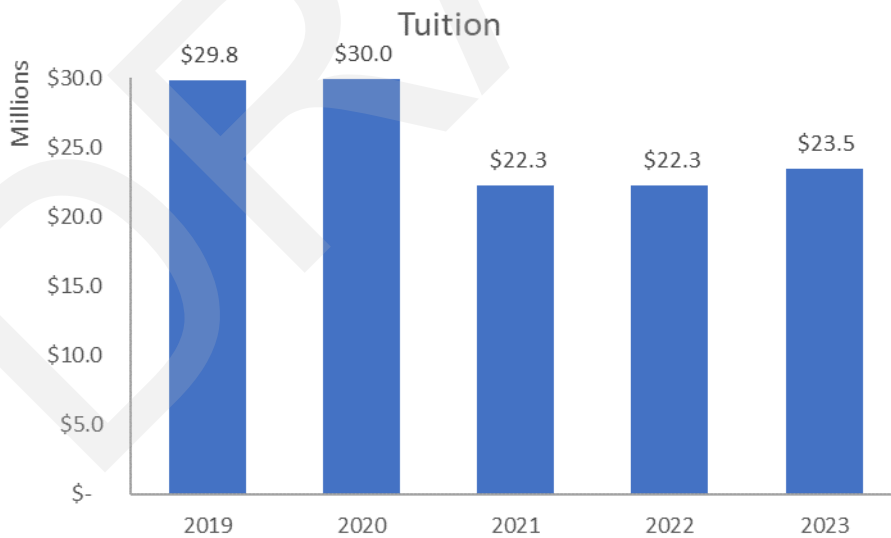
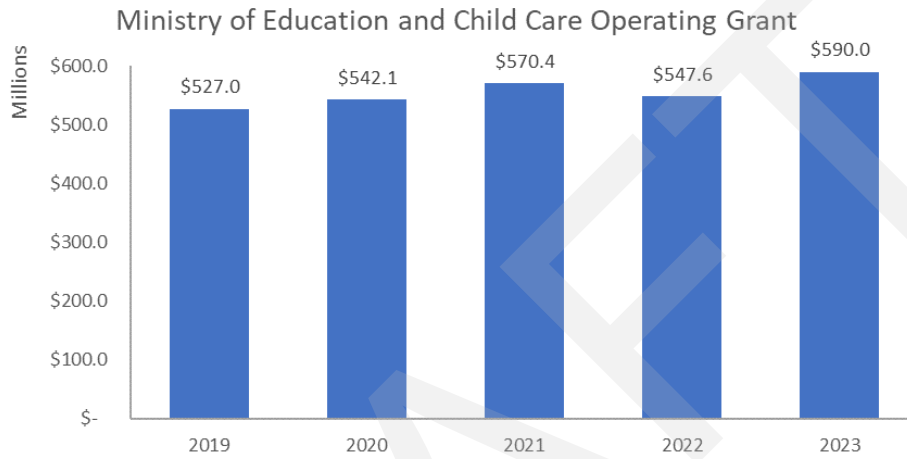
The school district has an \$8.3 million deficit for the year ending June 30, 2023 (2022 - \$11.6 million deficit) as consolidated expenses of \$699.7 million exceeded consolidated revenues of \$691.4 million. This result was \$3.3 million better than for the year ending June 30, 2022, where the deficit of \$11.6 million resulted from consolidated revenues of \$638.9 million exceeding consolidated expenses of \$650.5 million. As illustrated in Schedule 1 (unaudited) of the financial statements, the \$8.3 million deficit for the year ending June 30, 2023, was comprised of a deficit in the Operating Fund of \$7.6 million and a deficit of \$0.7 million in the Capital Fund. There is no surplus or deficit in the Special Purpose Funds.

Revenues

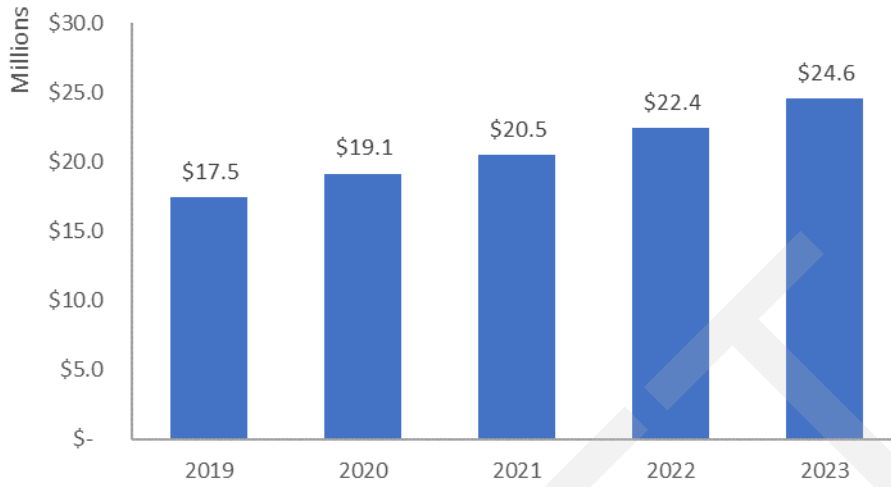
Consolidated revenues were \$14.3 million higher than the amended budget mostly due to receiving an additional \$6.1 million of labour settlement funding for support staff and teachers. Other Revenue was \$5.6 million higher than the budget mostly due to increased School Generated Fund revenue. Revenue from Rentals and Leases was \$0.5 million higher than the budget due to higher facilities rentals. The school district experienced overall higher interest income due to higher interest rates on investments.

Consolidated revenues were \$52.6 million higher in 2023 compared to 2022. This increase is primarily due to higher provincial grants (\$43.0 million) related to labour settlement funding (\$19.8 million – Operating Fund and \$4.9 million – Special Purpose Funds), increased funded student enrolment (\$15.0 million), new special purpose funding (\$3.7 million Student & Family Affordability fund and \$1.0 million Federal Safe Return to Class Ventilation fund), offset by pandemic related special purpose funding received only in 2022 (\$1.1 million - Safe Return to School Restart: Health and Safety Grant and \$0.3 million - K-12 Pandemic Recovery Team).

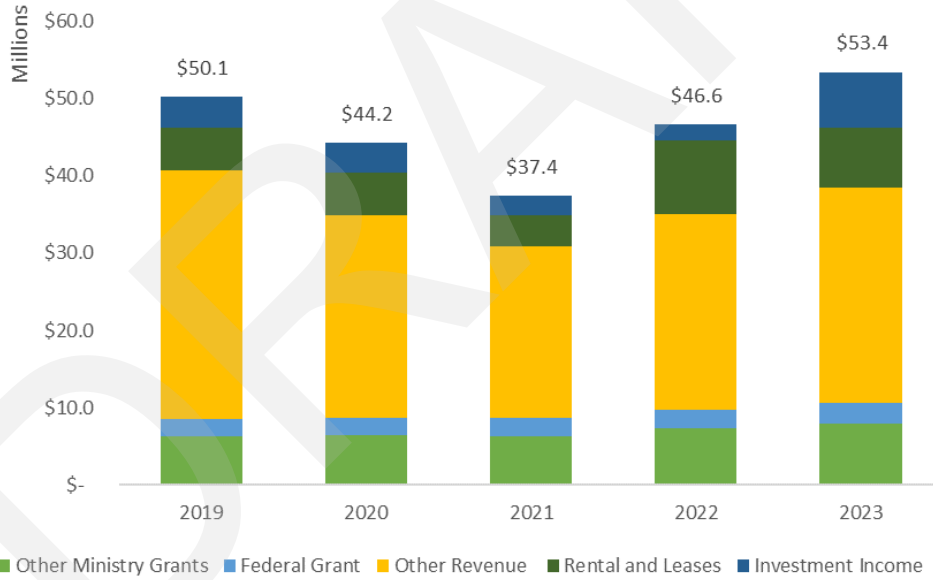
The school district also received an increase of \$0.3 million in Federal Grants for the SWIS Program’s labour settlement increases and increased scope of work, and an increase of \$1.2 million in Tuition revenue from the International Student Program. The increase of \$2.4 million in Other Revenue is due to higher School Generated Funds offset by lower BC Hydro and other grants, and a prior year one-time recognition of a cost over accrual for the Oracle PeopleSoft transition project. The \$1.7 million decrease in Rentals and Leases revenue is due to receiving partial payment of unpaid rent for Kingsgate Mall in 2022. Interest income increased by \$5.2 million due to higher interest rates, while \$2.1 million has been added to amortization of Deferred Capital Revenue in the Capital Fund.



Amortization of Deferred Capital Revenue



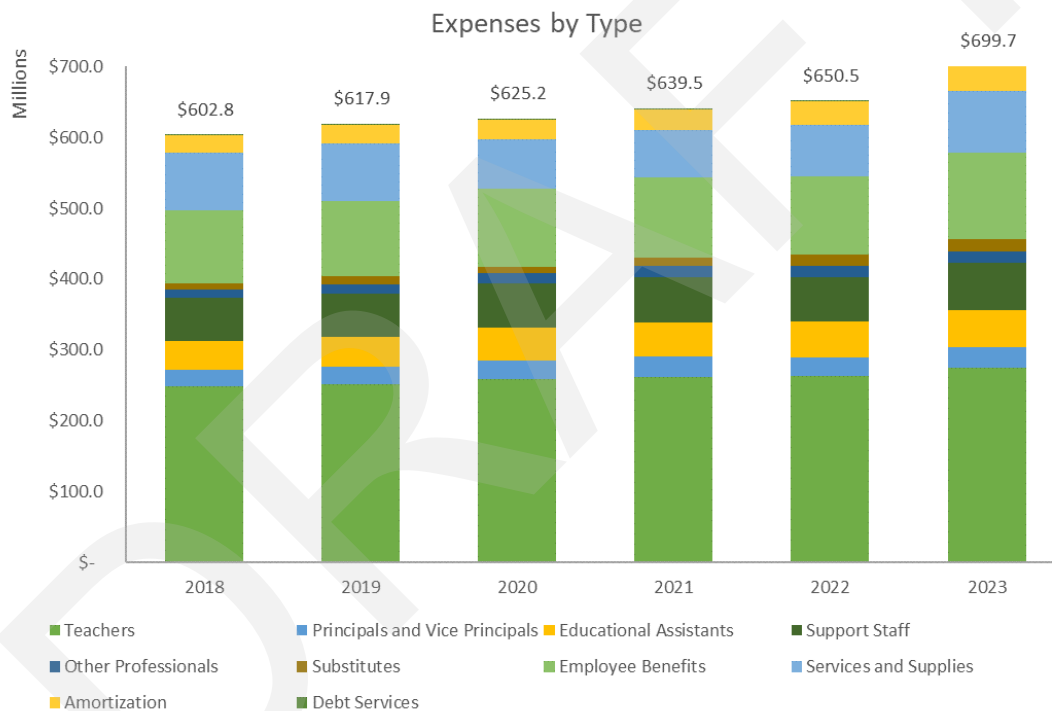
Other Revenue



Expenses

Consolidated expenses were \$7.9 million higher than the amended budget primarily due to \$5.5 million of support staff labour settlement related salaries and benefits increases not included in the amended budget. Instruction costs were also higher due to increased School Generated Fund expenses offset by savings from teacher absences, District Administration costs were higher due to legal expenses, and Operations and Maintenance costs were higher due to furniture purchased for schools.

Consolidated expenses were \$49.3 million higher in 2023 compared to 2022 primarily due to \$25.0 million in labour settlement increases as well as a prior year benefit surplus withdrawal of \$4.5 million. In addition to this, Instruction costs also increased due to higher average teacher salaries, higher school generated and flex fund spending, higher vacation taken, as well as spending of the new Student and Family Affordability Fund. District Administration costs were higher due to legal fees related to ongoing litigation. Operations and Maintenance costs increased due to overtime paid related to vacancies, tree risk assessment, and maintenance supplies.



Schedule of Operations – Operating Fund

The schedule below illustrates the Operating Fund results for the school district for the years ending June 30, 2023 and June 30, 2022, and the amended budget for the year ended June 30, 2023. Revenues are shown as presented on Schedule 2 (Unaudited) of the Financial Statements and the expenses are shown by object as presented on Schedule 2B (Unaudited) of the Financial Statements.

	Budget 2023	Actual 2023	Variance to Budget	Actual 2022	Variance to 2022
Revenues					
Provincial Grants	513,587,659	520,433,552	6,845,893	485,593,891	34,839,661
Federal Grants	2,720,926	2,686,892	(34,034)	2,381,164	305,728
Tuition	22,527,764	23,467,077	939,313	22,276,057	1,191,020
Other Revenue	14,942,828	18,655,824	3,712,996	18,181,195	474,629
Rentals and Leases	4,937,018	5,108,191	171,173	3,854,710	1,253,481
Investment Income	4,977,930	5,805,867	827,937	1,616,179	4,189,688
Total Revenue	563,694,125	576,157,403	12,463,278	533,903,196	42,254,207
Expenses					
Salaries					
Teachers	247,457,223	246,453,861	(1,003,362)	236,208,791	10,245,070
Principals and Vice Principals	27,921,470	27,796,286	(125,184)	26,832,862	963,424
Educational Assistants	43,996,922	45,784,653	1,787,731	44,418,766	1,365,887
Support Staff	55,868,561	59,438,318	3,569,757	54,990,050	4,448,268
Other Professionals	13,174,675	12,975,528	(199,147)	12,494,808	480,720
Substitutes	15,918,973	16,240,835	321,862	15,322,062	918,773
Total Salaries	404,337,824	408,689,481	4,351,657	390,267,339	18,422,142
Employee Benefits	110,454,523	110,069,807	(384,716)	98,235,940	11,833,867
Total Salaries and Benefits	514,792,347	518,759,288	3,966,941	488,503,279	30,256,009
Services and Supplies					
Services	15,640,901	14,674,422	(966,479)	14,918,800	(244,378)
Student Transportation	3,341,027	3,311,929	(29,098)	3,299,310	12,619
Professional Development and Travel	1,097,127	1,333,311	236,184	950,362	382,949
Rentals and Leases	768,539	755,307	(13,232)	655,552	99,755
Dues and Fees	959,459	1,125,935	166,476	1,307,510	(181,575)
Insurance	1,034,092	1,179,924	145,832	1,049,885	130,039
Supplies	23,980,152	26,852,730	2,872,578	21,337,134	5,515,596
Utilities	10,125,815	11,645,207	1,519,392	9,832,090	1,813,117
Total Services and Supplies	56,947,112	60,878,765	3,931,653	53,350,643	7,528,122
Total Operating Expense	571,739,459	579,638,053	7,898,594	541,853,922	37,784,131
Surplus (Deficit) for the year	(8,045,334)	(3,480,650)	4,564,684	(7,950,726)	4,470,076
Budget Appropriation	13,465,992				
Net Transfers to (from) other funds	(5,420,658)	(4,095,328)	1,325,330	(4,341,814)	246,486
Total Operating Surplus (Deficit)	-	(7,575,978)	5,890,014	(12,292,540)	4,716,562

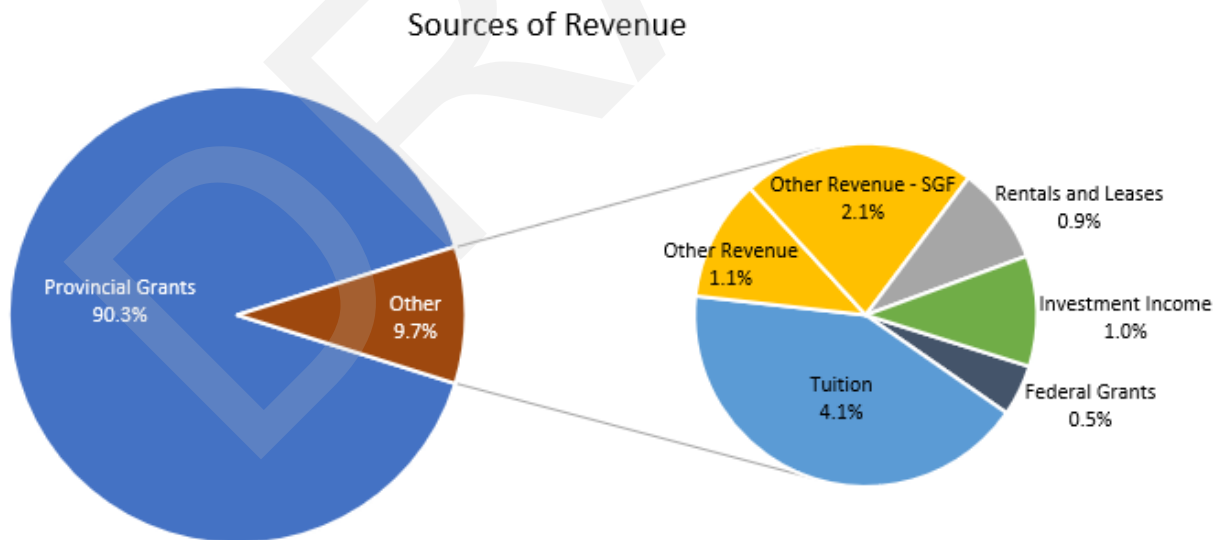
Activity in the school district’s Operating Fund is comprised of normal operations and operations related to school generated funds (SGF) that do not meet the criteria to be reported as Special Purpose Funds as they do not have a restriction on their use. These SGF funds are maintained in schools and any surplus accumulated at the school level funds school operations. When analyzing the variances in the Operating Fund in the following sections, it should be noted that the income side of school generated funds is shown in Other Revenue and the expense side is shown in Supplies as illustrated below:

	<u>Budget</u>	<u>Actuals</u>	<u>Prior Year</u>
SGF - Other Revenue	9,203,941	12,286,531	8,837,438
SGF - Supplies	9,712,072	12,200,921	8,817,530

The \$7.6 million deficit in the Operating Fund is not impacted by the breakdown between normal operations and school generated funds. As explained above, there is a net surplus balance of \$0.09 million of school generated funds transactions included in the Operating Fund (\$12,286,531 in Other Revenue and \$12,200,921 in Supplies). This surplus is not available for school district operations. It will remain in schools and be used to support school-based initiatives.

Revenues

\$520.4 million of the revenue in the Operating Fund this year was received from the Ministry of Education and Child Care through grant funding (90.3 per cent). The remaining \$55.7 million, or 9.7 per cent, was received through tuition fees from students enrolled in the International Education Program, summer school and continuing education, miscellaneous fees and grants, school generated funds, rentals and leases of school district property, investment income, and federal grants.



Revenue	Actual to Budget Comparison	2023 to 2022 Comparison
Provincial Grants	<p>After the approval of the amended annual budget the MECC confirmed the funding for negotiated salary and benefits increases for support staff (\$6.1 million) and teachers (\$0.40 million).</p> <p>The February and May enrolment counts were higher than budgeted by 80.0 FTE for students with special needs, 2.0 FTE youth train in trades, 1.5 FTE Newcomer Refugees, and 5.43 FTE graduated adults (\$0.9 million). These increases were partially offset by lower than budgeted enrolment for adults (4.6 FTE) and online learning (0.7 FTE) (\$0.1 million).</p>	<p>The total Provincial Grants of \$520.4 million was \$34.8 million higher than the prior year. The increase of \$36.2 million was due to Labour Settlement funding of \$19.8 million, increased salary differential funding (1.7 million), and increased funded enrolment:</p> <ul style="list-style-type: none"> - School age-\$9.6 million (1,203 FTE) - Students with special needs-\$4.6 million (979 FTE) - Summer school-\$0.5 million (157 FTE). <p>This increase was partially offset by decreased funding of \$1.4 million due to lower online student enrolment (\$1.1 million for 187 FTE) and adult enrolment (\$0.2 million for 13 FTE), and the loss of \$0.1 million in enrolment decline supplement.</p>
Tuition Revenue	<p>Higher International Education Program tuition and application fees (\$1.0 million) as more students confirmed to enroll in the February half year term, offset by lower fee payers enrolled in online learning (\$0.1 million).</p>	<p>Tuition was \$1.2 million higher than the prior year due to an increase of 70 FTE international students offset by lower tuition holdback from withdrawals. Summer school tuition fees were \$0.1 million higher while online learning tuition fees were \$0.1 million lower.</p>
Other Revenues	<p>Higher than budgeted School Generated Funds (\$2.8 million), donations and grants (\$0.4 million), maintenance repayable and joint maintenance (\$0.3 million), and lower school supplies fees due to the use of the Student and Family Affordability grant (\$0.2 million).</p>	<p>Although Other Revenue of \$18.7 million was comparable to the prior year, School Generated Funds were \$2.9 million higher this year due to increased school trips and events, offset by the prior year's one-time recognition of a \$1.9 million over accrual of the Oracle PeopleSoft transition project and reclassification of \$0.7 million of Career Program grants.</p>
Rentals and Leases	<p>The \$0.2 million higher than budgeted is due to facilities rentals recovering more quickly from the impact of the pandemic than projected (\$0.3 million), offset by lower filming rentals (\$0.1 million).</p>	<p>The \$1.3 million increase from the prior year was due to facilities rental income gradually recovering from the impact of the pandemic.</p>
Investment Income	<p>The Bank of Canada increased its benchmark interest rate by 25 basis points since the amended annual budget was adopted in February 2023, and higher than estimated investment balances were available.</p>	<p>Higher interest income due to the Bank of Canada raising the bank rate by 325 basis points over last year, while average deposit balances were lower for much of the year.</p>

Funding – Student Enrolment

School districts are funded primarily through an Operating Grant received from the Ministry of Education and Child Care (MECC). The Operating Grant is based on student enrolment data reported by school districts to the Ministry in July, September, February, and May. Except for summer school students, school districts receive a basic per pupil amount per full-time equivalent (FTE). This per pupil amount varies for different categories of schools, as illustrated below:

	<u>2022</u>	<u>2023</u>
Standard and Alternate	7,885	7,885
Continuing Education	7,885	7,885
Distributed Learning	6,360	6,360
Non-Graduated Adults	5,030	5,030

Funding for summer school students is provided on a per course basis.

	<u>2022</u>	<u>2023</u>
Summer Learning Grade 1-7	224	224
Summer Learning Grade 8-9	224	224
Summer Learning Grade 10-12	448	448
Cross-Enrolment, Grade 8 and 9	448	448

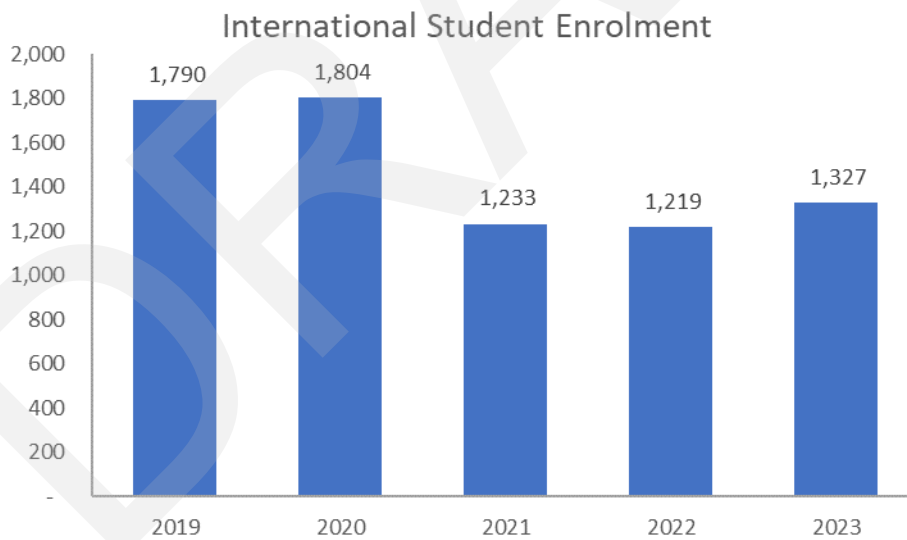
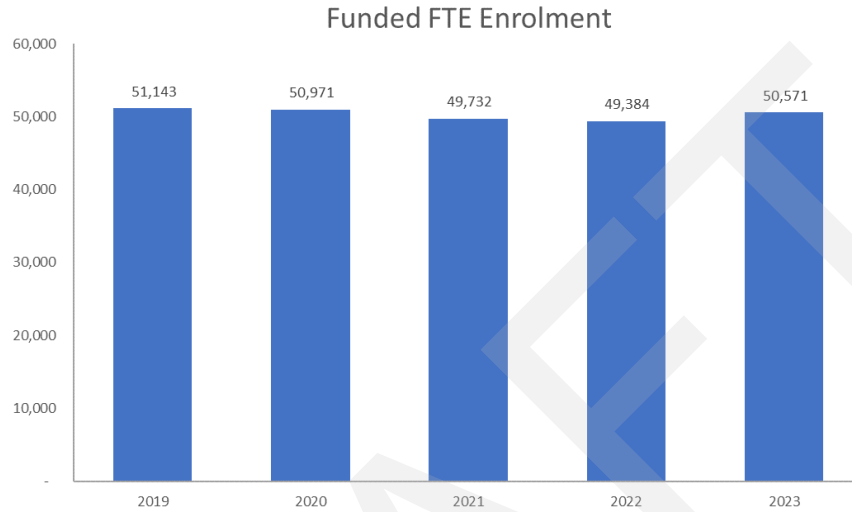
For each identified student with unique needs, school districts receive a supplementary grant to the basic per pupil grant to provide additional resources needed to ensure schools can respond to the needs of diverse learners. The amount received is shown in the following table:

	<u>2022</u>	<u>2023</u>
Students with Special Needs - Level 1	44,850	44,850
Students with Special Needs - Level 2	21,280	21,280
Students with Special Needs - Level 3	10,750	10,750
English/French Language Learning	1,585	1,585
Indigenous Education	1,565	1,565



For grades kindergarten to nine, one student equates to one FTE. In grades 10 through 12, students are funded based on a per course basis, with eight courses equating to 1.0 FTE.

MECC funded student enrolment decreased from 51,143 in 2019 to 49,384 in 2022 and increased to 50,571 in 2023. International student enrolment decreased from a high of 1,804 students in 2020 to 1,219 students in 2022 due to the impact of the pandemic, and has started to recover in 2023, with an enrolment of 1,327 students.



Expenses

Salaries and Benefits accounted for 89.5 per cent of the Operating Fund expenses of the school district in 2022-2023 and Services and Supplies accounted for 10.5 per cent, as illustrated in the chart below.

Salaries & Benefits as a proportion of Total Operating Costs



This breakdown of Operating Fund expenses between Salaries and Benefits and Services and Supplies differs from the breakdown in both the 2022-2023 amended budget (90.0 per cent/10.0 per cent) and the 2021-2022 actual results where Salaries and Benefits were 90.2 per cent of the total fund expenses and Services and Supplies were 9.8 per cent of the total. A review of the last five years shows the proportion of expenses for Salaries and Benefits has been gradually declining from a high of 92.4 per cent in 2020 to 89.5 per cent in 2023.

Salaries and Benefits

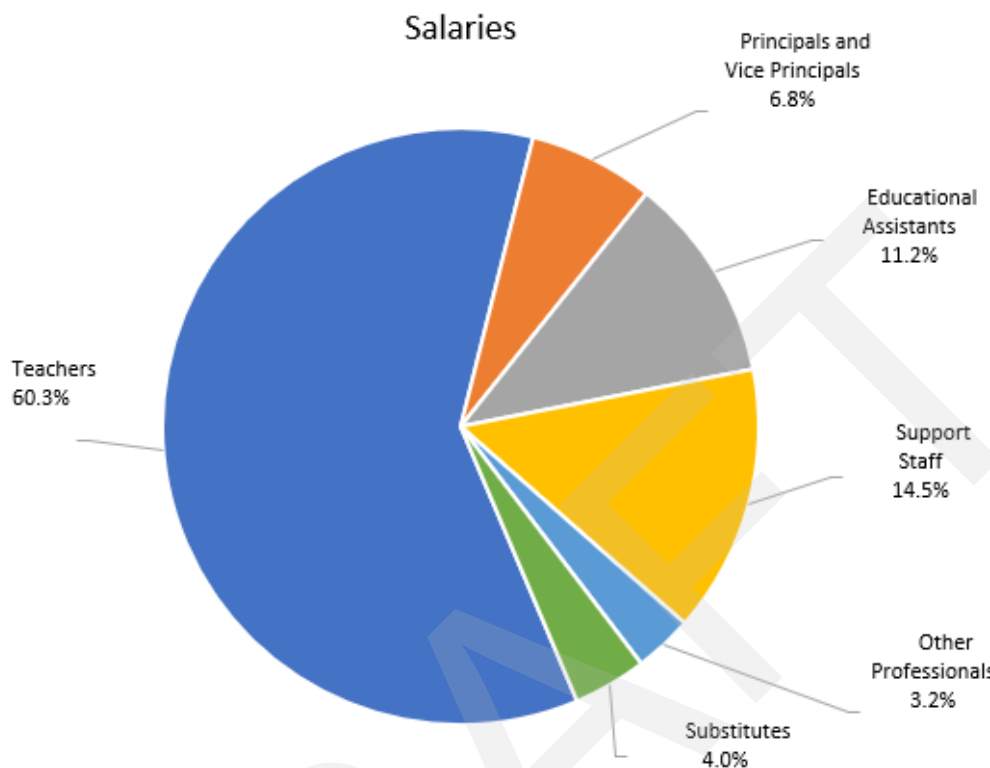
Total salaries and benefits of \$518.8 million for the 2022-2023 school year were \$4.0 million higher than the amended budget costs and were \$30.3 million higher than the 2021-2022 school year.

Total salaries of \$408.7 million were \$4.4 million higher than the amended budget of \$404.3 million with the most significant variance being in Support Staff salaries, where the actual cost was \$3.6 million higher than the budget. Total salaries for 2022-2023 were \$18.4 million higher than in 2021-2022, with Teacher salaries being \$10.2 million higher, Educational Assistants salaries being \$1.4 million higher, and Support Staff salaries being \$4.4 million higher. Salaries for Principals and Vice Principals, Other Professionals, and Substitutes were higher in total in 2022-2023 than in 2021-2022 by \$2.4 million.

Employee benefits of \$110.0 million in 2022-2023 were \$0.4 million lower than the \$110.4 million in the amended budget and were \$11.8 million higher than the 2021-2022 expense of \$98.2 million.

Explanations for the variances between the 2022-2023 actual expenses and the 2022-2023 amended budget and the 2021-2022 actual results are provided in the narrative after the chart below.

As shown in the chart below, 86 per cent of the 2022-2023 salaries were for Teachers, Support Staff, and Educational Assistants.



Teachers salaries for the year approximated the amended budget and were under budget by \$1.0 million, due primarily to higher absences in elementary schools, offset by teachers-on-call dispatched and vacancies in the areas of Reading Recovery and Area Counsellors.

The increase of \$10.2 million compared to the prior year was a result of \$10.4 million in negotiated salary increases and average teacher salary changes, offset by \$0.1 million enrolment driven staffing changes in Vancouver Learning Network and a \$0.1 million prior year cost of anti-racism training for all teachers.

Principals and Vice Principals salaries for the year were \$0.1 million under budget as two positions were filled with on-call substitutes.

The increase of \$1.0 million from the prior year was due to wage increases. The cost of two new District Principal positions (the first for Learning and Instruction, and the second for Equity, Anti-racism, and Non-Discrimination), and reclassifying the position of Director of Instruction of Employee Services from the Other Professionals category, were offset by higher absences in administrator positions.

Educational Assistants salaries for the year were \$1.8 million higher than budget due to general wage increases for Education Assistants not being included in the amended annual budget as the Ministry labour settlement funding was not finalized before the amended annual budget process was completed.

The increase of \$1.4 million compared to the prior year was a result of \$1.8 million in negotiated wage increases, \$0.1 million of lower leaves in Multicultural Liaison Workers positions, and \$0.1 million in additional staffing required for summer school, offset by \$0.5 million due to fewer permanent staff available in regular schools and \$0.1 million higher absences in Indigenous Education Workers.

Support Staff salaries for the year were \$3.6 million higher than budget mostly due to \$2.3 million for wage increases that were not included in the amended annual budget as the Ministry labour settlement funding was not finalized before the amended annual budget process was completed, \$0.6 million higher maintenance and Annual Facilities Grant costs, \$0.2 million higher custodial salaries due to overtime paid to address staff shortages, \$0.2 million in higher absences, and \$0.3 million higher than budgeted benefit-in-lieu costs related to casual staff.

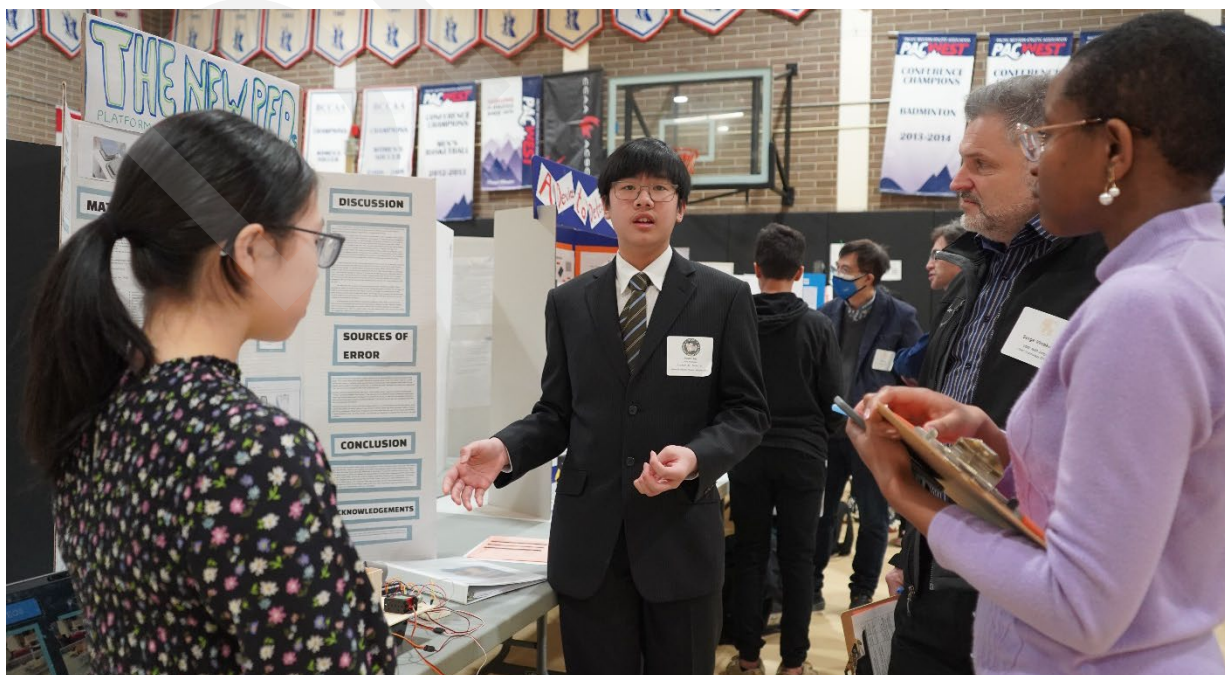
The increase of \$4.4 million from the prior year was due to \$2.3 million in negotiated wage increases, \$1.1 million higher custodian staff cost due to overtime paid to address staff shortages, \$0.9 million of increased vacation taken or paid out, and \$0.4 million increase in food services workers used to support increased meal production, offset by \$0.3 million higher maintenance staff costs in the prior year due to addressing pandemic needs.

Other Professionals salaries for the year approximated the amended budget but were \$0.2 million under budget due primarily to compensation increases for excluded staff budgeted under the Operating Fund but incurred in the Special Purpose Funds.

The increase from the prior year was mostly due to the \$0.7 million salary increase approved by the Public Sector Employers' Council, offset by \$0.2 million for a Director position that is now reported under the Principals and Vice Principals category. Both years experienced comparable retirement and vacation payouts and overlapping costs for retired staff.

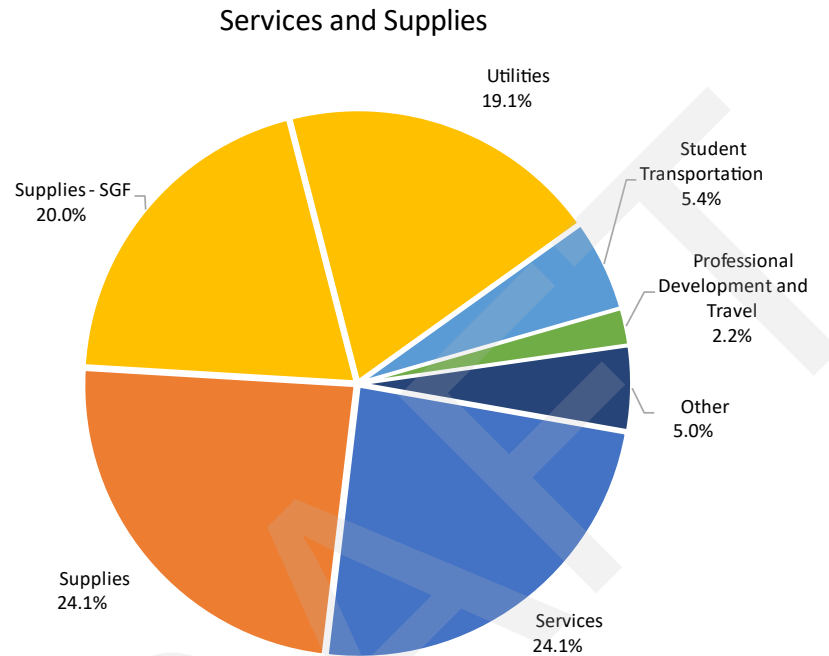
Substitutes salaries for the year were \$0.3 million over budget mostly due to higher replacement costs for administrators. Higher than budgeted elementary school replacement costs were generally offset by lower than budgeted replacement costs in secondary schools.

The increase of \$0.9 million from the prior year is a result of \$0.6 million negotiated wage increases, a \$0.1 million cost of a permanent substitute area counsellor used for addressing a vacancy, and \$0.2 million higher substitute costs charged to school flex fund budgets. In 2023 the school district continued to experience a 30% increase in illness related replacement costs compared to pre-pandemic years.



Services and Supplies

10.5 per cent of the Operating Fund expenses in 2022-2023 related to Services and Supplies. A breakdown of Services and Supplies by category of spending is shown in the following graph.



Services were \$1.0 million lower than budgeted for the year mostly due to changing the category of \$1.3 million in internet services costs to Utilities, per MECC reporting instructions.

The cost for Services was \$0.2 million lower this year compared to 2021-2022. This lower cost was due to reclassing \$1.3 million in internet services costs to Utilities, \$0.2 million decreased spending for energy project consultants, and \$0.4 million in prior year one-time projects such as interim costs for Superintendent recruitment, Queen Elizabeth Annex community consultation, and confined space safety assessments. The lower cost is offset by \$1.1 million higher legal costs, \$0.3 million higher student recruitment cost for increased international student enrolment, and \$0.3 million for tree risk assessments and removal.

Student Transportation expenditures were on budget and consistent with the prior year's spending.

Professional Development and Travel expenses were higher than budget due to the implementation of a collective agreement change which created a support staff training fund (\$0.3 million).

Rentals and Leases were less than \$0.1 million different from the amended budget.

Dues and Fees the \$0.2 million variance from the amended budget is mostly due to an adjustment to medical insurance fees collected for international students.

Compared to the prior year, dues and fees were \$0.2 million lower due to one-time spending for Indigenous Education cultural events (\$0.3 million), offset by an increase in international student medical fees (\$0.1 million).

Insurance costs for the school district were higher than the budget and prior year due to a \$0.1 million increase in fleet vehicle insurance premiums.

Supplies were \$2.9 million higher than budget mostly due to a \$2.5 million increase in school generated funds expenses and \$0.4 million in furniture purchases for classrooms budgeted under capital purchases.

Compared to the prior year, the 2022-2023 expense was \$5.5 million higher, mostly due to \$4.4 million more school based spending related to increased school events and activities, \$1.1 million increase in fuel costs and maintenance supplies, \$0.6 million pandemic related spending, and a \$0.3 million custodial supplies cost increase, offset by \$0.9 million savings resulting from preparing all school meals instead of buying them.

Utilities were \$1.5 million higher than budget mostly due to reclassifying \$1.3 million in internet services costs from Services, per Ministry reporting instructions.

Compared to the prior year, the 2022-2023 expense was \$1.8 million higher mainly due to reclassifying \$1.3 million in internet services costs from Services and higher natural gas costs.



Upgraded seismically safe school – Cavell Elementary

Accumulated Operating Surplus

The Board of Education is responsible for ensuring the school district is protected financially from financial forecasting risk and unforeseen circumstances which could negatively impact school district operations and the education of students. A level of financial reserves, in the form of an accumulated operating surplus, is an indicator of financial health and can contribute to multi-year planning for future educational services and operational needs. To discharge this responsibility and to provide increased financial stability, effective planning, and support funding predictability, the Board established Board Policy 19 - Accumulated Operating Surplus.

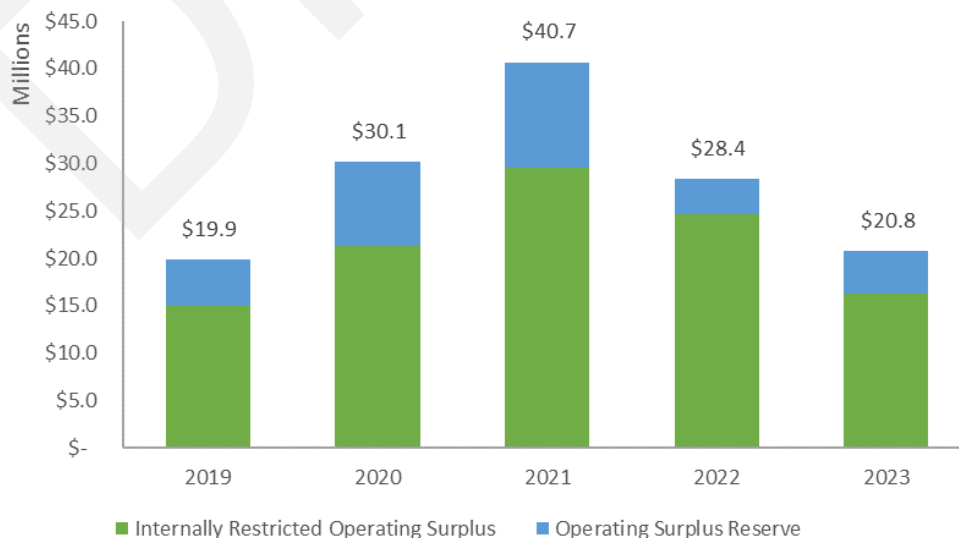
The Board’s accumulated operating surplus consists of internally restricted operating funds and unrestricted operating funds, in the following categories:

- Internally Restricted
 - Operations spanning multiple school years
 - Anticipated unusual expenses identified
 - Nature of constraints on funds
- Restricted for Future Capital Cost Share
- Unrestricted Operating Surplus (Contingency)

The policy established that the amount of Unrestricted Operating Surplus (Contingency) at the end of a fiscal year should be a minimum of 1.0 per cent and a maximum of 2.5 per cent of actual Operating Expenses of that fiscal year.

The unaudited Schedule 2 of the Financial Statements shows an operating deficit of \$7.6 million for the year ending June 30, 2023, after transfers for capital projects. With an opening accumulated surplus balance of \$28.4 million, the school district’s accumulated operating surplus balance was \$20.8 million on June 30, 2023.

Internally Restricted Operating Surplus



Application of the policy resulted in the accumulated operating surplus balances as follows:

Accumulated Operating Surplus		
Purpose	June 2023	June 2022
Operating Fund Accumulated Surplus		
Internally Restricted (Appropriated) by the Board for:		
Operations Spanning Multiple School Years		
School Budget Balances	1,350,656	2,404,213
Indigenous Education	296,275	129,985
Online Learning Funding for Courses in Progress	424,448	279,463
Education Plan	184,832	506,064
Employee Services	-	142,388
IT Capital Plan	199,478	525,010
Facilities Upgrades	221,697	160,500
Cafeteria Upgrades	350,000	110,000
Health and Safety	-	109,700
Long Range Facilities Plan Implementation	120,000	-
Equity and Anti-racism, Non-Discrimination	231,972	-
Use of Surplus for 2022-2023 Budget	-	9,817,189
Total Operations Spanning Multiple School Years	3,379,358	14,184,512
Anticipated Unusual Expenses Identified		
Risk Mitigation - Systems and Processes	700,000	-
Financial Provisions	1,200,000	-
Total Anticipated Unusual Expenses Identified	1,900,000	-
Nature of Constraints on the Funds		
Grants and Donations	3,260,068	2,709,569
Scholarships	720,039	753,692
School Generated Funds	6,533,026	6,447,415
Early Career Mentorship	543,264	596,163
Total Nature of Constraints on the Funds	11,056,397	10,506,839
Total Internally Restricted Operating Surplus	16,335,755	24,691,351
		-
Unrestricted Operating Surplus (Contingency)	4,457,455	3,677,837
Total Operating Fund Accumulated Surplus	20,793,210	28,369,188

Special Purpose Funds

Special Purpose Funds are restricted funds that are designated for specific use. The school district receives funds from the Ministry of Education and Child Care, the Federal government and from other sources. The Special Purpose Funds and their intended uses are listed below.

Fund	Intended Use	2023 Spending	2022 Spending	Change	2023 Deferred Revenue
Annual Facility Grant (AFG)	Routine maintenance and upgrading of school facilities, especially new roofs, mechanical and electrical upgrades, flooring and safety improvements.	2,256,360	2,195,185	61,175	-
First Nation Student Transportation	Funding to provide bussing to/from school for First Nations students living on reserve.	126,183	130,248	(4,065)	-
Mental Health in Schools	To build capacity in mental health and well-being related to knowledge, skills, and resources in school communities.	60,696	66,137	(5,441)	38,890
Learning Improvement Fund (LIF)	Supplementary funding to school districts for additional teacher assistants and other para-professionals and/or additional services to students.	1,560,521	1,625,294	(64,773)	589,531
Aboriginal Education Technology	Funding to provide technology to First Nations students	-	11,995	(11,995)	-
Special Education Technology (SET-BC)	Provincial program established to assist school districts in utilizing technology to support the diverse needs of students.	8,202,413	9,083,440	(881,027)	459,047
Strong Start	A free early learning program located in schools, for preschool children accompanied by parent, other adult family member or caregiver, created through an agreement between school districts and the Ministry of Education and Child Care.	610,460	619,877	(9,417)	-
Ready, Set, Learn	Intended for families and their three- to five-year-old children, Ready, Set, Learn is all about providing good information about how to support a young child's early learning and development. It also develops positive connections between families, the school system and local community agencies.	226,796	225,930	866	18,056
Changing Results For Young Children/Early Learning Framework Implementation Funds	To support district capacity building in high quality early learning and care experiences for children.	5,705	7,197	(1,492)	7,607

Fund	Intended Use	2023 Spending	2022 Spending	Change	2023 Deferred Revenue
CommunityLINK	To support programs, including food programs, and services to improve the educational performance of vulnerable students, including both academic achievement and social functioning.	9,929,322	9,388,476	540,846	377,234
CEF - Overhead	Funding to implement the Memorandum of Agreement re:Letter of Understanding No. 17.	4,250,907	4,057,244	193,663	-
CEF - Staffing		31,206,830	28,674,634	2,532,196	-
CEF - Remedy		914,743	66,852	847,891	1,317,389
Provincial Resource Program (PRP)	Provides outreach services to support educators, students, and families to meet the needs of students with disabilities and diverse abilities.	2,407,200	2,197,363	209,837	277,706
Seamless Day Kindergarten	Kindergarden pilot project to provide a full day for students, including before- and after-school care.	41,810	14,550	27,260	53,759
SEY2KT (Early Years to Kindergarten)	Provides opportunities for school districts and communities to work together to support young children and their families in the smooth transition from home to school.	2,981	-	2,981	16,019
ECL (Early Care & Learning)	Support School Districts in creating a focused early learning and care portfolio to fulfill future directions and potential added responsibilities in early learning.	79,832	-	79,832	95,168
Communication Assistance for Youth and Adults (CAYA)	A province wide service program that supports adults aged 19 years and older who require an augmentative or alternative communication system due to a severe communication disability.	3,046,551	3,056,200	(9,649)	18,925,391
Assistive Technology BC (AT-BC)	Provides assistive technology resources to make learning environments usable for people with disabilities.	5,067,225	4,164,746	902,479	12,228,500
Provincial Resource Centre for the Visually Impaired (PRCVI)	Outreach program that supports school districts' goal of ensuring equitable access and enhanced educational opportunities for students with visual impairments.	2,529,325	2,201,013	328,312	864,196
K12-Pandemic Recovery Team	Funding for the District to provide support to schools and school districts in the Vancouver Coastal Health region in responding to COVID-19 cases.	-	305,000	(305,000)	-
Safe Return to School / Restart: Health & Safety Grant	Provincial funding provided to assist districts with implementing new health and safety measures during the COVID-19 pandemic.	-	1,163,879	(1,163,879)	-
Student & Family Affordability	Funding to help make back to school more affordable for students and their families who are struggling with the rising cost of living due to inflation.	3,668,742	-	3,668,742	1,043,896

Fund	Intended Use	2023 Spending	2022 Spending	Change	2023 Deferred Revenue
French Language (OLEP)	Federal Funds received by school districts that must be spent entirely in support of French Immersion Programs, Core French Courses, or French Immersion growth initiatives.	749,159	596,767	152,392	184,732
Settlement Workers in Schools (SWIS)	School based settlement service for immigrants, refugees and other eligible clients to meet their immediate settlement or ongoing needs after their arrival in Canada.	102,177	32,880	69,297	303,583
Federal Safe Return to Class / Ventilation Fund	Funding provided to support districts with their return to school plans during the COVID-19 pandemic.	1,093,239	39,960	1,053,279	-
CommunityLINK - Other	To support programs, including food programs, and services to improve the educational performance of vulnerable students, including both academic achievement and social functioning.	367,851	282,549	85,302	472,069
Miscellaneous	Most of these funds are for career education and school playground projects.	271,031	435,712	(164,681)	618,065
Scholarships and Bursaries	To give to students to recognize academic achievement.	97,360	51,949	45,411	556,273
School Generated Funds	Funds generated by schools for various purposes.	6,994,394	5,648,358	1,346,036	3,847,427

Capital Fund

The net value of capital assets (historical cost less accumulated amortization) was \$991.05 million as at June 30, 2023 (see Schedule 4A). Of this amount, \$20.78 million represents net investment in sites, \$949.51 million in buildings and \$20.76 million in furniture, and equipment, vehicles and, computer software, and computer hardware.

These net costs represent the historical cost net of accumulated amortization of all VSB capital assets; they do not reflect current market value.

The balance in the Capital Fund at any year end is the surplus from capital operations over time that is invested in tangible capital assets and the local capital funds the school district has generated. At the end of June 2023, the balance in the Capital Fund was \$51.4 million, consisting of \$34.1 million of Invested in Tangible Capital Assets and \$16.6 million in Local Capital (see Schedule 4).

Deferred capital revenue (Schedule 4C, 4D and Note 8) includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in Treasury Board Regulation 198/2011 and is comprised of the amounts related to completed projects, work in progress, and the amount that is unspent.

The school district’s Deferred Capital Revenue balance is summarized in the table below. These funds have specific restrictions on their use:

Deferred Capital Revenues			
Description	2023	2022	Change
Completed projects	754,002,130	669,328,255	84,673,875
Work-in-Progress	120,562,774	149,529,463	(28,966,689)
<i>Unspent</i>			
MECC Restricted Capital	41,510,370	40,678,755	831,615
Other Provincial Capital	1,479,999	1,429,081	50,918
Total Deferred Capital Revenue	917,555,273	860,965,554	56,589,719

(Ministry) Restricted capital: These are funds held on behalf of the Ministry of Education and Child Care and represent the Ministry's portion of proceeds on disposal of land and buildings and any surpluses from completed projects. The balance increased by \$0.8 million this year primarily from an increase in investment income and the transfer of Lord Byng Secondary seismic project surpluses from Bylaw capital.

Other Provincial capital: Funds provided by the Ministry of Children and Family Development for the construction of new child care spaces.

Local Capital

The local capital fund balance of \$16.6 million captures the school district's capital surplus from activities that are under the control of the school district. The primary sources of revenue in local capital are rental and leases of school district facilities, investment income and child care capital project management fees. Local capital is spent on minor capital projects and the interest on capital leases. Local capital is also decreased by transfers to Invested in Tangible Capital Assets for Work in Progress.

The accumulated local capital surplus is planned to be spent as shown in the following table.

Purpose	June 2023	June 2022
Capital Projects Cost Share		
Eric Hamber Secondary	1,223,000	2,324,500
Henry Hudson Elementary	722,500	972,500
Kitsilano Secondary	52,101	284,101
Weir Elementary	-	1,132,082
Cavell Modular Building Upgrade	-	278,301
Replacement School at Lord Roberts Annex site	13,615,941	13,016,057
Unfunded Local Capital Commitments	-	(3,834,815)
Parkade Upgrades	300,000	
Equipment Replacement	500,000	
Contingency Reserve for Local Capital	168,060	
Total Internally Restricted Local Capital Surplus	16,581,602	14,172,726

Major Capital Projects

Seismic Mitigation Program (SMP)

The following schools are currently under design or construction with expected occupancy:

- Eric Hamber Secondary – Fall 2024
- Henry Hudson Elementary – Spring 2025
- David Lloyd George Elementary – Fall 2023
- Sir Wilfred Grenfell Elementary – Fall 2026

Project Definition Reports (PDR)

The preparation of project definition reports (PDR) for Killarney Secondary, David Thompson Secondary, and False Creek Elementary are presently on hold pending further direction from the MECC. The PDR for Sir Grenfell Elementary was in development from previous years and received funding approval in May 2023. The PDR for Olympic Village is in development after receiving approval of the Concept Plan. The PDR for an addition to Henry Hudson Elementary is underway after being supported in the last Capital Plan Response Letter (2023/24).

New School Construction



Coal Harbour Elementary: This project includes a new school on a site next to the Coal Harbour Community Centre, as part of a larger City of Vancouver mixed-use development that would include child care and non-market housing. The construction of the school will be funded entirely by the VSB from the proceeds of the sale of the subsurface air parcel at the Lord Roberts Annex site to BC Hydro in 2018. Construction of the mixed-use development began in February 2022. The project is currently scheduled to be completed for occupancy by students in Winter 2024.

School Enhancement Funded Projects (SEP)

The School Enhancement Program provides funding to help school districts extend the life of their facilities through a wide range of improvement projects, including:

- Electrical upgrades (power supply, distribution systems)
- Energy upgrades (LED lighting, high-efficiency boilers)
- Health and Safety upgrades (fire systems, indoor air quality)
- Mechanical upgrades (heating, ventilation, plumbing)
- Building enclosure upgrades (roofing, exterior walls, windows)
- Washroom upgrades
- Flooring upgrades

The following projects were completed during the year:

Project Type	Facility	Funding	Spending
Fire System Upgrades	Edith Cavell Elementary	152,150	148,052
Plumbing Upgrades	Edith Cavell Elementary	266,632	255,007
	Grandview Elementary	250,000	250,000
	David Livingstone Elementary	266,805	266,805
Interior Renovation	David Livingstone Elementary	231,000	148,303
Electrical Upgrades	Point Grey Secondary	300,000	300,000
Total		1,466,587	1,368,167

The following projects are in progress:

Project Type	Facility	Funding	Spending	Expected Completion
Electrical Upgrades	Prince of Wales Secondary	300,000	39,969	March 2024
	Point Grey Secondary	300,000	18,343	March 2024
Exterior Wall System	Vancouver Technical Secondary	140,000	75,023	March 2024
	Captain James Cook Elementary	190,000	-	March 2024
Roofing Upgrades	Vancouver Technical Secondary	600,000	-	September 2023
Total		1,530,000	133,335	

Carbon Neutral Capital Funded Projects (CNCF)

The school district has received the funding to complete the heating, ventilation, and air conditioning (HVAC) upgrade projects summarized in the following table.

Project	Natural Gas Savings	Funding	Spending	Expected Completion
Dr. H.N. Maccorkindale Elementary	203 GJ	85,000	85,000	Completed
Charles Dickens Annex	203 GJ	90,000	90,000	Completed
Dr. George M. Weir Elementary	853 GJ	390,500	390,500	Completed
Magee Secondary		667,880	-	October 2024

Building Envelope Program (BEP)

Funding is provided to help school districts with remediation of schools suffering damage from water ingress due to premature building envelope failure. Eligible school facilities under this program were built between 1980 and 2000 and have a risk assessment report facilitated by B.C. Housing. The school district received \$34,500 for the design phase of the building envelope remediation of Sir Winston Churchill Secondary. The design phase is scheduled to be completed by November 2023.

Playground Equipment Program (PEP)

This annual funding program provides for the purchase and installation of new or replacement playground equipment. The program will provide capital funding grants of two different amounts - \$90,000 for standard playground equipment, and \$165,000 for universally accessible playground equipment.

School	Status	Funding
Champlain Heights Community Elementary	Completed	165,000
Dr. H.N. Maccorkindale Elementary	Completed	165,000
G T Cunningham Elementary	January 2024	195,000

Annual Facility Grant (AFG)

The Annual Facility Grant is funding provided by the Ministry of Education and Child Care for designated school capital or maintenance upgrades. \$13.8 million was provided to fund the following projects in 2023-2024.

Project Type	Number of Schools	2023 Spending
Accessibility	12	824,000
Electrical System Upgrades	43	1,779,000
Facility Upgrades	54	4,095,405
Functional Improvement	43	1,422,500
Health and Safety Upgrades	9	351,000
Loss Prevention	2	46,000
Mechanical System Upgrades	51	1,307,300
Roof Replacement	8	3,090,000
Site Upgrades	35	805,749
Technology Infrastructure Upgrades	4	100,000
Total		<u>13,820,954</u>

Child Care Centers



As part of the seismic upgrades, the school district entered into agreements with the City of Vancouver to build new child care facilities within various schools. Costs associated with constructing these child care facilities are to be funded by the City of Vancouver.

School	Status	Occupancy	Cost
Lord Nelson Elementary	Completed	October 2019	\$6.8 million
Sir Sandford Fleming Elementary	Completed	May 2021	\$7.4 million
Lord Tennyson Elementary	Completed	January 2021	\$8.3 million
David Lloyd George Elementary	Construction	Fall 2023	\$7.3 million
Eric Hamber Secondary	Construction	Fall 2024	\$8.5 million
Henry Hudson Elementary	Construction	Spring 2025	\$10.0 million

Risk Factors

There are several risk factors that may have a financial impact on the school district, ranging from enrolment changes, unexpected cost pressures and lost revenues. The two most significant areas of risk are the financial pressure associated with the budget's structural deficit and those identified in the Enterprise Risk Management review.

Structural Deficit

A structural deficit occurs when an organization's ongoing expenditures are continually greater than its income, including government funding and other sources of revenue. If income does not cover expenses over time, the structural deficit will have a cumulative effect. The school district has a structural deficit which must be addressed to prevent ongoing deficits.

Most of the school district's revenues come from provincial grants, which are tied to enrolment. About 8 per cent of revenues come from fees, rentals, international student tuition, and other sources. Fixed costs, however, have not declined in step with declining revenues.

To address the structural deficit, the school district must make structural changes. This will include long-term changes and rethinking and restructuring operations and related costs.

Some factors contributing to the school district's structural deficit are:

- Non-enrolling staffing levels higher than what's required in the collective agreement
- Continued use of surplus to balance the budget
- Increasing need for School Support Workers support in schools
- Collective agreement wage lifts not fully funded over time
- Excluded wage lifts not funded over time
- Expensive paramedical group insurance benefits
- Reliance on the International Student Program

Capital Projects

Due to their magnitude, capital projects have the potential to significantly impact the financial position of the school district. There is no process to assess the risk of the entire capital program; individual project risk assessments must be done on a continuous basis. Project agreements with the Ministry of Education and Child Care contain contingencies to mitigate financial risk. Smaller projects consider contingency requirements when building the overall project budget and are managed internally.

Other Assets

Existing school district budget allocations are not enough to support the procurement, maintenance, or timely replacement of school district assets. This means that IT hardware, equipment, and vehicles are not refreshed on a regular basis. Any major equipment failures during 2023/24 must be funded from the contingency reserve.

Enterprise Risk Management

As part of the school district's Enterprise Risk Management initiative, a comprehensive enterprise-wide risk assessment was updated in 2021.

The risk assessment identified 20 key areas of risk. Some of the major areas of risk for the school district are outlined below.

Organizational Capacity – The most significant risk factor identified was organizational capacity. The additional capacity placed on the organization and staff resulting from the pandemic is a concern moving forward, particularly around mental health and the need to hire additional staff to address needs created by the pandemic. There is an increased awareness of privacy and security issues around technology distributed to students and staff. Also, the need to stay informed of Ministry and Provincial health and safety directions resulted in staff being hired to update District messaging to schools.

Facility Maintenance – The school district operates 77 elementary schools, 18 secondary schools, 12 annexes, 8 District Schools (leased or district program sites), 6 District Support Facilities and 3 properties on which businesses operate for a total of 124 active facilities. The Long-Range Facilities Plan identified the school district has many older buildings with significant seismic safety concerns and deferred maintenance requirements. The capital approval process takes time and resources to get new capital projects up and running, and the Ministry continues to request that school districts contribute more local funds toward capital projects.

Labour Disruption – The risk that an agreement cannot be reached with an employee group, leading to labour disruption.

Supporting Students and Families with Special Needs and Mental Health Issues – The risk that the school district, due to limited funds, is challenged to fully support with resources and staffing, the learning experience of students with special academic, behavioural or physical needs (including accessibility).

Key Employee Recruitment/Retention – The risk that the school district is unable to recruit and retain enough qualified teachers and staff in key positions to meet its needs.

Technology Requirements – The demand for technology hardware, software and system utilization continues at a rapid pace. Providing the required services and ensuring that information is secure and protected necessitates allocating more financial resources. Technology in support of education will allow the school district to implement the paradigm shift and transformational education required to be at the forefront and on the cutting-edge in the 21st Century. Technology in support of the Framework for Enhancing Student Learning and more real-time reporting on student progress is a crucial undertaking. The MyEdBC student administration system requires enhancements to meet the ongoing needs for improved data and reporting. System security remains a high concern. With that in mind new positions in the LIT Department will need to be created. While a multi-year plan was developed for some aspects of the school district's requirements, additional resources will need to continue to be directed in this area.

International Education – The school district greatly relies on enrolment in the International Education Program to supplement Ministry of Education and Child Care funding. Many of the students who enroll in the program do not come to the Province until just before the start of the school year.

Since receiving the report and updated risk register, each of the 20 risks has been assigned to a Senior Manager. Some managers may have multiple ownership of the risks depending on their respective portfolios. The Director of Risk Management has been conducting further risk analysis for each risk and working with the Risk Owners and other school district staff who are subject matter experts to identify what is driving each risk, what, if any, current mitigations may be in place, and identify future mitigations or opportunities for mitigation. Once future mitigations are determined, risk treatment plans will be developed for each risk to determine what changes need to occur and if resources or funding will be required to mitigate the risk.

Contacting Management

If you have questions about this financial report, please contact the Office of the Secretary-Treasurer at 604.713.5080.

DRAFT

Audited Financial Statements of

School District No. 39 (Vancouver)

And Independent Auditor's Report thereon

June 30, 2023

DRAFT

School District No. 39 (Vancouver)

June 30, 2023

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School District No. 39 (Vancouver)

MANAGEMENT REPORT

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Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 39 (Vancouver) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

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

The Board of Education of School District No. 39 (Vancouver) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a quarterly basis and externally audited financial statements yearly.

The external auditors, KPMG LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 39 (Vancouver) and meet when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 39 (Vancouver)

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Signature of the Comptroller of Education _____ Date Signed _____
Signature of the Superintendent _____ Date Signed _____

Signature of the Secretary Treasurer

Date Signed



KPMG LLP
11th Floor 777 Dunsmuir Street
Vancouver, BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 39 (Vancouver), and

To the Minister of Education and Child Care, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 39 (Vancouver) (the Entity), which comprise:

- the statement of financial position as at June 30, 2023
- the statement of operations for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements as at and for the year ended June 30, 2023 of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Emphasis of Matter – Financial Reporting Framework

We draw attention to note 2(a) to the financial statements which describes the applicable financial reporting framework and the significant differences between the financial reporting framework and Canadian public sector accounting standards.

Our opinion is not modified in respect of this matter.

Emphasis of Matter – Comparative Information

We draw attention to Note 21 to the financial statements which explains that certain comparative information presented for the year ended June 30, 2022 has been restated. Note 21 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect of this matter.



Other Matter – Comparative Information

As part of our audit of the financial statements for the year ended June 30, 2023, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended June 30, 2022. In our opinion, such adjustments are appropriate and have been properly applied.

Other Information

Management is responsible for the other information. Other information comprises:

- Information included in Unaudited Schedules 1-4 attached to the audited financial statements
- Management's Financial Statement Discussion and Analysis

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the information included in the Unaudited Schedules 1-4 attached to the audited financial statements and Management's Financial Statement Discussion and Analysis as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.



We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants
Vancouver, Canada
[DATE OF APPROVAL]

School District No. 39 (Vancouver)

Statement of Financial Position

As at June 30, 2023

	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	260,849,132	246,302,561
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	5,702,015	10,260,655
Due from Province - Other	94,000	
Other (Note 3)	18,806,469	8,507,795
Portfolio Investments (Note 4)	419,516	412,517
Total Financial Assets	285,871,132	265,483,528
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Other	641,332	613,513
Other (Note 5)	87,392,634	83,901,719
Unearned Revenue (Note 6)	56,318,061	52,614,786
Deferred Revenue (Note 7)	42,294,538	25,387,704
Deferred Capital Revenue (Note 8)	917,555,273	860,965,554
Employee Future Benefits (Note 9)	33,236,114	32,387,116
Asset Retirement Obligation (Note 20)	67,117,711	67,117,711
Capital Lease Obligations (Note 10)	3,680,067	5,524,778
Other Liabilities		99,369
Total Liabilities	1,208,235,730	1,128,612,250
Net Debt	(922,364,598)	(863,128,722)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	991,045,169	940,474,668
Prepaid Expenses	1,686,027	1,431,188
Supplies Inventory	1,112,118	988,979
Total Non-Financial Assets	993,843,314	942,894,835
Accumulated Surplus (Deficit) (Note 16)	71,478,716	79,766,113
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) from Operations	71,478,716	79,766,113
Accumulated Remeasurement Gains (Losses)		
	71,478,716	79,766,113

Approved by the Board

Signature of the Chairperson of the Board of Education

Date Signed

Signature of the Superintendent

Date Signed

Signature of the Secretary Treasurer

Date Signed

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School District No. 39 (Vancouver)

Statement 2

Statement of Operations
Year Ended June 30, 2023

	2023 Budget (Note 14) \$	2023 Actual \$	2022 Actual (Restated - Note 21) \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	585,822,404	590,032,562	547,615,755
Other	6,036,065	7,910,330	7,310,002
Federal Grants	2,720,926	2,686,892	2,381,164
Tuition	22,527,764	23,467,077	22,276,057
Other Revenue	22,235,501	27,837,780	25,412,788
Rentals and Leases	7,243,713	7,727,957	9,446,489
Investment Income	5,902,306	7,232,917	2,015,598
Amortization of Deferred Capital Revenue	24,706,427	24,553,444	22,432,349
Total Revenue	<u>677,195,106</u>	<u>691,448,959</u>	<u>638,890,202</u>
Expenses			
Instruction	552,425,182	556,351,264	517,042,506
District Administration	24,343,293	26,288,842	23,347,664
Operations and Maintenance	111,385,885	113,433,643	106,483,763
Transportation and Housing	3,504,294	3,477,279	3,487,561
Debt Services	187,527	185,328	110,798
Total Expense	<u>691,846,181</u>	<u>699,736,356</u>	<u>650,472,292</u>
Surplus (Deficit) for the year	<u>(14,651,075)</u>	<u>(8,287,397)</u>	<u>(11,582,090)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		79,766,113	91,348,203
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>71,478,716</u></u>	<u>79,766,113</u>

School District No. 39 (Vancouver)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2023

	2023 Budget (Note 14) \$	2023 Actual \$	2022 Actual (Restated - Note 21) \$
Surplus (Deficit) for the year	(14,651,075)	(8,287,397)	(11,582,090)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(103,316,622)	(84,917,201)	(108,904,130)
Amortization of Tangible Capital Assets	34,431,463	34,346,700	32,389,948
Total Effect of change in Tangible Capital Assets	(68,885,159)	(50,570,501)	(76,514,182)
Acquisition of Prepaid Expenses		(8,364,408)	(3,811,474)
Use of Prepaid Expenses		8,109,569	4,364,908
Acquisition of Supplies Inventory		(1,853,639)	(1,612,433)
Use of Supplies Inventory		1,730,500	1,572,421
Total Effect of change in Other Non-Financial Assets	-	(377,978)	513,422
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	(83,536,234)	(59,235,876)	(87,582,850)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(59,235,876)	(87,582,850)
Net Debt, beginning of year		(863,128,722)	(775,545,872)
Net Debt, end of year		(922,364,598)	(863,128,722)

School District No. 39 (Vancouver)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2023

	2023 Actual	2022 Actual
		(Restated - Note 21)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(8,287,397)	(11,582,090)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(5,834,034)	(8,365,678)
Supplies Inventories	(123,139)	(40,012)
Prepaid Expenses	(254,839)	553,437
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	3,518,734	(2,826,258)
Unearned Revenue	3,703,275	497,322
Deferred Revenue	16,906,834	57,254
Employee Future Benefits	848,998	1,313,813
Other Liabilities	(99,369)	(262,381)
Amortization of Tangible Capital Assets	34,346,700	32,389,948
Amortization of Deferred Capital Revenue	(24,553,444)	(22,432,349)
Insurance Claim		(711)
Total Operating Transactions	<u>20,172,319</u>	<u>(10,697,705)</u>
Capital Transactions		
Tangible Capital Assets Purchased	(2,648,014)	(2,782,887)
Tangible Capital Assets -WIP Purchased	(81,926,677)	(102,094,963)
Total Capital Transactions	<u>(84,574,691)</u>	<u>(104,877,850)</u>
Financing Transactions		
Capital Revenue Received	81,143,163	100,339,251
Capital Lease Payments	(2,187,221)	(2,422,020)
Total Financing Transactions	<u>78,955,942</u>	<u>97,917,231</u>
Investing Transactions		
Investments in Portfolio Investments	(6,999)	7,885
Total Investing Transactions	<u>(6,999)</u>	<u>7,885</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>14,546,571</u>	<u>(17,650,439)</u>
Cash and Cash Equivalents, beginning of year	<u>246,302,561</u>	<u>263,953,000</u>
Cash and Cash Equivalents, end of year	<u>260,849,132</u>	<u>246,302,561</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	<u>260,849,132</u>	<u>246,302,561</u>
	<u>260,849,132</u>	<u>246,302,561</u>

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2023

1 Authority and Purpose

The School District, established on April 12, 1946, operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 39 (Vancouver)", and operates as "School District No. 39 (Vancouver)." A Board of Education (Board) elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the District, and is principally funded by the Province of British Columbia through the Ministry of Education and Child Care. School District No. 39 (Vancouver) is exempt from federal and provincial income taxes.

2 Summary of Significant Accounting Policies

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia*. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2(f) and 2(n).

In November 2011, Treasury Board provided a directive through Restricted Contributions Regulation 198/2011 providing direction for the reporting of restricted contributions whether they are received or receivable by the School District before or after this regulation was in effect.

As noted in Notes 2(f) and 2(n), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and securities that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

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

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2023

d) Portfolio Investments

The School District has investments in Guaranteed Investment Certificates (GIC's) and bonds that have a period to maturity of greater than three months at the time of acquisition. These investments are not quoted in an active market and are reported at amortized cost, and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issuance of a financial asset.

e) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods, receipt of proceeds for services or products to be delivered in a future period and the remaining balance of a 99-year ground lease. For tuition fees and the receipt of proceeds for services or products to be delivered, revenue will be recognized in that future period when the courses, services, or products are provided. For the ground lease, revenue will be recognized on a straight-line basis over the remaining term of the lease.

f) Deferred Revenue and Deferred Capital Revenue

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

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

g) Employee Future Benefits

i) Post-employment benefits

The School District provides certain post-employment benefits, including vested and non-vested benefits, for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs, including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality.

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2023

The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2022 and projected to March 31, 2025. The next valuation will be performed at March 31, 2025 for use at June 30, 2025. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

ii) Pension Plans

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

h) Tangible Capital Assets

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction, as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined in which case the assets are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events indicate the need to revise.

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2023

Estimated useful life is as follows:

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

i) Asset Retirement Obligations

A liability is recognized when, as at the financial reporting date:

- (a) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (b) the past transaction or event giving rise to the liability has occurred;
- (c) it is expected that future economic benefits will be given up; and
- (d) a reasonable estimate of the amount can be made.

The liability for the removal of asbestos and other hazardous material in several of the buildings owned by the School District has been initially recognized using the modified retroactive method. The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The resulting costs have been capitalized into the carrying amount of tangible capital assets and are being amortized on the same basis as the related tangible capital asset (see Note 2h). Assumptions used in the calculations are reviewed annually.

j) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the School District are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executory costs, e.g., insurance or maintenance costs. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.

All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

k) Prepaid Expenses

Prepaid annual maintenance contracts, prepaid rent and membership dues are included as a prepaid expense and stated at acquisition cost, and are charged to expense over the periods expected to benefit from it.

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2023

l) Supplies Inventory

Supplies inventory held for consumption or use are recorded at the lower of historical cost and replacement cost.

m) Funds and Reserves

Certain amounts, as approved by the Board, are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved.

n) Revenue Recognition

Revenues are recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated.

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

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

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

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

The accounting treatment for restricted contributions that are government transfers is not consistent with the requirements of Canadian public sector accounting standards which require that governments transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met, unless the transfer contains a stipulation that meets the criteria for liability recognition, in which case the transfer is recognized over the period that the liability is extinguished.

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

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2023

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

o) Expenditures

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

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- The Superintendent, Deputy Superintendent, Associate Superintendents, Secretary-Treasurer, Assistant Secretary-Treasurer, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals' and Vice-Principals' salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

p) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, portfolio investments, accounts receivable, accounts payable and other current liabilities.

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

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2023

The School District has not invested in any equity instruments that are actively quoted in the market and has not designated any financial instruments to be recorded at fair value. The School District has no instruments in the fair value category.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Interest and dividends attributable to financial instruments are reported in the statement of operations.

Unless otherwise noted, it is management's opinion that the School District is not exposed to significant interest, currency or credit risks arising from its financial instruments. The fair values of these financial instruments approximate their carrying value, unless otherwise noted.

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

q) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the School District:
 - is directly responsible; or
 - accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

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

r) Measurement Uncertainty

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

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2023

3 Other Receivables

Other Receivables includes an amount for unpaid ground lease revenue. Due to uncertainty surrounding the collectability of this amount it is included in Allowance for Doubtful Accounts (refer to Note 18, Contingent Assets).

	30-Jun-23	30-Jun-22
Due from Federal Government	\$ 520,359	\$ 402,659
Due from Municipalities	10,651,904	3,628,481
Due from Other School Districts	206,138	3,019
Rentals and Leases	48,460,646	40,899,306
Other Receivables	7,365,882	3,964,589
Allowance for Doubtful Accounts	(48,398,460)	(40,390,259)
Total	\$ 18,806,469	\$ 8,507,795

4 Portfolio Investments

GIC's included in portfolio investments are held with local banking institutions and earn average interest at 4.83% (2022 – 1.54%). Senior government bonds held earn average interest at 2.51% (2022 – 2.53%).

	30-Jun-23	30-Jun-22
GIC's	\$ 101,297	\$ 100,549
Senior Government Bonds	318,219	311,968
	\$ 419,516	\$ 412,517

5 Accounts Payable and Accrued Liabilities – Other

	30-Jun-23	30-Jun-22
Accrued vacation pay	\$ 11,273,531	\$ 11,197,304
Other	20,371,913	19,671,170
Salaries and benefits payable	40,359,078	36,520,793
Trade payables	15,388,112	16,512,452
	\$ 87,392,634	\$ 83,901,719

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
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6 Unearned Revenue

	30-Jun-23	30-Jun-22
Balance, beginning of year		
Tuition fees	\$ 21,165,567	\$ 19,978,937
Rental/Lease of facilities	13,426,071	14,319,257
Other	18,023,148	17,819,270
	52,614,786	52,117,464
Amounts received		
Tuition fees	21,330,098	18,885,356
Rental/Lease of facilities	10,858,247	7,486,551
Other	829,442	210,788
	33,017,787	26,582,695
Amounts earned		
Tuition fees	18,423,625	17,698,726
Rental/Lease of facilities	10,885,462	8,379,737
Other	5,425	6,910
	29,314,512	26,085,373
Net changes for the year	3,703,275	497,322
Balance, end of year	\$ 56,318,061	\$ 52,614,786

7 Deferred Revenue

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

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	<u>30-Jun-23</u>	<u>30-Jun-22</u>
Deferred revenue, beginning of year	\$ 25,387,704	\$ 25,330,450
Increase		
Provincial Grants - Ministry of Education and Child Care	71,795,961	64,799,035
Provincial Grants - Other	24,063,527	8,065,618
Other	7,197,314	6,339,186
Investment Income	1,263,177	265,820
	<u>104,319,979</u>	<u>79,469,659</u>
Decrease		
Allocated to Revenue	85,869,813	76,343,435
Recoveries	1,543,332	2,284,536
Other	-	784,434
	<u>87,413,145</u>	<u>79,412,405</u>
Deferred revenue, end of year	<u>\$ 42,294,538</u>	<u>\$ 25,387,704</u>

8 Deferred Capital Revenue

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

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	30-Jun-23	30-Jun-22
DCR, Completed Projects		
Balance, beginning of year	\$ 669,328,255	\$ 624,651,284
Increases		
Transfers from DCR, WIP	109,227,319	67,109,320
	109,227,319	67,109,320
Decreases		
Amortization - By Law Capital	23,599,792	21,604,479
Amortization - Other Provincial Capital	353,719	326,613
Amortization - Other Capital	599,933	501,257
	24,553,444	22,432,349
Balance, end of year	754,002,130	669,328,255
DCR, Work in Progress (WIP)		
Balance, beginning of year	149,529,463	116,291,284
Increases		
Transfers from DR – spent funds	80,260,630	100,347,499
Decreases		
Transfers to DCR – completed projects	109,227,319	67,109,320
Balance, end of year	120,562,774	149,529,463
Balance DCR Completed Projects and WIP, end of year	874,564,904	818,857,718
DCR, Unspent		
Balance, beginning of year	42,107,836	42,116,795
Increases		
Provincial Grants – Ministry of Education and Child Care (MECC)	70,381,970	94,557,683
Other	8,752,484	5,216,827
Investment Income	2,008,709	506,427
MECC Restricted Portion of Proceeds on Disposal		
MECC Restricted insurance claim surplus		58,314
	81,143,163	100,339,251
Decreases		
Transferred to DCR, WIP	80,260,630	100,347,499
Insurance netted with expenditure		711
	80,260,630	100,348,210
Balance, DCR, Unspent, end of year	42,990,369	42,107,836
Total Deferred Capital Revenue	\$ 917,555,273	\$ 860,965,554

9 Employee Future Benefits

Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. Funding is provided when the benefits

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2023

are paid and accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

	30-Jun-23	30-Jun-22
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 27,847,971	\$ 28,912,625
Service Cost	1,832,149	2,020,899
Interest Cost	913,961	743,384
Benefit Payments	(1,932,724)	(1,630,413)
Actuarial (Gain) Loss	(2,272,507)	(2,198,524)
Accrued Benefit Obligation – March 31	\$ 26,388,850	\$ 27,847,971
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$ 26,388,850	\$ 27,847,971
Market Value of Plan Assets - March 31	-	-
Funded Status - Deficit	26,388,850	27,847,971
Employer Contributions After Measurement Date	(1,160,797)	(1,056,392)
Benefits Expense After Measurement Date	700,188	686,528
Unamortized Net Actuarial Gain (Loss)	7,307,873	4,909,009
Accrued Benefit Liability - June 30	\$ 33,236,114	\$ 32,387,116
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability - July 1	\$ 32,387,116	\$ 31,073,306
Net Expense for Fiscal Year	2,886,127	3,085,962
Employer Contributions	(2,037,129)	(1,772,152)
Accrued Benefit Liability - June 30	\$ 33,236,114	\$ 32,387,116
Components of Net Benefit Expense		
Service Cost - June 30	\$ 1,806,784	\$ 1,973,712
Interest Cost - June 30	952,987	786,028
Amortization of Net Actuarial (Gain)/Loss	126,356	326,222
Net Benefit Expense (Income)	\$ 2,886,127	\$ 3,085,962

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2023

	<u>30-Jun-23</u>	<u>30-Jun-22</u>
Assumptions		
Discount Rate - April 1	3.25%	2.50%
Discount Rate - March 31	4.00%	3.25%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	11.00	11.00

The impact of changes in assumptions between the March 31, 2023 measurement date and June 30, 2023 reporting date have been considered and are not considered to be material.

10 Capital Lease Obligations

Repayments are due as follows:

	<u>30-Jun-23</u>	<u>30-Jun-22</u>
2023	-	2,272,005
2024	1,493,108	1,396,250
2025	1,488,474	1,389,771
2026	956,360	868,755
2027	-	-
	<u>3,937,942</u>	<u>5,926,781</u>
<i>Interest portion - ranging from 0% to 9.95%</i>	<u>(257,875)</u>	<u>(402,003)</u>
Total	<u>\$ 3,680,067</u>	<u>\$ 5,524,778</u>

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
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11 Tangible Capital Asset

2023

	July 1, 2022 (Restated (Note 21))	Additions	Disposals	Transfers	June 30, 2023
Cost					
Sites	\$ 20,781,543	\$ -	\$ -	\$ -	\$ 20,781,543
Buildings	1,233,403,733	278,301		108,806,613	1,342,488,647
Buildings – WIP	157,342,036	81,525,338		(108,806,613)	130,060,761
Furniture & Equipment	18,985,751	1,529,310	(1,660,102)	420,706	19,275,665
Furniture & Equipment - WIP	33,260	401,339		(420,706)	13,893
Vehicles	2,125,351	36,731	(231,756)		1,930,326
Computer Software	679,878	15,240	(355,327)		339,791
Computer Hardware	23,760,497	1,130,942	(4,362,700)		20,528,739
Total	\$ 1,457,112,049	\$ 84,917,201	\$ (6,609,885)	\$ -	\$ 1,535,419,365

	July 1, 2022 (Restated (Note 21))	Amortization	Disposals	June 30, 2023
Accumulated Amortization				
Buildings	\$ 495,341,289	\$ 27,699,949	\$ -	\$ 523,041,238
Furniture & Equipment	8,375,945	1,913,072	1,660,102	8,628,915
Vehicles	1,100,126	202,785	231,756	1,071,155
Computer Software	510,628	101,968	355,327	257,269
Computer Hardware	11,309,393	4,428,926	4,362,700	11,375,619
Total	\$ 516,637,381	\$ 34,346,700	\$ 6,609,885	\$ 544,374,196

2022

	July 1, 2021 (Restated (Note 21))	ARO	Additions	Disposals	Transfers	June 30, 2022 (Restated)
Cost						
Sites	\$ 20,781,543	\$ -	\$ -	\$ -	\$ -	\$ 20,781,543
Buildings	1,099,659,124	67,117,711	33,917		66,592,981	1,233,403,733
Buildings – WIP	122,330,093		101,604,924		(66,592,981)	157,342,036
Furniture & Equipment	18,563,455		1,879,088	(1,973,130)	516,338	18,985,751
Furniture & Equipment - WIP	59,559		490,039		(516,338)	33,260
Vehicles	2,299,283			(173,932)		2,125,351
Computer Software	2,334,026		29,619	(1,683,767)		679,878
Computer Hardware	20,325,890		4,866,543	(1,431,936)		23,760,497
Total	\$ 1,286,352,973	\$ 67,117,711	\$ 108,904,130	\$ (5,262,765)	\$ -	\$ 1,457,112,049

	July 1, 2021 (Restated (Note 21))	ARO (Note 21)	Amortization	Disposals	June 30, 2022 (Restated)
Accumulated Amortization					
Buildings	\$ 402,753,676	\$ 67,014,459	\$ 25,573,154	\$ -	\$ 495,341,289
Furniture & Equipment	8,471,615		1,877,460	1,973,130	8,375,945
Vehicles	1,052,826		221,232	173,932	1,100,126
Computer Software	1,893,005		301,390	1,683,767	510,628
Computer Hardware	8,332,689		4,408,640	1,431,936	11,309,393
Total	\$ 422,503,811	\$ 67,014,459	\$ 32,381,876	\$ 5,262,765	\$ 516,637,381

	June 30, 2023	June 30, 2022 (Restated)
Net Book Value		
Sites	\$ 20,781,543	\$ 20,781,543
Buildings	819,447,409	738,062,444
Buildings - WIP	130,060,761	157,342,036
Furniture & Equipment	10,646,750	10,609,806
Furniture & Equipment - WIP	13,893	33,260
Vehicles	859,171	1,025,225
Computer Software	82,522	169,250
Computer Hardware	9,153,120	12,451,104
Total	\$ 991,045,169	\$ 940,474,668

As at June 30, 2023 there was work in progress of \$130,074,654 (2022: \$157,375,296) included in Buildings and Furniture & Equipment and not being amortized. Amortization of these assets will commence when the asset is put into service.

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Included within tangible capital assets purchases is \$342,510 (2022: \$4,026,280) of assets acquired through capital lease.

12 Employee Pension Plans

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2022, the Teachers' Pension Plan has about 51,000 active members and approximately 41,000 retired members. As of December 31, 2022, the Municipal Pension Plan has about 240,000 active members, including approximately 30,000 from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2020, indicated a \$1,584 million surplus for basic pension benefits on a going concern basis.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The School District paid \$46,976,307 (2022 - \$45,442,073) for employer contributions to these plans in the year ended June 30, 2023.

The next valuation for the Teachers' Pension Plan will be as at December 31, 2023. The next valuation for the Municipal Pension Plan will be as at December 31, 2024, with results available in 2025.

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plans record accrued liabilities and accrued assets for each plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

SCHOOL DISTRICT No. 39 (Vancouver)
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13 Contractual Obligations

The School District has entered into a number of multiple-year contracts for the delivery of services and the construction of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met.

	2024	2025	2026	2027	2028
Approved Capital Projects -					
Unperformed portion	\$ 34,172,568	\$ 19,473,393	\$ 2,671,715	\$ -	\$ -
Future operating lease payments	569,814	330,999	167,003	72,286	-
	<u>\$ 34,742,382</u>	<u>\$ 19,804,392</u>	<u>\$ 2,838,718</u>	<u>\$ 72,286</u>	<u>\$ -</u>

14 Budget Figures

Budget figures reflect the amended annual budget approved by the Board on February 27, 2023. The District has elected to present the amended annual budget as it reflects a budget based on funding as a result of final enrollment numbers versus estimated annual projections. As the 2022/23 Amended Annual Budget is used for comparative purposes, a reconciliation between the 2022/23 Annual and the 2022/23 Amended Annual Budgets is provided:

	Amended Annual Budget	Annual Budget
Ministry Operating Grant Funded FTEs		
School-Age	49,414	48,351
Adult	189	177
Other	970	1,056
Total Ministry Operating Grant Funded FTEs	<u>50,573</u>	<u>49,584</u>

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
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	Amended Annual Budget	Annual Budget
Revenues		
Provincial Grants		
Ministry of Education and Child Care	\$ 585,822,404	\$ 548,718,547
Other	6,036,065	6,131,941
Federal Grants	2,720,926	2,720,926
Tuition	22,527,764	20,723,248
Other Revenue	22,235,501	33,374,002
Rentals and Leases	7,243,713	7,220,701
Investment Income	5,902,306	3,611,273
Amortization of Deferred Capital Revenue	24,706,427	24,919,089
Total Revenue	677,195,106	647,419,727
Expenses		
Instruction	552,425,182	529,553,321
District Administration	24,343,293	22,871,121
Operations and Maintenance	111,385,885	104,978,719
Transportation and Housing	3,504,294	3,190,862
Debt Services	187,527	149,115
Total Expense	691,846,181	660,743,138
Net Revenue (Expense)	(14,651,075)	(13,323,411)
Budgeted Allocation (Retirement) of Surplus (Deficit)	13,465,992	10,611,799
Budgeted Surplus (Deficit), for the year	\$ (1,185,083)	\$ (2,711,612)
Budgeted Surplus (Deficit), for the year comprised of:		
Capital Fund Surplus (Deficit)	\$ (1,185,083)	\$ (2,711,612)
Budgeted Surplus (Deficit), for the year	\$ (1,185,083)	\$ (2,711,612)

15 Expense by Object

	30-Jun-23	30-Jun-22
Amortization	\$ 34,346,699	\$ 32,389,948
Interest	185,328	110,798
Salaries and benefits	580,646,731	547,325,287
Services and supplies	84,557,598	70,646,259
	\$ 699,736,356	\$ 650,472,292

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
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16 Accumulated Surplus

	30-Jun-23	30-Jun-22
Capital Fund Accumulated Surplus		
Capital Projects Cost Share		
Eric Hamber Secondary	\$ 1,223,000	\$ 2,324,500
Henry Hudson Elementary	722,500	972,500
Kitsilano Secondary	52,101	284,101
Weir Elementary	-	1,132,082
Cavell Modular Building Upgrade	-	278,301
Replacement School at Lord Roberts Annex site	13,615,941	13,016,057
Unfunded Local Capital Commitments	-	(3,834,815)
Parkade Upgrades	300,000	
Equipment Replacement	500,000	
Contingency Reserve for Local Capital	168,060	
Total Internally Restricted Local Capital Surplus	16,581,602	14,172,726
Invested in Tangible Capital Assets	34,103,904	37,224,199
Total Capital Fund Accumulated Surplus	50,685,506	51,396,925
Operating Fund Accumulated Surplus		
Operations Spanning Multiple School Years		
School Budget Balances	1,350,656	2,404,213
Indigenous Education	296,275	129,985
Online Learning Funding for Courses in Progress	424,448	279,463
Education Plan	184,832	506,064
Employee Services	-	142,388
IT Capital Plan	199,478	525,010
Facilities Upgrades	221,697	160,500
Cafeteria Upgrades	350,000	110,000
Health and Safety	-	109,700
Long Range Facilities Plan Implementation	120,000	-
Equity and Anti-racism, Non-Discrimination	231,972	-
Use of Surplus for 2022/23 Budget	-	9,817,189
Total Operations Spanning Multiple School Years	3,379,358	14,184,512
Anticipated Unusual Expenses Identified		
Risk Mitigation - Systems and Processes	700,000	-
Financial Provisions	1,200,000	-
Total Anticipated Unusual Expenses Identified	1,900,000	-
Nature of Constraints on the Funds		
Grants and Donations	3,260,068	2,709,569
Scholarships	720,039	753,692
School Generated Funds	6,533,026	6,447,415
Early Career Mentorship	543,264	596,163
Total Nature of Constraints on the Funds	11,056,397	10,506,839
Total Internally Restricted Operating Surplus	16,335,755	24,691,351
Unrestricted Operating Surplus (Contingency)	4,457,455	3,677,837
Total Operating Fund Accumulated Surplus	20,793,210	28,369,188
Accumulated Surplus	\$ 71,478,716	\$ 79,766,113

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
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17 Interfund Transfers

Interfund Transfers between the operating, special purpose and capital funds for the year were as follows:

- \$1,733,877 from operating to capital for capital assets purchased
- \$635,836 from special purpose to capital for capital assets purchased
- \$2,361,451 from operating to capital for capital lease payments
- \$11,098 from special purpose to capital for capital lease payments

18 Contingent Assets

In fiscal 2018-19 the School District entered into an agreement with BC Hydro for the sale of an underground air parcel at Lord Roberts Annex for the construction of an electrical substation. As a result of that sale, a contingent asset exists in the form of a construction lease starting August 1, 2024. The issuance of the construction lease in 2024 is dependent on BC Hydro receiving a Certificate of Public Convenience and Necessity from the British Columbia Utilities Commission for the construction of the substation. Originally the construction lease was to commence in 2023 but the School District has provided notice of a one-year delay to BC Hydro as per the terms of the agreement.

In January 2022 the School District received an arbitration award regarding the annual ground lease rent for the site on which Kingsgate Mall occupies. The District has invoiced the tenant annual rent based on the arbitration ruling. The tenant has appealed the arbitration decision and is paying a lower amount of rent. The collectability of the amount invoiced is dependent on the outcome of the appeal.

Contingent assets are not recorded in the financial statements.

19 Contingent Liabilities

As per a directive from the Ministry of Education and Child Care, any funding for Remedy with the Classroom Enhancement Fund requires an agreement for payout with the School District's teachers' associations. On June 30, 2023 the District did not have agreements with the teachers' associations, and the amount and likelihood of a payout are not measurable.

In the ordinary course of operations, the School District has legal proceedings brought against it. It is the opinion of management that final determination of these claims will not have a material effect on the financial position or operations of the School District.

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
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20 Asset Retirement Obligation

Legal liabilities exist for the removal and disposal of asbestos and other environmentally hazardous materials (lead in paint, fuel tanks) within some School District owned buildings that will undergo major renovations or demolition in the future. A reasonable estimate of the fair value of the obligation has been recognized using the modified retroactive approach as at July 1, 2022 (see Note 21 – Prior Period Adjustment – Change in Accounting Policy). The obligation has been measured at current cost as the timing of future cash flows cannot be reasonably determined. These costs have been capitalized as part of the assets’ carrying value and are amortized over the assets’ estimated useful lives.

Asset Retirement Obligation, July 1, 2022 (see Note 21)	\$	67,117,711
Settlements during the year		-
Asset Retirement Obligation, closing balance	\$	67,117,711

21 Prior Period Adjustment – Change in Accounting Policy

On July 1, 2022 the School District adopted Canadian public sector accounting standard PS 3280 Asset Retirement Obligations. This new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of certain tangible capital assets such as asbestos removal in buildings that will undergo major renovation or demolition in the future (see Note 20). This standard was adopted using the modified retroactive approach which results in the restatement of comparative information as at and for the year ended June 30, 2022.

On July 1, 2022 the School District recognized an asset retirement obligation relating to several owned buildings that contain asbestos and other hazardous materials (lead in paint, fuel tanks). The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The associated costs have been reported as an increase to the carrying value of the associated tangible capital assets. Accumulated amortization has been recorded from the later of, the date of acquisition of the related asset or April 1, 1988 (effective date of the *Hazardous Waste Regulation (April 1, 1988) – Part 6 – Management of Specific Hazardous Wastes*).

The impact of the prior period adjustment on the June 30, 2022 comparative amounts is as follows:

	As Previously Reported	Increase (Decrease)	As Restated
Asset Retirement Obligation (liability)	\$ 99,369	\$ 67,018,342	\$ 67,117,711
Tangible Capital Assets – cost	99,369	67,018,342	67,117,711
Tangible Capital Assets – accumulated amortization		67,014,459	67,014,459
Operations & Maintenance Expense – Asset amortization (2022)		8,072	8,072
Accumulated Surplus – Invested in Capital Assets		(67,006,387)	(67,006,387)

SCHOOL DISTRICT No. 39 (Vancouver)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
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22 Economic Dependence

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

23 Related Party Transactions

The School District is related through common ownership to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities and crown corporations. The School District is also related to key management personnel who have the authority and responsibility for planning, directing and controlling the activities of the District. The key management personnel are the Board of Education, Superintendent of Schools and the Secretary Treasurer. All transactions with these entities, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

24 Risk Management

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

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

a) Credit risk

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

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are held by recognized British Columbia institutions and the School District invests solely in guaranteed investment certificates, term deposits, Senior Government Bonds and the Central Deposit Program of BC.

b) Market risk

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

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates.

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ENDED JUNE 30, 2023

It is management's opinion that the School District is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk because it invests solely in guaranteed investment certificates, term deposits, and Senior Government Bonds.

c) Liquidity risk

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

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

Risk management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposure from 2022 related to credit, market or liquidity risks.

25 Comparative Figures

Certain comparative figures have been restated where necessary to conform with the presentation and disclosures in the current year.

School District No. 39 (Vancouver)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2023

	Operating Fund	Special Purpose Fund	Capital Fund	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	28,369,188		51,396,925	79,766,113	158,354,590
Prior Period Adjustments					(67,006,387)
Accumulated Surplus (Deficit), beginning of year, as restated	28,369,188	-	51,396,925	79,766,113	91,348,203
Changes for the year					
Surplus (Deficit) for the year	(3,480,650)	646,934	(5,453,681)	(8,287,397)	(11,582,090)
Interfund Transfers					
Tangible Capital Assets Purchased	(1,733,877)	(635,836)	2,369,713	-	
Other	(2,361,451)	(11,098)	2,372,549	-	
Net Changes for the year	(7,575,978)	-	(711,419)	(8,287,397)	(11,582,090)
Accumulated Surplus (Deficit), end of year - Statement 2	20,793,210	-	50,685,506	71,478,716	79,766,113

School District No. 39 (Vancouver)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2023

	2023 Budget (Note 14)	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	513,525,410	520,371,303	485,531,642
Other	62,249	62,249	62,249
Federal Grants	2,720,926	2,686,892	2,381,164
Tuition	22,527,764	23,467,077	22,276,057
Other Revenue	14,942,828	18,655,824	18,181,195
Rentals and Leases	4,937,018	5,108,191	3,854,710
Investment Income	4,977,930	5,805,867	1,616,179
Total Revenue	<u>563,694,125</u>	<u>576,157,403</u>	<u>533,903,196</u>
Expenses			
Instruction	473,139,336	476,443,480	446,807,317
District Administration	23,149,102	25,112,768	21,931,558
Operations and Maintenance	72,072,910	74,730,709	69,757,734
Transportation and Housing	3,378,111	3,351,096	3,357,313
Total Expense	<u>571,739,459</u>	<u>579,638,053</u>	<u>541,853,922</u>
Operating Surplus (Deficit) for the year	<u>(8,045,334)</u>	<u>(3,480,650)</u>	<u>(7,950,726)</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>13,465,992</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(2,939,398)	(1,733,877)	(1,808,996)
Other	(2,481,260)	(2,361,451)	(2,532,818)
Total Net Transfers	<u>(5,420,658)</u>	<u>(4,095,328)</u>	<u>(4,341,814)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(7,575,978)</u>	<u>(12,292,540)</u>
Operating Surplus (Deficit), beginning of year		28,369,188	40,661,728
Operating Surplus (Deficit), end of year		<u>20,793,210</u>	<u>28,369,188</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		16,335,755	24,691,351
Unrestricted		4,457,455	3,677,837
Total Operating Surplus (Deficit), end of year		<u>20,793,210</u>	<u>28,369,188</u>

School District No. 39 (Vancouver)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2023

	2023 Budget (Note 14)	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	491,450,153	492,190,125	476,980,918
Other Ministry of Education and Child Care Grants			
Pay Equity	7,294,124	7,294,124	7,294,124
Funding for Graduated Adults	963,246	993,112	1,152,499
Student Transportation Fund	53,423	53,423	53,423
FSA Scorer Grant	41,621	41,621	41,621
Early Learning Framework (ELF) Implementation	7,437	7,437	9,057
Labour Settlement Funding	13,712,406	19,788,461	
Premier's Award for Excellence in Education - bursary funds	3,000	3,000	
Total Provincial Grants - Ministry of Education and Child Care	513,525,410	520,371,303	485,531,642
Provincial Grants - Other	62,249	62,249	62,249
Federal Grants	2,720,926	2,686,892	2,381,164
Tuition			
Summer School Fees	706,558	682,759	563,515
Continuing Education	464,165	424,576	635,790
International and Out of Province Students	21,357,041	22,359,742	21,076,752
Total Tuition	22,527,764	23,467,077	22,276,057
Other Revenues			
Other School District/Education Authorities	1,150,000	1,150,000	1,150,000
Miscellaneous			
Instructional Cafeteria Revenue	910,737	950,401	879,307
Miscellaneous Fees and Revenue	4,049,021	4,236,283	6,115,950
School Generated Funds	8,833,070	11,623,097	8,695,981
Other Grants		696,043	1,339,957
Total Other Revenue	14,942,828	18,655,824	18,181,195
Rentals and Leases	4,937,018	5,108,191	3,854,710
Investment Income	4,977,930	5,805,867	1,616,179
Total Operating Revenue	563,694,125	576,157,403	533,903,196

School District No. 39 (Vancouver)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2023

	2023 Budget (Note 14)	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Salaries			
Teachers	247,457,223	246,453,861	236,208,791
Principals and Vice Principals	27,921,470	27,796,286	26,832,862
Educational Assistants	43,996,922	45,784,653	44,418,766
Support Staff	55,868,561	59,438,318	54,990,050
Other Professionals	13,174,675	12,975,528	12,494,808
Substitutes	15,918,973	16,240,835	15,322,062
Total Salaries	404,337,824	408,689,481	390,267,339
Employee Benefits	110,454,523	110,069,807	98,235,940
Total Salaries and Benefits	514,792,347	518,759,288	488,503,279
Services and Supplies			
Services	15,640,901	14,674,422	14,918,800
Student Transportation	3,341,027	3,311,929	3,299,310
Professional Development and Travel	1,097,127	1,333,311	950,362
Rentals and Leases	768,539	755,307	655,552
Dues and Fees	959,459	1,125,935	1,307,510
Insurance	1,034,092	1,179,924	1,049,885
Supplies	23,980,152	26,852,730	21,337,134
Utilities	10,125,815	11,645,207	9,832,090
Total Services and Supplies	56,947,112	60,878,765	53,350,643
Total Operating Expense	571,739,459	579,638,053	541,853,922

School District No. 39 (Vancouver)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2023

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	183,708,932	462,904	662,877	6,114,364	44,722	12,718,573	203,712,372
1.03 Career Programs	760,401	67,739		142,224	122,271	38,199	1,130,834
1.07 Library Services	5,925,804	885,164	24,700	129,941	138	401,835	7,367,582
1.08 Counselling	9,671,284	904,989		235	257,535	497,240	11,331,283
1.10 Special Education	24,147,750	2,430,585	40,451,622	505,793	3,008	1,162,871	68,701,629
1.20 Early Learning and Child Care		2,312	88,184	4,017	120,971	247	215,731
1.30 English Language Learning	12,088,545	1,946,088	2,501,963	477,291	203,440	719,213	17,936,540
1.31 Indigenous Education	873,487	303,395	1,086,244	179,724	822	29,050	2,472,722
1.41 School Administration	126	18,277,122	10,194	11,299,799	192,038	13,357	29,792,636
1.60 Summer School	1,524,101	202,319	311,755	235,048	6,555	1,768	2,281,546
1.62 International and Out of Province Students	7,701,322	159,125	177,159	488,722	362,256	432,468	9,321,052
Total Function 1	246,401,752	25,641,742	45,314,698	19,577,158	1,313,756	16,014,821	354,263,927
4 District Administration							
4.11 Educational Administration		1,980,099		383,470	2,359,988	6,830	4,730,387
4.40 School District Governance				86,261	800,698		886,959
4.41 Business Administration	586	7,892	8,125	3,447,262	4,954,955	51,196	8,470,016
Total Function 4	586	1,987,991	8,125	3,916,993	8,115,641	58,026	14,087,362
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	51,523	166,553	461,830	1,416,861	2,373,604	106,705	4,577,076
5.50 Maintenance Operations				31,815,959	981,054	61,283	32,858,296
5.52 Maintenance of Grounds				2,658,229	191,473		2,849,702
5.56 Utilities							-
Total Function 5	51,523	166,553	461,830	35,891,049	3,546,131	167,988	40,285,074
7 Transportation and Housing							
7.70 Student Transportation				53,118			53,118
Total Function 7	-	-	-	53,118	-	-	53,118
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	246,453,861	27,796,286	45,784,653	59,438,318	12,975,528	16,240,835	408,689,481

School District No. 39 (Vancouver)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2023

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2023 Actual	2023 Budget (Note 14)	2022 Actual (Restated - Note 21)
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	203,712,372	55,121,826	258,834,198	17,483,434	276,317,632	272,722,810	256,637,691
1.03 Career Programs	1,130,834	306,814	1,437,648	210,488	1,648,136	1,701,389	1,755,619
1.07 Library Services	7,367,582	1,983,751	9,351,333	1,958,146	11,309,479	10,764,332	10,087,673
1.08 Counselling	11,331,283	3,065,384	14,396,667	167,955	14,564,622	14,705,036	12,781,289
1.10 Special Education	68,701,629	19,696,093	88,397,722	2,176,442	90,574,164	91,956,981	89,558,132
1.20 Early Learning and Child Care	215,731	50,184	265,915	15,212	281,127		
1.30 English Language Learning	17,936,540	4,897,222	22,833,762	306,048	23,139,810	23,531,033	21,214,432
1.31 Indigenous Education	2,472,722	697,604	3,170,326	469,196	3,639,522	3,532,170	4,027,033
1.41 School Administration	29,792,636	7,645,476	37,438,112	925,254	38,363,366	38,179,058	36,715,540
1.60 Summer School	2,281,546	629,473	2,911,019	123,577	3,034,596	3,023,568	2,302,438
1.62 International and Out of Province Students	9,321,052	2,554,485	11,875,537	1,695,489	13,571,026	13,022,959	11,727,470
Total Function 1	354,263,927	96,648,312	450,912,239	25,531,241	476,443,480	473,139,336	446,807,317
4 District Administration							
4.11 Educational Administration	4,730,387	1,144,209	5,874,596	1,289,512	7,164,108	6,597,615	5,695,026
4.40 School District Governance	886,959	153,060	1,040,019	216,161	1,256,180	1,271,523	1,269,606
4.41 Business Administration	8,470,016	2,239,443	10,709,459	5,983,021	16,692,480	15,279,964	14,966,926
Total Function 4	14,087,362	3,536,712	17,624,074	7,488,694	25,112,768	23,149,102	21,931,558
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	4,577,076	1,213,487	5,790,563	1,948,598	7,739,161	7,413,521	8,207,218
5.50 Maintenance Operations	32,858,296	8,018,841	40,877,137	8,665,008	49,542,145	50,495,472	46,854,273
5.52 Maintenance of Grounds	2,849,702	636,653	3,486,355	2,635,241	6,121,596	4,216,191	4,980,060
5.56 Utilities	-	-	-	11,327,807	11,327,807	9,947,726	9,716,183
Total Function 5	40,285,074	9,868,981	50,154,055	24,576,654	74,730,709	72,072,910	69,757,734
7 Transportation and Housing							
7.70 Student Transportation	53,118	15,802	68,920	3,282,176	3,351,096	3,378,111	3,357,313
Total Function 7	53,118	15,802	68,920	3,282,176	3,351,096	3,378,111	3,357,313
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	408,689,481	110,069,807	518,759,288	60,878,765	579,638,053	571,739,459	541,853,922

School District No. 39 (Vancouver)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2023

	2023 Budget (Note 14)	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	72,296,994	69,661,259	62,084,113
Other	5,973,816	7,848,081	7,247,753
Other Revenue	7,026,009	7,543,783	6,794,441
Investment Income	251,879	816,690	217,128
Total Revenue	<u>85,548,698</u>	<u>85,869,813</u>	<u>76,343,435</u>
Expenses			
Instruction	79,285,846	79,907,784	70,235,189
District Administration	1,194,191	1,176,074	1,416,106
Operations and Maintenance	4,167,507	4,012,838	3,621,918
Transportation and Housing	126,183	126,183	130,248
Total Expense	<u>84,773,727</u>	<u>85,222,879</u>	<u>75,403,461</u>
Special Purpose Surplus (Deficit) for the year	<u>774,971</u>	<u>646,934</u>	<u>939,974</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(774,971)	(635,836)	(939,974)
Other		(11,098)	
Total Net Transfers	<u>(774,971)</u>	<u>(646,934)</u>	<u>(939,974)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 39 (Vancouver)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2023

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Special Education Technology	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		475,048	531,979	666,054	4,023,290		23,692	196,775	377,587
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	2,238,403	1,675,004		8,324,504		608,000	218,050	721,678	9,865,189
Provincial Grants - Other									
Other			104,546		6,818,531				
Investment Income	17,957		17,108	25,974		2,460	3,110	15,438	63,780
	2,256,360	1,675,004	121,654	8,350,478	6,818,531	610,460	221,160	737,116	9,928,969
Less: Allocated to Revenue	2,256,360	1,560,521	97,360	8,202,413	6,994,394	610,460	226,796	749,159	9,929,322
Recovered				355,072					
Deferred Revenue, end of year	-	589,531	556,273	459,047	3,847,427	-	18,056	184,732	377,234
Revenues									
Provincial Grants - Ministry of Education and Child Care	2,238,403	1,560,521		8,176,439		608,000	223,686	733,721	9,865,542
Provincial Grants - Other									
Other Revenue			97,246		6,994,394				
Investment Income	17,957		114	25,974		2,460	3,110	15,438	63,780
	2,256,360	1,560,521	97,360	8,202,413	6,994,394	610,460	226,796	749,159	9,929,322
Expenses									
Salaries									
Teachers				1,966,688				117,780	368,102
Principals and Vice Principals				292,619				3,028	131,758
Educational Assistants		1,145,441		104	757	436,127	21,598		2,742,074
Support Staff	1,634,123	60,639		1,126,874	86,197	360	50,443		1,547,016
Other Professionals				19,543					1,343,282
Substitutes				2,073	1,591		2,255	80,499	
	1,634,123	1,206,080	-	3,407,901	88,545	436,487	74,296	201,307	6,132,232
Employee Benefits	354,816	354,441		955,546	16,458	128,804	21,666	47,221	1,661,338
Services and Supplies	267,421		97,360	3,764,528	6,624,836	45,169	130,834	500,631	2,134,792
	2,256,360	1,560,521	97,360	8,127,975	6,729,839	610,460	226,796	749,159	9,928,362
Net Revenue (Expense) before Interfund Transfers	-	-	-	74,438	264,555	-	-	-	960
Interfund Transfers									
Tangible Capital Assets Purchased				(74,438)	(253,457)				(960)
Other					(11,098)				
	-	-	-	(74,438)	(264,555)	-	-	-	(960)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund							87,123		

School District No. 39 (Vancouver)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2023

	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Federal Safe Return to Class / Ventilation Fund	Seamless Day Kindergarten	Student & Family Affordability
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			898,207		49,136	1,739	1,081,444	35,450	
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	4,188,064	31,206,830	2,232,132	126,183	47,000	11,250		55,400	4,712,638
Provincial Grants - Other								4,719	
Other									
Investment Income	62,843				3,450	323	11,795		
	4,250,907	31,206,830	2,232,132	126,183	50,450	11,573	11,795	60,119	4,712,638
Less: Allocated to Revenue	4,250,907	31,206,830	914,743	126,183	60,696	5,705	1,093,239	41,810	3,668,742
Recovered			898,207						
Deferred Revenue, end of year	-	-	1,317,389	-	38,890	7,607	-	53,759	1,043,896
Revenues									
Provincial Grants - Ministry of Education and Child Care	4,188,064	31,206,830	914,743	126,183	57,246	5,382	1,081,444	41,810	3,668,742
Provincial Grants - Other									
Other Revenue									
Investment Income	62,843				3,450	323	11,795		
	4,250,907	31,206,830	914,743	126,183	60,696	5,705	1,093,239	41,810	3,668,742
Expenses									
Salaries									
Teachers		24,535,508	144,915						
Principals and Vice Principals	32,845								
Educational Assistants	2,099,609					1,267		31,551	
Support Staff	21,013						420,518		156
Other Professionals	457,045								
Substitutes	681,816		146,582			2,482			845
	3,292,328	24,535,508	291,497	-	-	3,749	420,518	31,551	1,001
Employee Benefits	895,767	6,671,322	73,274			942	93,945	10,259	235
Services and Supplies	62,812		549,972	126,183	60,696	1,014	584,380		3,667,506
	4,250,907	31,206,830	914,743	126,183	60,696	5,705	1,098,843	41,810	3,668,742
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	(5,604)	-	-
Interfund Transfers									
Tangible Capital Assets Purchased							5,604		
Other									
	-	-	-	-	-	-	5,604	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund	719,740								

School District No. 39 (Vancouver)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2023

	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	CommunityLINK Other	PRP	CAYA	Assistive Technology AT-BC	PRCVI	Settlement Workers In School	Miscellaneous
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			782,977	308,493	3,653,598	10,643,553	633,516	390,422	614,744
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	19,000	175,000		2,649,277			2,722,359		
Provincial Grants - Other					17,915,000	6,143,808			
Other			26,222						248,015
Investment Income			30,721	17,189	403,344	508,364	37,646	15,338	26,337
	19,000	175,000	56,943	2,666,466	18,318,344	6,652,172	2,760,005	15,338	274,352
Less: Allocated to Revenue	2,981	79,832	367,851	2,407,200	3,046,551	5,067,225	2,529,325	102,177	271,031
Recovered				290,053					
Deferred Revenue, end of year	16,019	95,168	472,069	277,706	18,925,391	12,228,500	864,196	303,583	618,065
Revenues									
Provincial Grants - Ministry of Education and Child Care	2,981	79,832		2,390,011			2,491,679		
Provincial Grants - Other			155,886		3,046,551	4,558,861		86,783	
Other Revenue			181,244					56	270,843
Investment Income			30,721	17,189		508,364	37,646	15,338	188
	2,981	79,832	367,851	2,407,200	3,046,551	5,067,225	2,529,325	102,177	271,031
Expenses									
Salaries									
Teachers				1,479,560			176,784		
Principals and Vice Principals		73,438		77,317					
Educational Assistants	308		153	54,266					9,555
Support Staff			45	116,097	607,943	674,077	738,948	10,156	
Other Professionals				9,723	257,290	895,631	229,492	605	
Substitutes	490			71,503					
	798	73,438	198	1,808,466	865,233	1,569,708	1,145,224	10,761	9,555
Employee Benefits	213	6,394	46	489,466	255,165	407,145	319,175	2,414	2,800
Services and Supplies	1,970		367,607	109,268	1,926,153	3,090,372	1,022,837	34,590	42,592
	2,981	79,832	367,851	2,407,200	3,046,551	5,067,225	2,487,236	47,765	54,947
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	42,089	54,412	216,084
Interfund Transfers									
Tangible Capital Assets Purchased							(42,089)	(54,412)	(216,084)
Other									
	-	-	-	-	-	-	(42,089)	(54,412)	(216,084)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund									

School District No. 39 (Vancouver)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2023

	<u>TOTAL</u>
	<u>\$</u>
Deferred Revenue, beginning of year	25,387,704
Add: Restricted Grants	
Provincial Grants - Ministry of Education and Child Care	71,795,961
Provincial Grants - Other	24,063,527
Other	7,197,314
Investment Income	1,263,177
	<u>104,319,979</u>
Less: Allocated to Revenue	85,869,813
Recovered	1,543,332
Deferred Revenue, end of year	<u><u>42,294,538</u></u>
Revenues	
Provincial Grants - Ministry of Education and Child Care	69,661,259
Provincial Grants - Other	7,848,081
Other Revenue	7,543,783
Investment Income	816,690
	<u>85,869,813</u>
Expenses	
Salaries	
Teachers	28,789,337
Principals and Vice Principals	611,005
Educational Assistants	6,542,810
Support Staff	7,094,605
Other Professionals	3,212,611
Substitutes	990,136
	<u>47,240,504</u>
Employee Benefits	12,768,852
Services and Supplies	25,213,523
	<u>85,222,879</u>
Net Revenue (Expense) before Interfund Transfers	<u>646,934</u>
Interfund Transfers	
Tangible Capital Assets Purchased	(635,836)
Other	(11,098)
	<u>(646,934)</u>
Net Revenue (Expense)	<u><u>-</u></u>
Additional Expenses funded by, and reported in, the Operating Fund	<u><u>806,863</u></u>

School District No. 39 (Vancouver)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2023

	2023 Budget (Note 14)	2023 Actual			2022 Actual (Restated - Note 21)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Other Revenue	266,664	171,679	1,466,494	1,638,173	437,152
Rentals and Leases	2,306,695		2,619,766	2,619,766	5,591,779
Investment Income	672,497		610,360	610,360	182,291
Amortization of Deferred Capital Revenue	24,706,427	24,553,444		24,553,444	22,432,349
Total Revenue	27,952,283	24,725,123	4,696,620	29,421,743	28,643,571
Expenses					
Operations and Maintenance	714,005		343,396	343,396	714,163
Amortization of Tangible Capital Assets					
Operations and Maintenance	34,431,463	34,346,700		34,346,700	32,389,948
Debt Services					
Capital Lease Interest	187,527		185,328	185,328	110,798
Total Expense	35,332,995	34,346,700	528,724	34,875,424	33,214,909
Capital Surplus (Deficit) for the year	(7,380,712)	(9,621,577)	4,167,896	(5,453,681)	(4,571,338)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	3,714,369	2,369,713		2,369,713	2,748,970
Capital Lease Payment	2,481,260		2,372,549	2,372,549	2,532,818
Total Net Transfers	6,195,629	2,369,713	2,372,549	4,742,262	5,281,788
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		278,301	(278,301)	-	
Tangible Capital Assets WIP Purchased from Local Capital		1,666,047	(1,666,047)	-	
Principal Payment					
Capital Lease		2,187,221	(2,187,221)	-	
Total Other Adjustments to Fund Balances		4,131,569	(4,131,569)	-	
Total Capital Surplus (Deficit) for the year	(1,185,083)	(3,120,295)	2,408,876	(711,419)	710,450
Capital Surplus (Deficit), beginning of year		37,224,199	14,172,726	51,396,925	117,692,862
Prior Period Adjustments					
To Recognize Asset Retirement Obligation					(67,006,387)
Capital Surplus (Deficit), beginning of year, as restated		37,224,199	14,172,726	51,396,925	50,686,475
Capital Surplus (Deficit), end of year		34,103,904	16,581,602	50,685,506	51,396,925

School District No. 39 (Vancouver)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2023

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	20,781,543	1,166,286,022	18,985,751	2,125,351	679,878	23,760,497	1,232,619,042
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		67,117,711					67,117,711
Cost, beginning of year, as restated	20,781,543	1,233,403,733	18,985,751	2,125,351	679,878	23,760,497	1,299,736,753
Changes for the Year							
Increase:							
Purchases from:							
Operating Fund			1,172,338	36,731	15,240	509,568	1,733,877
Special Purpose Funds			356,972			278,864	635,836
Local Capital		278,301					278,301
Capital Lease						342,510	342,510
Transferred from Work in Progress		108,806,613	420,706				109,227,319
	-	109,084,914	1,950,016	36,731	15,240	1,130,942	112,217,843
Decrease:							
Deemed Disposals			1,660,102	231,756	355,327	4,362,700	6,609,885
	-	-	1,660,102	231,756	355,327	4,362,700	6,609,885
Cost, end of year	20,781,543	1,342,488,647	19,275,665	1,930,326	339,791	20,528,739	1,405,344,711
Work in Progress, end of year		130,060,761	13,893				130,074,654
Cost and Work in Progress, end of year	20,781,543	1,472,549,408	19,289,558	1,930,326	339,791	20,528,739	1,535,419,365
Accumulated Amortization, beginning of year		428,326,830	8,375,945	1,100,126	510,628	11,309,393	449,622,922
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		67,014,459					67,014,459
Accumulated Amortization, beginning of year, as restated		495,341,289	8,375,945	1,100,126	510,628	11,309,393	516,637,381
Changes for the Year							
Increase: Amortization for the Year		27,699,949	1,913,072	202,785	101,968	4,428,926	34,346,700
Decrease:							
Deemed Disposals			1,660,102	231,756	355,327	4,362,700	6,609,885
		-	1,660,102	231,756	355,327	4,362,700	6,609,885
Accumulated Amortization, end of year		523,041,238	8,628,915	1,071,155	257,269	11,375,619	544,374,196
Tangible Capital Assets - Net	20,781,543	949,508,170	10,660,643	859,171	82,522	9,153,120	991,045,169

School District No. 39 (Vancouver)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress
Year Ended June 30, 2023

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	157,342,036	33,260			157,375,296
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	68,630,191	387,450			69,017,641
Deferred Capital Revenue - Other	11,229,100	13,889			11,242,989
Local Capital	1,666,047				1,666,047
	81,525,338	401,339	-	-	81,926,677
Decrease:					
Transferred to Tangible Capital Assets	108,806,613	420,706			109,227,319
	108,806,613	420,706	-	-	109,227,319
Net Changes for the Year	(27,281,275)	(19,367)	-	-	(27,300,642)
Work in Progress, end of year	130,060,761	13,893	-	-	130,074,654

School District No. 39 (Vancouver)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2023

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	637,148,203	9,072,451	23,107,601	669,328,255
Changes for the Year				
Increase:				
Transferred from Work in Progress	105,437,502	2,174,542	1,615,275	109,227,319
	<u>105,437,502</u>	<u>2,174,542</u>	<u>1,615,275</u>	<u>109,227,319</u>
Decrease:				
Amortization of Deferred Capital Revenue	23,599,792	353,719	599,933	24,553,444
	<u>23,599,792</u>	<u>353,719</u>	<u>599,933</u>	<u>24,553,444</u>
Net Changes for the Year	<u>81,837,710</u>	<u>1,820,823</u>	<u>1,015,342</u>	<u>84,673,875</u>
Deferred Capital Revenue, end of year	<u>718,985,913</u>	<u>10,893,274</u>	<u>24,122,943</u>	<u>754,002,130</u>
Work in Progress, beginning of year	138,906,790	1,644,048	8,978,625	149,529,463
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	69,017,641	2,490,505	8,752,484	80,260,630
	<u>69,017,641</u>	<u>2,490,505</u>	<u>8,752,484</u>	<u>80,260,630</u>
Decrease				
Transferred to Deferred Capital Revenue	105,437,502	2,174,542	1,615,275	109,227,319
	<u>105,437,502</u>	<u>2,174,542</u>	<u>1,615,275</u>	<u>109,227,319</u>
Net Changes for the Year	<u>(36,419,861)</u>	<u>315,963</u>	<u>7,137,209</u>	<u>(28,966,689)</u>
Work in Progress, end of year	<u>102,486,929</u>	<u>1,960,011</u>	<u>16,115,834</u>	<u>120,562,774</u>
Total Deferred Capital Revenue, end of year	<u>821,472,842</u>	<u>12,853,285</u>	<u>40,238,777</u>	<u>874,564,904</u>

School District No. 39 (Vancouver)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2023

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year		40,678,755	1,429,081			42,107,836
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	70,381,970					70,381,970
Other					8,752,484	8,752,484
Investment Income		1,943,902	64,807			2,008,709
Transfer project surplus to MECC Restricted (from) Bylaw	(1,364,329)	1,364,329				-
	<u>69,017,641</u>	<u>3,308,231</u>	<u>64,807</u>	<u>-</u>	<u>8,752,484</u>	<u>81,143,163</u>
Decrease:						
Transferred to DCR - Work in Progress	69,017,641	2,476,616	13,889		8,752,484	80,260,630
	<u>69,017,641</u>	<u>2,476,616</u>	<u>13,889</u>	<u>-</u>	<u>8,752,484</u>	<u>80,260,630</u>
Net Changes for the Year	<u>-</u>	<u>831,615</u>	<u>50,918</u>	<u>-</u>	<u>-</u>	<u>882,533</u>
Balance, end of year	<u>-</u>	<u>41,510,370</u>	<u>1,479,999</u>	<u>-</u>	<u>-</u>	<u>42,990,369</u>

Vancouver School District Finance Committee

September 13, 2023

1



INDIGENOUS ACKNOWLEDGEMENT

With deep gratitude and respect, we are honoured to be learning and unlearning on the ancestral and unceded lands of the x^wməθk^wəyəm (Musqueam), Sk̓wxwú7mesh Úxwumixw (Squamish Nation) & səlilwətaʔ (Tseil-Waututh Nation).



x^wməθk^wəyəm
(Musqueam)



Sk̓wxwú7mesh Úxwumixw
(Squamish Nation)



səlilwətaʔ
(Tseil-Waututh Nation)

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Live-streamed

The meeting is currently being broadcasted live, and both the audio and video recordings will be accessible to the public for viewing even after the meeting ends.

Footage from this meeting may be viewed from Canada or anywhere else in the world.

3

Meeting Decorum

The Board has a strong commitment to ethical conduct. This includes the responsibility of committee members to conduct themselves with appropriate decorum and professionalism. As Chair of the Committee it is my responsibility to see that decorum is maintained. To do that I ask that:

- all members/delegates request to speak through the chair;
- civility towards others is maintained as stakeholder representatives and Trustees share perspectives and participate in debate;
- staff be able to submit objective reports without influence or pressure as their work is acknowledged and appreciated;
- committee members refrain from personal inflammatory/accusatory language/action;
- committee members, trustees, representatives and staff present themselves in a professional and courteous manner.

4

Introductions

Stakeholders: please state your first and last name and the name of the group you are representing

Trustees and staff: please state your first and last name and position

5

ITEM 1.1 BANKING RESOLUTION

Flavia Coughlan, Secretary-Treasurer

6

Banking Resolution

THAT the Finance Committee recommends that the Board of Education of School District No. 39 (Vancouver) approve the new Banking Resolution.

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QUESTIONS?

ITEM 1.1 BANKING RESOLUTION

8

ITEM 3.1 AUDITED FINANCIAL STATEMENTS JUNE 30, 2023

Flavia Coughlan, Secretary-Treasurer
Shehzad Somji, Assistant Secretary-Treasurer

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Financial Statement Discussion and Analysis

- Report should be read in conjunction with the District's 2022-2023 audited financial statements
- Highlights information and provide explanations that influenced the financial results for the year
- Summary of the school district's financial activities based on currently known facts, decisions, or conditions
- Identifies financial risk factors and upcoming financial changes

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Financial Assets

	2023	2022	Increase (Decrease)
Cash and Cash Equivalents	\$ 260.8	\$ 246.3	\$ 14.5
Due from Ministry of Education and Child Care	5.8	10.2	(4.4)
Accounts Receivable - Other	18.8	8.5	10.3
Portfolio Investments	0.4	0.4	0.0
	<u>\$ 285.8</u>	<u>\$ 265.4</u>	<u>\$ 20.4</u>

- Increase in cash and cash equivalents primarily due to a five-year grant for CAYA (Communication Assistance for Youth and Adults)
- Increase in AR is primarily due to capital project work in progress where funding hasn't yet been received (\$4.6 million), construction of child care space where the City of Vancouver hasn't yet funded (\$7.0 million)

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Liabilities

	2023	2022	Increase (Decrease)
Deferred Capital Revenue	\$ 917.6	\$ 861.0	\$ 56.6
Unearned Revenue	56.3	52.6	3.7
Accounts Payable - Other	87.4	83.9	3.5
Deferred Revenue	42.3	25.4	16.9
Due to Province	0.6	0.6	0.0
Capital Lease Obligations	3.7	5.5	(1.8)
Asset Retirement Obligatio	67.1	67.1	0.0
Employee Future Benefits	33.2	32.4	0.8
Other Liabilities	0.0	0.1	(0.1)
	<u>\$ 1,208.2</u>	<u>\$ 1,128.6</u>	<u>\$ 79.6</u>

- Increase in Deferred Capital Revenue is net of new grant funding less spending
- Increase in Deferred Revenue due to five-year grant funding for CAYA (Communication Assistance for Youth and Adults)
- Asset Retirement Obligation (ARO) – new accounting standard related to legal liabilities for district owned buildings

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Statement of Operations (Consolidated)

	2023	2022
Revenues	\$ 691,448,959	\$ 638,890,202
Expenses	699,736,356	650,472,292
Surplus (Deficit) for the year	\$ (8,287,397)	\$ (11,582,090)

- Operating deficit \$7.6 million
- Capital Fund deficit \$0.7 million

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Statement of Operations (Operating Fund)

	2023	Budget	Variance
Revenues	\$ 576.2	\$ 563.7	\$ 12.50
Expenses			
Salaries & Benefits	518.8	514.8	4.0
Services & Supplies	60.9	56.9	4.0
Total Expenses	579.7	571.7	8.0
Net transfer to (from) other Funds	(4.1)	(5.4)	1.3
Surplus (Deficit) for the Year	\$ (7.6)	\$ (13.4)	\$ 5.8

Revenue

- Labour Settlement Funding for unionized staff
- International students entering semester two
- Investment income

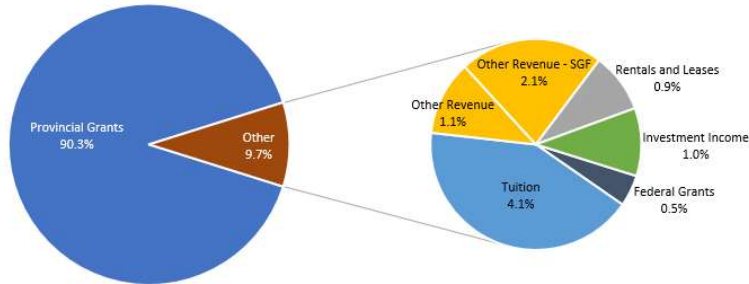
Expenses

- Salaries and benefits due to negotiated general wage increases
- Pro-D funds per negotiated Collective Agreements
- School Generated Funds and legal costs

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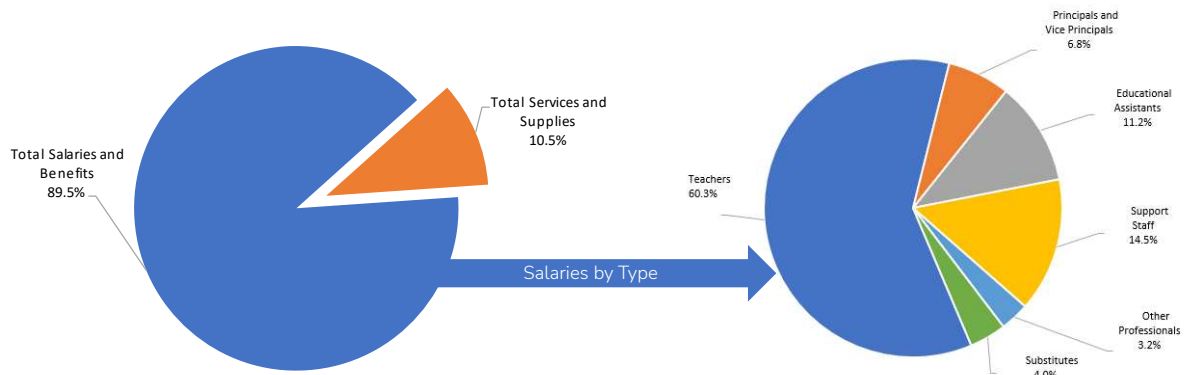
Operating Fund Revenue

Sources of Revenue



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Operating Fund Expense



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Accumulated Surplus (Deficit)

Financial Assets	
Total Financial Assets	\$ 285,871,132
Total Liabilities	<u>1,208,235,730</u>
Net Debt	<u>(922,364,598)</u>
Non-Financial Assets	
Tangible Capital Assets	991,045,169
Prepaid Expenses	1,686,027
Supplies Inventory	<u>1,112,118</u>
Total Non-Financial Assets	<u>993,843,314</u>
Accumulated Surplus (Deficit)	\$ <u>71,478,716</u>

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Capital Fund Accumulated Surplus

<u>Purpose</u>	<u>30-Jun-23</u>	<u>30-Jun-22</u>
Eric Hamber Secondary	\$ 1,223,000	\$ 2,324,500
Henry Hudson Elementary	722,500	972,500
Kitsilano Secondary	52,101	284,101
Weir Elementary	-	1,132,082
Cavell Modular Building Upgrade	-	278,301
Replacement school at Lord Roberts Annex site	13,615,941	13,016,057
Unfunded Local Capital Commitments	-	(3,834,815)
Parkade Upgrades	300,000	-
Equipment Replacement	500,000	-
Contingency Reserve for Local Capital	168,060	-
Total Internally Restricted Local Capital Surplus	\$ <u>16,581,602</u>	\$ <u>14,172,726</u>
Invested in Tangible Capital Assets	<u>34,103,904</u>	<u>37,224,199</u>
Total Capital Fund Accumulated Surplus	\$ <u>50,685,506</u>	\$ <u>51,396,925</u>

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Accumulated Operating Surplus

Purpose	30-Jun-23	Board Policy 19	
Operations Spanning Multiple School Years	\$ 3,379,358	1.5%	8,694,571
Anticipated Unusual Expenses Identified	1,900,000	0.5%	2,898,190
Nature of Constraints on the Funds	11,056,397		
Contingency Reserves	4,457,455	1.0%	5,796,380
Total Operating Fund Accumulated Surplus	\$ 20,793,210		

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KPMG Draft Audit Opinion

- “In our opinion, the accompanying financial statements as at and for the year ended June 30, 2023 of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.”

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QUESTIONS?

**ITEM 3.1
JUNE 30, 2023 AUDITED FINANCIAL STATEMENTS**

21

INFORMATION ITEM REQUESTS

22

VSB Vancouver
School Board

THANK YOU FOR YOUR TIME
