

FINANCIAL STATEMENT Discussion and Analysis

for the year ended June 30, 2021



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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, 2021. This report is a summary of the 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, 2020 and the amended annual budget for 2020-2021. This report should be read in conjunction with the District’s 2020-2021 audited financial statements.

Overview of the School District

The Vancouver School Board (District) is one of the most diverse public-school systems in Canada. It is home to some of the poorest and richest postal codes in the country. The District’s annual enrolment is approximately 50,000 students from Kindergarten to Grade 12, and it also provides educational programs and services to over 2,500 adult students and 1,300 international students. The District invests significant resources in a broad range of programs to meet the diverse learning needs of all students in fulfillment of the District’s vision to **“inspire student success by providing an innovative, caring and responsive learning environment.”** With this vision in mind the Vancouver School Board is committed to providing the highest quality learning experience for all students, helping them to reach their intellectual, social, and physical potential in a safe and inclusive environment. Vancouver schools are involved in a wide range of partnerships with cultural, arts and service organizations. The District also offers a multitude of services and program options to meet student interests and needs.

The District’s 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, as developed by the Public Sector Accounting Board, except regarding the accounting for government transfers.



The Vancouver Board of Education is comprised of nine elected trustees and an appointed student trustee. The Board’s work is divided among [five standing committees](#) to facilitate comprehensive discussion of school district matters. Collectively, the Board sets education policies within the district as mandated by the *School Act*.

VSB2021 Strategic Plan

The [VSB2021 Strategic Plan](#) was developed in consultation with the district's partners including students, families, staff and stakeholders. It sets out a clear and shared vision for the future of public education in the Vancouver School District. The vision of inspiring student success by providing an innovative, caring, and responsive learning environment is guided by the following principles:



The following goals were also developed based on the themes that emerged during the public engagement process:

Goal 1: Engage our learners through innovative teaching and learning practices.

Goal 2: Build capacity in our community through strengthening collective leadership.

Goal 3: Create a culture of care and shared social responsibility.

Goal 4: Provide effective leadership, governance, and stewardship.

Education Plan 2026

The [Education Plan 2026](#) is the Vancouver School District's 5-year strategic plan. Over the 2021-2022 school year, the District will engage students, staff, and the public to gather their views on how best to improve outcomes for students. There will be 3 implementation phases: Pre-Engagement, Knowledge Gathering, and Logic Model Development.

The [Pre-Engagement phase](#) runs from June 2021 to October 2021. The focus of the phase is to gather student voice. School visits will include an interactive session that asks students what they need as learners to be successful.

The [Knowledge Gathering phase](#) begins on September 27th and will conclude in the middle of October. During this phase, we will gather information through an online survey and interactive sessions with our stakeholders. The goal is to reach as many people as we can through community engagement.

School Trustees will create the goals and objectives of the Education Plan 2026. Once those goals are completed, then District staff will begin the logic model development phase which will be completed in March 2022. Final approval of the Education Plan will go before the Board in April 2022.

COVID-19 Pandemic

The District's operations continued to be impacted by the COVID-19 pandemic declared in March 2020 by the World Health Organization. That declaration prompted the Province of British Columbia to declare a state of emergency and the Public Health Office issued orders that shut down the Province in the last quarter of the 2019-2020 school year.

At the start of the 2020-2021 school year, elementary students had four options for learning:

- Option 1 – Return to in-person instruction in September
- Option 2 – Home Schooling
- Option 3 – Vancouver Learning Network, including a new Elementary Program
- Option 4 – Temporary Transition Support (Learn from Home Transition option)

Secondary students' timetable shifted from a linear model to a semester system and the school year was divided into four quarters and each day divided into four parts. Students were taking two courses per quarter and each day the courses rotated between in-person and remote learning.

As the year progressed and the Province started opening, more students opted to return to in-person instruction.

The budgeted allocation of \$1.0 million the District had set aside to address the impacts of the pandemic was not required as both the Provincial and Federal governments provided funding to school districts. The District received \$3,556,154 from the Provincial Safe Return to School Grant and the funds had to be used in the following specific categories:

1. Investment for more staff and staff time for cleaning schools - \$1,946,484
2. Improving and increasing access to hand hygiene, including installation of non-touch faucets to existing sinks - \$776,055
3. Cleaning supplies - \$431,612
4. Face masks and shields - \$195,598
5. Support for remote learning, such as technology loans or software to support students with disabilities or complex needs - \$206,405

The Federal Safe Return to Class Grant provided the District with \$19,561,821 in funding and should align with the K-12 Restart plan. Generally, this grant could be used for:

- Learning resources and supports
- Health and safety
- Transportation
- Before-and-after-school childcare

Safe Return to School Grant (Provincial)

The District's spending of the provincial Safe Return to School grant as reported to the Ministry of Education is presented in the following table:

1) Investment for more staff and staff time for cleaning schools. Total allocation - \$23.0M

Metrics:

	Funding Received	Spent as of June 30, 2021	Unspent
	\$ 1,946,484	\$ 1,946,484	\$ -
# of New Staff Hired		0.0	
# of Existing Staff with Increased Hours		0.0	
Salaries & Benefits	\$ -		
Hours of Regular Time		0.00	
Hours of Overtime		25,279.00	

2) Improving and increasing access to hand hygiene, including installation of non-touch faucets to existing sinks. Total allocation - \$9.2M

Metrics:

	Funding Received	Spent as of June 30, 2021	Unspent
	\$ 776,055	\$ 776,055	\$ -

Indicate number of Purchased, Rented or School District built or improved hand washing (soap)

	Additional # of Sinks	Additional # of Upgraded Sinks with Non-Touch Faucets
# of Rented units	0	0
# of Purchased units	0	116
# of SD Built units	0	76
# of Upgraded Sinks		406

Indicate number of Purchased, Rented or School District built additional hand sanitizing (alcohol)

	Additional # of Dispensers
# of Rented stations	0
# of Purchased stations	601
# of SD Built stations	0

3) Cleaning supplies. Total allocation - \$5.1M

Metrics:

	Funding Received	Spent as of June 30, 2021	Unspent
	\$ 431,612	\$ 431,612	\$ -

4) Face masks and shields. Total allocation - \$2.2M

Metrics:

Funding Received	Spent as of June 30, 2021	Unspent
\$ 195,598	\$ 195,598	\$ (0)

Number of:	Reusable Face Masks	Disposable Face Masks	Face Shields
Adult size	96,000	50,000	0
Child/Youth size	30,000	0	

5) Support for remote learning, such as technology loans or software to support students with disabilities or complex needs. Total allocation - \$3.0M

Metrics:

Funding Received	Spent as of June 30, 2021	Unspent
\$ 206,405	\$ 206,405	\$ -

Provide examples of products newly purchased and then loaned to students and software

Item Description	# of Units
Appropriate items to include: Laptop, iPad, ChromeBook, Other (please describe), Assistive Software (please describe).	
1. iPads	450
2. MacBook Air	10
3	0
4	0
5	0
6	0

Safe Return to Class Grant (Federal)

The District's spending of the federal Safe Return to Class grant as reported to the Ministry of Education is presented in the following table:

Cost Categories	Actual Spending as of End of School Year (June 30, 2021)				
	Services and Supplies	Staffing	Additional New Staffing FTE	Capitalized Costs	Total
Learning Resources and Supports					
Education Program Delivery - All Other	1,105,676	5,275,212	46.7000		6,380,888
Education Program Delivery - DL	9,554	1,256,863	10.2200		1,266,417
Mental Health Supports	794,970	250,231	2.5000		1,045,201
Technology		216,152	2.0000	1,690,953	1,907,105
<i>Outdoor Learning Resources</i>		75,988	1.0000	1,492,059	1,568,047
					-
					-
Total:	\$ 1,910,200	\$ 7,074,446	62.4200	\$ 3,183,012	\$ 12,167,658
Health and Safety					
Additional Staff to Implement Safety Plans		788,431	160.0000		788,431
Barriers and Space Adaptations	243,516				243,516
Enhanced Cleaning of Facilities (staff, equipment, supplies)	1,018,355	107,244	1.0000		1,125,599
Hand Hygiene	400,155				400,155
Health and Safety Training	372,511				372,511
HVAC/ventilation	1,130,000				1,130,000
PPE	1,124,726				1,124,726
<i>Collective Agreement Provisions (Quarantines)</i>	1,300,776				1,300,776
					-
					-
Total:	\$ 5,590,039	\$ 895,675	161.0000	\$ -	\$ 6,485,714
Transportation					
Enhanced Cleaning of Buses (staff, equipment, supplies)	196,000				196,000
Enhanced Transportation Services (additional bus routes, reduced bus utilization)	654,220				654,220
Technology for ridership tracking and route planning					-
<i>Additional fleet vehicles for safety protocols</i>	58,229				58,229
					-
Total:	\$ 908,449	\$ -	-	\$ -	\$ 908,449
Before & After School Child Care					
Enhanced Cleaning of Child Care spaces (staff, equipment, supplies)					-
Facility Changes for Child Care					-
					-
Total:	\$ -	\$ -	-	\$ -	\$ -
Grand Total:	\$ 8,408,688	\$ 7,970,121	223.4200	\$ 3,183,012	\$ 19,561,821

The following table reports additional staffing, equipment and supplies that was purchased with the federal Safe Return to Class grant:

Additional Staffing

	New Staff (Headcount)	Total Additional Hours
Teachers	57	59,673.2 hrs
EAs	2	2,458.7 hrs
Custodial		
Other Support Staff	165	32,734.1 hrs

Numbers and Spending on Equipment

Additional Equipment	Quantity	\$ Spent
Hand Sanitizer	45,900	327,216
Hand Washing Stations (new)	12	52,938
Hand Washing Stations (upgraded)		
	45,912	\$ 380,154

Barriers and Space Adaptations	450	52,232
Disposable Face Masks	505,065	28,664
Face Shields	7,400	15,885
Reusable Face Masks	364,975	998,273
Other PPE (specify below) ▼		
	877,890	\$ 1,095,054

Cleaning Supplies		94,518
Electrostatic Sprayers / Foggers	7	27,000
Other Cleaning Equipment	334	283,293
	341	\$ 404,811

Computers / Laptops / iPads	2,358	1,424,019
HVAC - Increased Air Exchange		450,000
HVAC - Upgrade to MERV-13	14,000	500,000
	16,358	\$ 2,374,019

Grand Total ►	940,501	\$ 4,254,038
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Funding – Student Enrolment

School Districts are funded primarily through an Operating Grant received from the Ministry of Education. The Operating Grant is based on student enrolment data collected on Form 1701 in July, September, February, and May. With the exception of summer school students, districts receive a basic per pupil amount per full-time equivalent (FTE). This per pupil amount is different for different categories of students, as illustrated below:

	Per FTE Funding		
	2019-20	2020-21	2021-22
Standard and Alternate	7,468	7,560	7,885
Continuing Education	7,468	7,560	7,885
Distributed Learning	6,100	6,100	6,360
Non-Graduated Adults	4,773	4,823	5,030

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

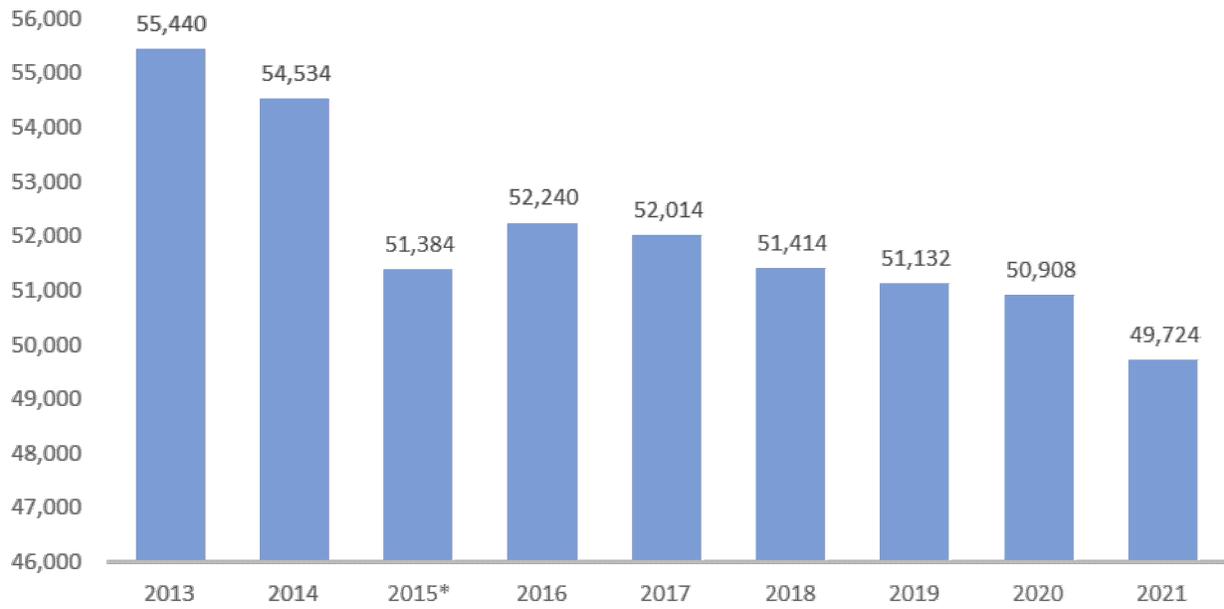
For each identified student with unique needs, school districts receive a supplementary grant on top of the basic per pupil grant to provide additional resources needed to ensure schools can respond to the needs of diverse learners. The amount received is shown in the following table:

	Unique Student Needs Supplementary Funding Per FTE		
	2019-20	2020-21	2021-22
Students with Special Needs - Level 1	42,400	43,000	44,850
Students with Special Needs - Level 2	20,200	20,400	21,280
Students with Special Needs - Level 3	10,250	10,300	10,750
English/French Language Learning	1,495	1,520	1,585
Indigenous Education	1,450	1,500	1,565

In Kindergarten to grade nine a student equates to one FTE. In grades ten through twelve, students are funded based on the percentage of full-time enrolment, with eight courses being a full course load equating to 1.0 FTE. Students in high school can take more or less than a full course load, or seek alternative opportunities outside of school, such as driver training or work experience to meet their course credit requirements. This results in some degree of variability in funding for secondary students, which poses a significant challenge that must be considered throughout the financial planning process.

The impact of the uncertainty of the student FTE enrolment has the potential to influence decisions with regards to potential course offerings, required staffing levels and even predictions as to future capacity requirements needed within the District's 18 secondary schools, 78 elementary schools, 11 annexes, and 2 adult education centers. Each spring, the District undertakes a comprehensive process of reviewing population data to identify trends, reviews new municipal development approvals, and incorporates local knowledge to develop an estimate of elementary and secondary student FTE for the coming budget year. The number of students enrolled directly impacts the number of staff needed. As staff salaries and benefits make up the most significant proportion of School District expenses, a reliable estimate of student FTE is crucial to the integrity of the financial plan. As illustrated in the chart below, the District's full year funded enrolment has been on a steady decline over the years.

Funded FTE Enrolment



*Summer school was cancelled in the 2014-15 school year due to labor negotiation job action.



Financial Highlights

The District uses fund accounting to track revenues and expenditures. There are three funds that are reported in the District’s financial statements:

OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND
<p>Includes revenues and expenses related to the daily operation of the District, including school and administrative functions.</p>	<p>Funding is restricted for a specific purpose and includes restricted school generated funds. These funds do not report a surplus as revenues are only recognized when the related expenditure occurs. There may be a deficit in this fund which is then transferred to the Operating Fund or Capital Fund depending on the nature of the expenditure.</p>	<p>This fund includes financial activities for tangible capital assets. The Ministry of Education provides capital funding which is accounted for using the deferral accounting methodology whereby capital revenue is recognized over the life of the related asset to match the amortization expense recorded in the financial statements. Therefore, the revenue reported in the financial statements does not match the actual capital funding received in a year.</p>

Statement of Financial Position

The following table provides a comparative analysis of the District’s net financial position for fiscal years ending June 30, 2021 and June 30, 2020 along with the year over year dollar and percentage changes. The variances are explained below.

	2021	2020	Variance	% Change
Financial Assets				
Cash and Cash Equivalents	263,953,000	252,446,220	11,506,780	4.6%
Accounts Receivable				
Due from Province - Ministry of Education	6,036,568	10,146,510	(4,109,942)	-40.5%
Due from Province - Other	-	168,200	(168,200)	-100.0%
Other	4,366,205	5,167,290	(801,085)	-15.5%
Portfolio Investments	420,402	712,341	(291,939)	-41.0%
Total Financial Assets	274,776,175	268,640,561	6,135,614	2.3%
Liabilities				
Accounts Payable & Accrued Liabilities				
Due to Province - Ministry of Education	-	173,857	(173,857)	-100.0%
Due to Province - Other	3,725,722	4,050,173	(324,451)	-8.0%
Other	83,615,767	74,080,929	9,534,838	12.9%
Unearned Revenue	52,117,464	57,368,400	(5,250,936)	-9.2%
Deferred Revenue	25,330,450	35,125,057	(9,794,607)	-27.9%
Deferred Capital Revenue	783,059,363	717,744,982	65,314,381	9.1%
Employee Future Benefits	31,073,303	29,545,276	1,528,027	5.2%
Capital Lease Obligations	3,920,517	2,098,085	1,822,432	86.9%
Other Liabilities	361,750	1,349,000	(987,250)	-73.2%
Total Liabilities	983,204,336	921,535,759	61,668,577	6.7%
Net Financial Assets (Debt)	(708,428,161)	(652,895,198)	(55,532,963)	8.5%
Non-Financial Assets				
Tangible Capital Assets	863,849,162	797,124,254	66,724,908	8.4%
Prepaid Expenses	1,984,622	2,137,471	(152,849)	-7.2%
Supplies Inventory	948,967	860,921	88,046	10.2%
Total Non-Financial Assets	866,782,751	800,122,646	66,660,105	8.3%
Accumulated Surplus (Deficit)	158,354,590	147,227,448	11,127,142	7.6%

Cash increased by \$11.5 million primarily due to the surplus of \$11.1 million, cash generated from operating and investing activities of \$8.6 million, cash generated from financing activities of \$84.0 million offset by cash used on the purchase of tangible capital assets of \$92.2 million. (see Statement 5 of the Financial Statements).

Included in the cash balance is the restricted amount related to the sale of an underground airspace parcel to BC Hydro in 2018. That amount has increased in the current year by \$1.0 million of interest income.

Investment Type	2021	2020	Change
BMO Bank of Montreal - Operating Accounts	45,208,115	47,133,941	(1,925,826)
Provincial CDS Program	149,591,774	137,154,054	12,437,720
Provincial CDS Program - restricted capital	69,153,111	68,158,225	994,886
Total	263,953,000	252,446,220	11,506,780

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

Description	2021	2020	Variance
Due from Province - Ministry of Education	6,036,568	10,146,510	(4,109,942)
Due from Province - Other	-	168,200	(168,200)
Other	4,366,205	5,167,290	(801,085)
Total	10,402,773	15,482,000	(5,079,228)

The receivable from the Ministry of Education is funding for capital projects that the District has requested but was not received prior to June 30, 2021. The \$4.1 million decrease year-over-year is due to the timing of when the payment was received.

The Other category is shown in the following table and the significant balances are for amounts due from the City of Vancouver for childcare spaces and other receivables, which includes invoices to various organizations along with insurance claims that the District is waiting for reimbursement.

Description	2021	2020	Variance
Due from Federal Government	558,552	1,151,655	(593,103)
Due from Municipalities	2,376,740	2,417,238	(40,498)
Due from Other School Districts	1,550	4,213	(2,663)
Rentals and Leases	529,257	176,404	352,853
Other Receivables	901,714	1,420,786	(519,072)
Allowance for Doubtful Accounts	(1,608)	(3,006)	1,398
Total	4,366,205	5,167,290	(801,085)

Accounts Payable and Accrued Liabilities is comprised of three categories – Due to Ministry of Education, Due to Province, and Other.

Description	2021	2020	Variance
Due to Province - Ministry of Education	-	173,857	(173,857)
Due to Province - Other	3,725,722	4,050,173	(324,451)
Other	83,615,767	74,080,929	9,534,838
Total	87,341,489	78,304,959	9,036,530

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

Description	2021	2020	Variance
Accrued vacation pay	11,575,777	9,605,585	1,970,192
Other	17,424,435	12,069,687	5,354,748
Salaries and benefits payable	41,837,654	36,631,590	5,206,064
Trade payables	12,777,901	15,774,067	(2,996,166)
Total	83,615,767	74,080,929	9,534,838

The increase in Other relates to an increase in contractor holdbacks for capital projects as well as an increase in accruals for outdoor education projects. An increase in salaries and benefits payable is due to the timing of the pay date. The last biweekly payroll in 2020-2021 was paid in July so a payable was recorded for June 30, 2021. However, the last biweekly payroll in 2019-2020 was paid in June 2020 so no similar payable was recorded in June 2020. The decrease in trade payables is due to a lower value of invoices recorded and not yet paid to suppliers as of June 30, 2021 compared to the total of unpaid invoices as of June 30, 2020.

Unearned Revenue represents amounts that have been collected by the District in advance of providing the related programming or service. These unearned revenues are International Student Tuition Fees and prepaid Program of Choice fees. The decrease of \$5.2 million from the prior year is due to declines in tuition fees received from international students due to the COVID-19 pandemic.

Deferred Revenue represents amounts advanced on grant awards, unspent restricted school generated funds and unspent funds held in trust for the schools. The amounts will be recognized as revenue and spent when eligible expenses are incurred.

The significant decrease of \$6.95 million in the School Generated Funds category in the table below is due primarily to the correction of an accounting error. The accounting error is a reclassification of \$6.43 million of net unrestricted School Generated Funds, previously recorded in Special Purpose Funds, that do not meet the criteria for being restricted as a special purpose fund. These funds, while recorded in the operating fund, remain under the custody of schools and are not available to support District operations (see Note 7 in the Financial Statements)

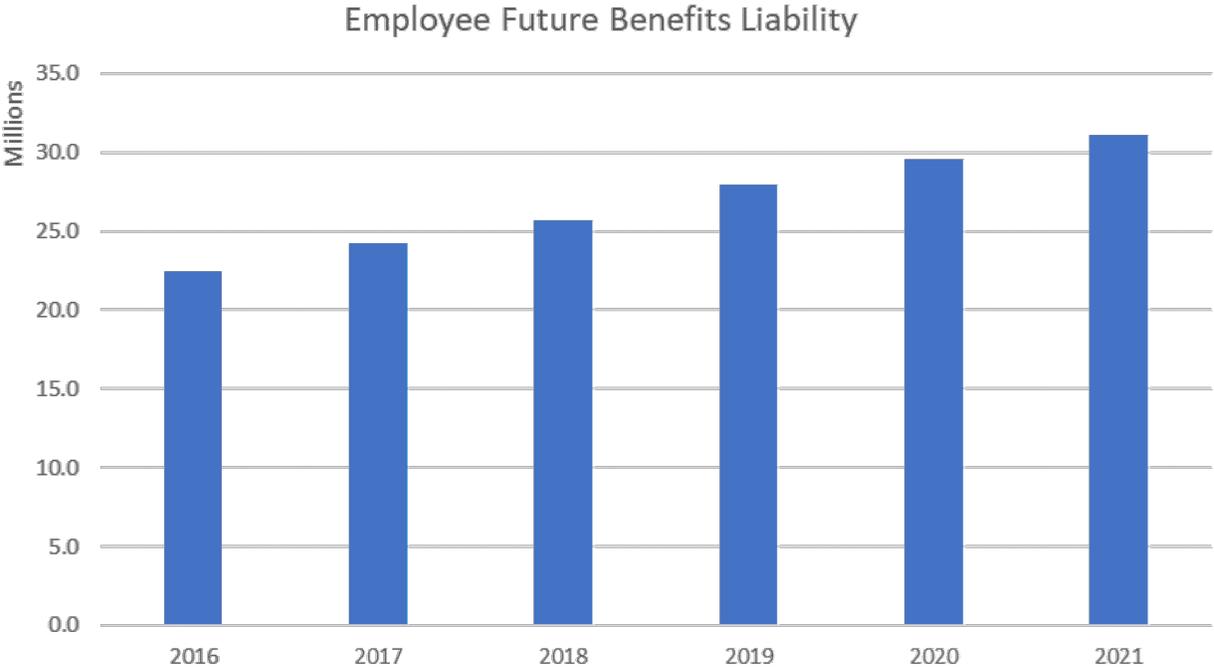
Deferred Revenue

Description	2021	2020	Change
Learning Improvement Fund	425,695	273,793	151,902
Indigenous Education Technology	11,892	11,727	165
Scholarships and Bursaries	532,070	537,702	(5,632)
Special Education Technology	1,846,822	2,485,957	(639,135)
School Generated Funds	4,348,254	11,300,961	(6,952,707)
Strong Start	10,917	52,208	(41,291)
Ready, Set, Learn	30,434	31,461	(1,027)
OLEP	90,629	261,262	(170,633)
CommunityLINK	169,793	117,678	52,115
Classroom Enhancement Fund	1,538,243	1,753,614	(215,371)
First Nation Student Transportation	47,791	49,503	(1,712)
Mental Health in Schools	3,258	21,999	(18,741)
Changing Results for Young Children	2,892	25,954	(23,062)
CommunityLINK - Other	884,820	851,641	33,179
Provincial Resource Programs	196,510	224,046	(27,536)
Communication Assistance for Youth & Adults	3,642,854	6,471,844	(2,828,990)
Assistive Technology BC	9,690,088	8,963,439	726,649
Provincial Resource Centre for the Visually Impaired	443,597	454,678	(11,081)
Settlement Workers in Schools	418,548	426,485	(7,937)
Miscellaneous	995,343	809,105	186,238
Total Deferred Revenue	25,330,450	35,125,057	(9,794,607)

Deferred Capital Revenue relates to 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 (a liability) and over time this liability is drawn down and recognized as revenue over the expected life of the asset acquired. The balance in Deferred Capital Revenue increases annually by new provincial capital contributions received and reduces by the annual recognition of revenue. The balance in Deferred Capital Revenue is explained in the following table:

Deferred Capital Revenue			
Description	2021	2020	Change
Deferred Capital Revenue - Opening Balance	717,744,982	656,212,899	61,532,083
Additions - New Contributions received	86,339,864	80,766,760	5,573,104
Current Year Recognition of Revenue	(21,025,483)	(19,234,677)	(1,790,806)
Closing Deferred Capital Revenue Balance	783,059,363	717,744,982	65,314,381

Employee Future Benefits liability measures the estimated future cost to the District to provide employee benefits such as retirement allowances, vacation, sick pay, 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 Province provides this amount annually to the District based on actuarial valuations.



Capital Lease Obligations increased due to new technology leases.

Other Liabilities are estimated costs for the removal of asbestos for active construction projects.

Tangible Capital Assets - The 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 capitalized as Tangible Capital Assets. The costs of these assets are amortized over their expected useful lives.

These assets are deemed to be disposed at the end of their useful life and the asset value and corresponding accumulated amortization are removed from the asset register. The District’s Tangible Capital Asset balances are recorded in the schedule below:



New seismically safe Fleming Elementary

Tangible Capital Assets

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	2021	2020
Cost, beginning of year	20,781,686	1,009,498,440	17,307,756	2,362,731	2,580,692	13,693,408	1,066,224,713	1,042,542,747
Additions	-	90,160,684	2,803,818	-	45,272	7,066,913	100,076,687	30,759,671
Disposals	143	-	1,548,119	63,448	291,938	434,431	2,338,079	7,077,705
Cost, end of year	20,781,543	1,099,659,124	18,563,455	2,299,283	2,334,026	20,325,890	1,163,963,321	1,066,224,713
Add: WIP Balance	-	122,330,093	59,559	-	-	-	122,389,652	126,130,239
Cost and WIP, end of year	20,781,543	1,221,989,217	18,623,014	2,299,283	2,334,026	20,325,890	1,286,352,973	1,192,354,952
Accumulated Amortization - Opening	-	379,062,691	8,226,173	883,173	1,693,472	5,365,189	395,230,698	374,517,484
Amortization Expense	-	23,690,985	1,793,561	233,101	491,471	3,401,931	29,611,049	27,790,919
Deemed Disposal Recapture	-	-	1,548,119	63,448	291,938	434,431	2,337,936	7,077,705
Accumulated Amortization - Closing	-	402,753,676	8,471,615	1,052,826	1,893,005	8,332,689	422,503,811	395,230,698
Tangible Capital Assets - Net Book Value	20,781,543	819,235,541	10,151,399	1,246,457	441,021	11,993,201	863,849,162	797,124,254



Statement of Operations – Consolidated

Statement 2 includes the revenues and expenses for all three funds. The following schedule shows the consolidated results of operations of the District.

	Budget 2021	Actual 2021	Variance to Budget	Actual 2020	Variance to 2020
Revenues					
Provincial Grants	572,514,845	576,794,170	4,279,325	548,553,283	28,240,887
Federal Grants	2,414,888	2,351,073	(63,815)	2,280,857	70,216
Tuition	21,792,177	22,278,790	486,613	29,951,775	(7,672,985)
Other Revenue	28,360,434	22,129,523	(6,230,911)	26,063,173	(3,933,650)
Rentals and Leases	4,325,482	4,104,897	(220,585)	5,541,059	(1,436,162)
Investment Income	2,614,202	2,442,137	(172,065)	3,881,363	(1,439,226)
Gain (Loss) on Disposal of Tangible Capital Assets	-	11,107	11,107	-	11,107
Amortization of Deferred Capital Revenue	20,519,181	20,512,904	(6,277)	19,148,025	1,364,879
Total Revenue	652,541,209	650,624,601	(1,916,608)	635,419,535	15,205,066
Expenses					
Instruction	530,816,788	507,423,609	(23,393,179)	505,557,058	1,866,551
District Administration	24,251,184	23,056,622	(1,194,562)	23,457,736	(401,114)
Operations and Maintenance	105,185,301	105,512,605	327,304	93,677,099	11,835,506
Transportation and Housing	3,799,504	3,314,949	(484,555)	2,409,292	905,657
Debt Services	111,712	189,674	77,962	111,407	78,267
Total Expense	664,164,489	639,497,459	(24,667,030)	625,212,592	14,284,867
Surplus (Deficit) for the year	(11,623,280)	11,127,142	22,750,422	10,206,943	920,199

The District has a \$11.1 million surplus for the year ending June 30, 2021 (\$10.2 million - 2020) as consolidated revenues of \$650.6 million exceeded consolidated expenses of \$639.5 million. The surplus from the Operating Fund is \$10.5 million (\$10.3 million – 2020) and the Capital Fund reported a \$0.6 million surplus (\$0.1 million deficit – 2020). There is no surplus or deficit in the Special Purpose Fund.

Schedule of Operations – Operating Fund

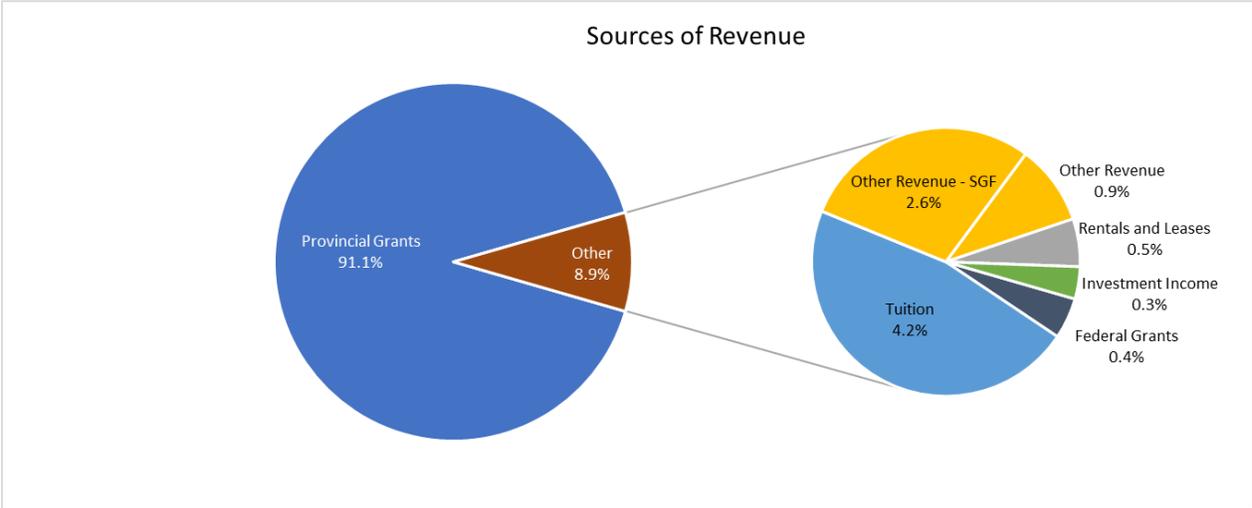
This schedule captures the day-to-day operations of the District for the year and compares the results for the period ending June 30, 2021 against the budget for the year and the results for the prior year. The expenses are shown by object which is the same format provided to the Finance Committee in quarterly updates.

	Budget 2021	Actual 2021	Variance to Budget	Actual 2020	Variance to 2020
Revenues					
Provincial Grants	482,348,857	486,324,289	3,975,432	478,638,235	7,686,054
Federal Grants	2,414,888	2,351,073	(63,815)	2,280,857	70,216
Tuition	21,792,177	22,278,790	486,613	29,951,775	(7,672,985)
Other Revenue	4,610,408	18,407,099	13,796,691	6,048,486	12,358,613
Rentals and Leases	2,904,384	2,749,958	(154,426)	4,288,039	(1,538,081)
Investment Income	1,962,779	1,848,548	(114,231)	2,706,834	(858,286)
Total Revenue	516,033,493	533,959,757	17,926,264	523,914,226	10,045,531
Expenses					
Salaries					
Teachers	235,492,004	231,329,310	(4,162,694)	230,201,588	1,127,722
Principals and Vice Principals	26,371,368	26,418,272	46,904	24,915,066	1,503,206
Educational Assistants	41,679,879	40,635,867	(1,044,012)	40,720,409	(84,542)
Support Staff	55,103,468	54,380,018	(723,450)	55,348,489	(968,471)
Other Professionals	11,690,338	12,150,679	460,341	11,833,466	317,213
Substitutes	11,508,029	9,858,547	(1,649,482)	7,743,430	2,115,117
Total Salaries	381,845,086	374,772,693	(7,072,393)	370,762,448	4,010,245
Employee Benefits	99,309,223	99,381,794	72,571	98,063,910	1,317,884
Total Salaries and Benefits	481,154,309	474,154,487	(6,999,822)	468,826,358	5,328,129
Services and Supplies					
Services	14,236,197	12,180,270	(2,055,927)	14,127,461	(1,947,191)
Student Transportation	2,677,627	2,334,372	(343,255)	2,448,469	(114,097)
Professional Development and Travel	1,057,750	1,029,301	(28,449)	1,080,664	(51,363)
Rentals and Leases	852,232	838,163	(14,069)	696,123	142,040
Dues and Fees	1,011,635	858,360	(153,275)	1,141,145	(282,785)
Insurance	1,073,038	1,153,583	80,545	1,031,860	121,723
Interest	-	-	-	1,680	(1,680)
Supplies	11,880,800	17,214,008	5,333,208	10,085,406	7,128,602
Utilities	8,146,373	8,065,253	(81,120)	7,748,822	316,431
Total Services and Supplies	40,935,652	43,673,310	2,737,658	38,361,630	5,311,680
Total Operating Expense	522,089,961	517,827,797	(4,262,164)	507,187,988	10,639,809
Surplus (Deficit) for the year	(6,056,468)	16,131,960	22,188,428	16,726,238	(594,278)
Budget Appropriation	12,861,091				
Net Transfers to (from) other funds	(6,804,623)	(5,599,920)	1,204,703	(6,465,481)	865,561
Total Operating Surplus	-	10,532,040	23,393,131	10,260,757	271,283

The \$10.5 million surplus in the Operating Fund can be further disaggregated between true operations and school generated funds. As explained in the School Generated Funds section above, net \$6.4 million of school generated funds transactions have been included in the operating fund because they do not have a restriction on their use and therefore do not meet the definition of a liability. This surplus is not available for District operations. It will remain in the schools and be used to support local initiatives. The true surplus from operations is \$4.1 million.

Revenues

\$486.3 million of the revenue for general operations was received from the Ministry of Education through grant funding (91.1%). The remaining \$47.7 million, or 8.9%, is received through tuition fees for summer school and international education, rentals and leases of school district property, investment income and some federal grants.



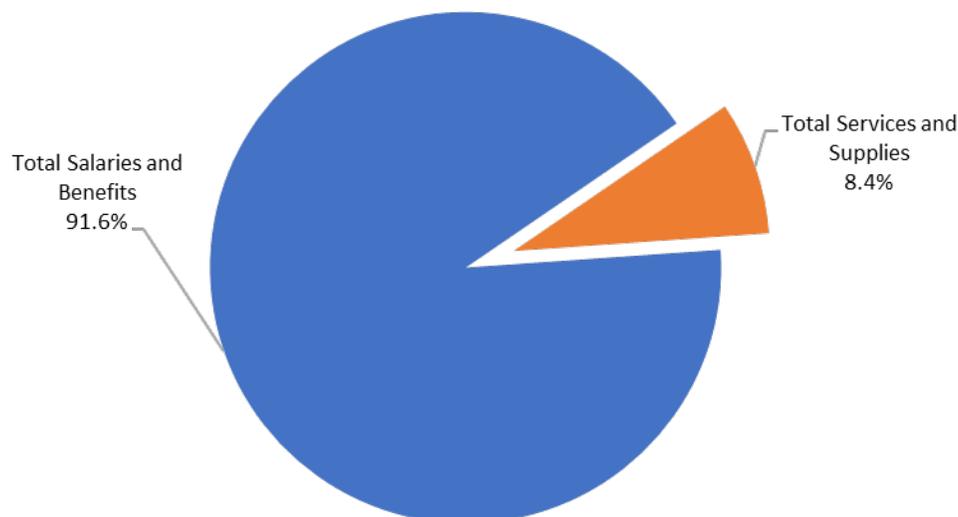
Revenue	Current Year Actual to Budget Comparison	2021 to 2020 Comparison
Provincial Grants	Current year operating grant revenue exceeded budget as after approval of the amended budget, the February and May enrolment was higher than budgeted by 66 FTE adults and 285 FTE in Distributed Learning (\$2.4 million). Also, the District received funding for the September Return to School Recovery Plan (\$1.5 million).	For additional support staff labour settlement funding (\$2.6 million), the per pupil grant increased from \$7,468 per FTE to \$7,560 per FTE and the supplementary funding for unique student needs also increased. The operating grant also included additional Teachers' labour settlement funding (\$7.8 million). The District's regular student enrolment decreased by 510 FTE (\$3.9 million) but was offset by net increase in other enrolment categories (\$1.2 million).

Tuition Revenue	Higher Vancouver Learning Network tuition (\$0.2 million) and higher international student program tuition (\$0.3 million) as more students than anticipated entered the country after travel restrictions were lifted.	Due to the COVID-19 pandemic, a reduction in international student enrolment compared to the prior year (\$7.4 million) and lower tuition collected in the restricted model for summer school (\$0.7 million), offset by an increase in international student tuition fee from \$15,000 to \$15,500 per student (\$0.6 million).
Other Revenue	Reclassification of school generated funds (\$13.8 million) that were previously categorized as a Special Purpose Fund.	Reclassification of school generated funds (\$13.8 million) that were previously categorized as a Special Purpose Fund, offset by loss of cafeteria sales due to the pandemic (\$1.3 million), and lower participation in Advance Placement exams (\$0.1 million).
Rentals and Leases	Higher than anticipated loss of revenue due to the pandemic.	Loss of revenue for a greater portion of the year due to the pandemic.
Investment Income	Lower investment balance than projected.	Interest rate environment decreasing during the pandemic provided lower revenue. The Bank of Canada lowered the bank rate 150 basis points in March 2020.

Expenses

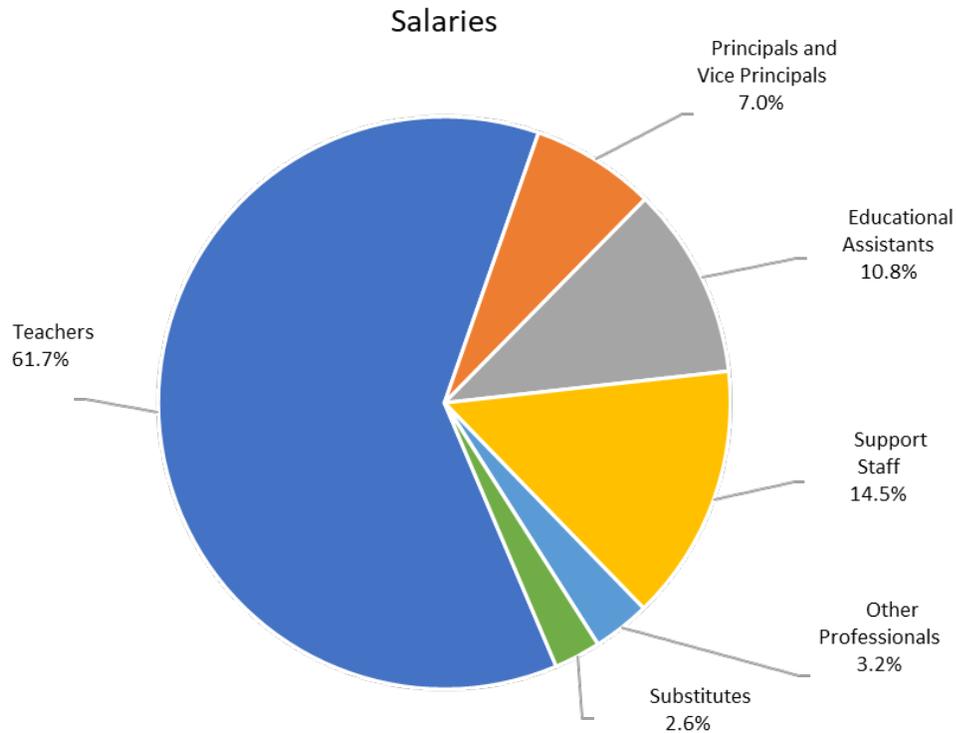
Staff Salaries and Benefits account for 91.6% of the operating expenses of the District, which is lower than the 92.4% in the prior year. A review of the last five years shows the proportion of expenses for Salaries and Benefits has been gradually declining from a high of 92.8% in 2014 to 91.5% in 2021.

Salaries & Benefits as a proportion of Total Operating Costs



Salaries and Benefits

As shown in the chart below, the bulk of the salaries paid by the District in 2020-2021 was for Teachers, followed by Support Staff and then Educational Assistants.



Teachers' salaries were under budget due to vacancies (\$1.3 million) and additional retirement savings (\$1.3 million). There were vacancies in the Learning Services Department such as Indigenous Education, Speech Language Pathologist and Psychologist (\$0.7 million). In addition, there were unspent amounts for Anti-Racism Teachers (\$0.2 million) and Early Career Mentorship Teachers (\$0.7 million).

The increase from the prior year was a result of the negotiated salary increase net of retirement savings (\$4.1 million). This was offset by reclassifying permanent on-call staff to the Substitutes category (\$1.9 million) and fewer staff in the modified Summer School model (\$1.1 million).

Principals and Vice Principals salaries were on budget this year. The increase from the prior year was due to wage increases approved by the Public Sector Employer's Council (\$1.2 million) and

additional positions approved by the Board (\$0.3 million).

Educational Assistants salaries were under budget due to net vacancies offset by overspending for on-call staff to fill vacancies (\$1.0 million).

The decrease from the prior year was due to the modified Summer School model (\$0.8 million) and more Educational Assistant vacancies throughout the year (\$0.4 million). These were offset by the Educational Assistants wage lift tied to the collective agreement (\$0.8 million) and an increase in vacation and leave balances payouts compared to the prior year (\$0.3 million).

Support Staff salaries were under budget due to correcting Supervision Aides and Custodians funded by the Provincial and Federal COVID-19 grants that were miscoded to, and overbudgeted, in the Operating fund (\$0.8 million), and savings

from maintenance staff working on COVID funding projects during the pandemic (\$0.3 million). This was offset by higher vacation and leaves payouts (\$0.4 million).

The decrease from the prior year was due to the modified Summer School model (\$0.3 million), lower vacation and leaves payouts (\$0.3 million), and staff working on COVID funded projects (\$1.5 million). These were offset by the negotiated salary increase tied to the collective agreements (\$1.1 million).

Other Professionals salaries were over budget due to an increase in vacation and leaves balances payouts (\$0.5 million).

The increase from the prior year was a result of the wage lift approved by the Public Sector Employer’s Council (\$0.5 million) offset by lower vacation and leaves balances payouts (\$0.2 million).

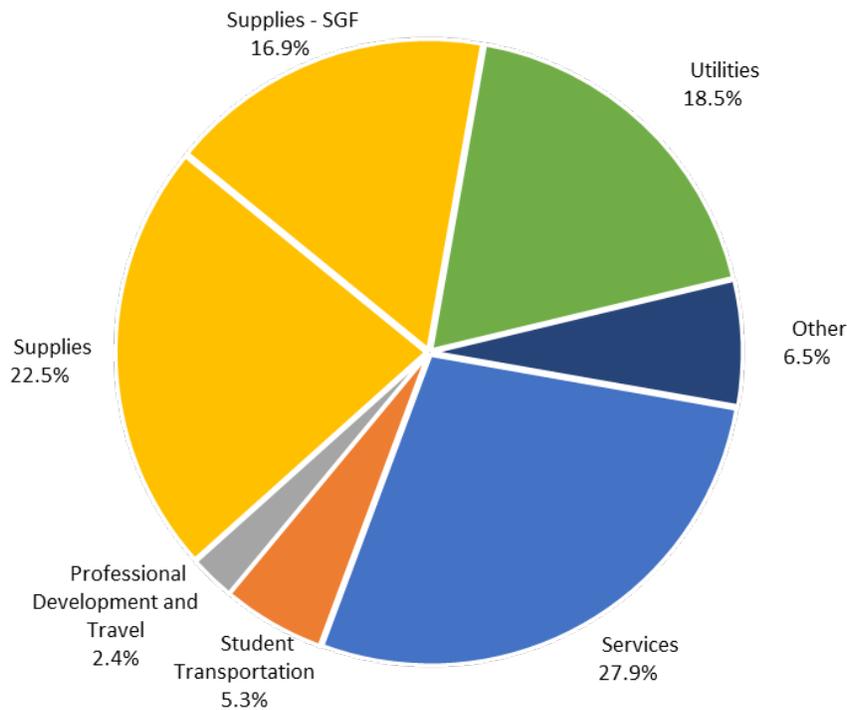
Substitutes salaries were under budget for the year due to savings in on-call staff during the pandemic (\$1.5 million) and lower “benefit in lieu” payouts due to less on-call staff usage (\$0.1 million).

The increase from the prior year is a result of reclassifying permanent on-call positions from the Teachers category (\$1.9 million) and higher “benefit in lieu” payouts than prior year (\$0.2 million).

Services and Supplies

As shown previously, the District spent 8.4% of the funds received on daily operations in 2020-2021 with a significant proportion being used for Services, Supplies and Utilities as shown in the following chart.

Services and Supplies



Services were under budget for the year due to projects postponed due to the pandemic, such as District Strategic Planning (\$0.2 million), computer maintenance and Peoplesoft Finance upgrade (\$0.6 million), Emergency Radio System upgrade (\$0.2 million), and Wellness programs (\$0.2 million). Other items include unused legal budget (\$0.1 million), the reallocation of the equipment repair budget for furniture and equipment (\$0.3 million), lower than budgeted Digital Services Recoveries (\$0.2 million), less printing and postage, cell phone usage, and other services (\$0.3 million).

Compared to the prior year, 2020-2021 had lower costs primarily due to the absence of establishing the one-time contract termination liability with Telus (\$0.5 million), lower commission payments to recruiting agents for international students (\$0.6 million), and lower than budgeted Facilities contracted services (\$0.6 million), lower than budgeted payroll alignment project costs (\$0.1 million), and other service costs (\$0.1 million).

Student Transportation expenses were under budget due to the decline in student ridership during the pandemic (\$0.3 million).

Compared to 2019-2020, the 2020-2021 expense was slightly lower overall (\$0.1 million). The savings from the decline in the ridership of school buses this year was offset by the loss in April and May 2020, when schools were closed due to the pandemic.

To maintain services, the District entered into a guaranteed level of ridership agreement with the service provider. The one-time savings during the pandemic was due to the District utilizing Federal Funding to offset the impact of the lower ridership. This saving will no longer exist when all students return to school.

Professional Development and Travel expenses were on budget for the year and slightly lower than the prior year due to the pandemic.

Rentals and Leases were on budget for the year but higher than the prior year due to additional leases for replacing the District's aging fleet of vehicles (\$0.1 million).

Dues and Fees were under budget for the year due to the Global Ed distance learning costs funded by the Federal Safe Return to School grant (\$0.1 million) and other dues and fees (less than \$0.1 million).

Compared to the prior year, the 2020-2021 expense was lower due to the absence of the one-time Best-Efforts arbitration cost last year (\$0.1 million), lower International Baccalaureate fees due to the pandemic (\$0.1 million) and other dues and fees (less than \$0.1 million).

Insurance costs for the District were higher than budgeted due to the higher fleet vehicle insurance premium increase (\$0.1 million).

Compared to 2019-2020, the fleet insurance premiums were higher this year for the renewed fleet of vehicles (\$0.1 million).

Interest was unbudgeted and the prior year expense was due to CRA and school banking transactions.

Supplies were higher than budget mostly due to higher school account balances as the District reclassified \$7.4 million of school generated funds expense from Special Purpose Funds to Operating, and this was offset by the lower than budgeted Operating Fund spending (\$0.5 million), lower District Learning Services spending (\$0.6 million), and savings in food services costs during the pandemic (\$0.2 million).

Compared to the prior year, the 2020-2021 expense was higher due to higher school spending (\$7.4 million School Generated Funds reclassified and \$0.5 million other spending), which was offset by the prior year's one-time international student MSP fees (\$0.5 million), less international student registration fees (\$0.1 million), lower District Learning Services supplies

(\$0.1 million) and lower than budgeted computers for Employee Services (\$0.1 million).

Utilities were lower than originally projected due to school closures during the pandemic (\$0.1 million).

Compared to the prior year, the 2020-2021 expense was higher mainly due to higher heating

costs resulting from opening windows in schools and running the systems for longer periods at the start and end of the day (\$0.4 million), which was offset by lower sewer expenses as fewer students were in schools (\$0.1 million).

Accumulated Surplus (Operations)

With the Board of Education having responsibility for protecting the District from financial forecasting risk and unforeseen circumstances that could negatively impact the education of students, an Accumulated Operating Surplus policy has been developed (Board Policy 19).

The policy allows the Board to restrict spending of the surplus for the following purposes:

- Operations spanning future school years
- Anticipated unusual expenses
- Fund constraints
- Contingency reserve



Any amount of the accumulated operating surplus that is not restricted will be held as an unrestricted operating surplus and be used for working capital purposes, or emergency funds for unforeseen costs.

Use of this policy will reduce the volatility of fluctuating funding amounts in the District with the declining student population forecasted.

The unaudited Schedule 2 of the financial statements shows a net operating surplus of \$10.5 million for the year ending June 30, 2021 after transfers for capital projects. With an opening accumulated surplus balance of \$30.1 million, the District's accumulated operating surplus balance is \$40.7 million as at June 30, 2021. Application of the policy results in the accumulated operating surplus balances as follows:

Accumulated Surplus

Purpose	June 2021	June 2020
Invested in Capital Assets	107,064,135	106,712,698
Local Capital Fund	10,628,727	10,385,062
	117,692,862	117,097,760
Operations spanning future school years	14,131,325	14,499,276
Anticipated unusual expenses	2,589,139	2,876,397
Fund constraints	12,832,758	3,863,185
Contingency reserve	5,178,279	5,049,436
Unrestricted operating surplus	5,930,227	3,841,394
	40,661,728	30,129,688
Accumulated Surplus	158,354,590	147,227,448

Special Purpose Funds

Special Purpose Funds are funds that are designated for specific use. The District receives funds from the Ministry of Education, the Federal government and from other sources. The different types of special purpose funds and their intended uses are listed below.

Ministry of Education Funding					
Fund	Current Year	Prior Year	Difference	Deferred Revenue Balance	Intended Use
Annual Facility Grant (AFG)	2,242,431	2,252,742	(10,311)	-	Routine maintenance of school facilities, especially regarding roofs.
First Nation Student Transportation	49,242	-	49,242	48,052	Funding to provide bussing to/from school for First Nations students living on reserve.
Mental Health in Schools	66,306	-	66,306	2,997	To build capacity in mental health and well-being related knowledge, skills, and resources in school communities.
Learning Improvement Fund (LIF)	1,520,580	1,433,882	86,698	425,695	Supplementary funding to school districts for additional teacher assistants and other para-professionals and/or additional services to students.

Aboriginal Education Technology	-	-	-	11,892	
Special Education Technology (SET-BC)	7,886,644	8,082,073	(195,429)	1,846,822	Provincial program established to assist school districts in utilizing technology to support the diverse needs of students.
Strong Start	634,874	631,295	3,579	10,917	A free early learning program located in schools, for preschool children accompanied by a parent, other adult family member or caregiver, created through an agreement between school districts and the Ministry of Education.
Ready, Set, Learn	219,639	229,307	(9,668)	30,434	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.
Changing Results for Young Children/Early Learning Framework Implementation Funds	18,853	7,329	11,524	2,892	To support district capacity building in high quality early learning and care experiences for children.

CommunityLINK	9,364,428	9,428,506	(64,078)	169,793	To support programs and services to improve the educational performance of vulnerable students, including both academic achievement and social functioning.
CEF - Overhead	4,026,487	4,365,985	(339,498)	54,825	Funding to implement the Memorandum of Understanding re: Letter of Understanding No. 17.
CEF - Staffing	28,893,118	30,910,161	(2,017,043)	1,246,262	
CEF - Remedy	745,536	1,484,468	(738,932)	237,156	
Provincial Resource Program (PRP)	2,292,985	2,141,501	151,484	196,510	Provides outreach services to support educators, students, and families to meet the needs of students with disabilities and diverse abilities.
Educational Resource Acquisition Consortium (ERAC)	-	1,152,668	(1,152,668)	-	A member-based organization providing services to the K-12 education sector in British Columbia and the Yukon. Restructured as "Focused Education Resources" in January 2020 and is no longer included in the District's financial reporting.
Communication Assistance for Youth and Adults (CAYA)	2,900,449	3,156,094	(255,645)	3,642,854	A province wide service program that supports adults aged 19 and older who require an augmentative/alternative communication system due to a severe communication disability.
Assistive Technology BC (AT-BC)	3,501,145	3,398,871	102,274	9,690,088	Provides assistive technology resources to make learning environments usable

					for people with disabilities.
Provincial Resource Centre for the Visually Impaired (PRCVI)	2,242,112	2,180,289	61,823	443,597	Outreach program that supports school districts' goal of ensuring equitable access and enhanced educational opportunities for students with visual impairments.
COVID-19 Rapid Response	175,000	-	175,000	-	Funding for the District to provide support to schools and school districts in the Vancouver Coastal Health region in responding to COVID-19 cases.
Safe Return to School Grant	3,579,610	-	3,579,610	-	Funding provided to assist districts with implementing new health and safety measures during the COVID-19 pandemic.

Federal Funding					
Fund	Current Year	Prior Year	Difference	Deferred Revenue Balance	Intended Use
French Language (OLEP)	789,541	430,770	358,771	90,629	All Federal Funds received by school districts must be spent entirely in support of French Immersion Programs or Core French Courses.
Settlement Workers in Schools (SWIS)	13,831	75,272	(61,441)	418,548	School based settlement service for immigrants, refugees, and other eligible clients to meet their immediate settlement

					or ongoing needs after their arrival in Canada.
Federal Safe Return to Class Fund	19,644,024	-	19,644,024	-	Funding provided to support districts with their return to school plans during the COVID-19 pandemic.

Other Funding					
Fund	Current Year	Prior Year	Difference	Deferred Revenue Balance	Intended Use
CLINK Other	445,088	875,785	(430,697)	884,820	To support programs and services to improve the educational performance of vulnerable students, including both academic achievement and social functioning.
Miscellaneous	700,262	390,519	309,743	995,343	Most of these funds are for career education.
Scholarships and Bursaries	22,555	37,520	(14,965)	532,070	To give to students
School Generated Funds	2,207,404	17,613,438	(15,406,034)	4,348,254	For various purposes in schools

Capital Fund

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 District has generated. At the end of June 2021, the balance in the Capital Fund was \$117.7 million, consisting of \$107.1 million of Invested in Tangible Capital Assets and \$10.6 million in Local Capital (see Schedule 4 of the financial statements).

The Invested in Tangible Capital Assets fund balance of \$107.1 million captures much of the capital surplus in the Capital Fund. The main capital operations in any year are tangible capital asset purchases, principal payment of capital leases, amortization of deferred capital revenue and amortization of tangible capital assets. The local capital fund balance of \$10.6 million captures the District’s capital surplus from activities that are under the control of the District. The primary sources of revenue in local capital are from the rental and leases of District facilities and investment income. 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 entire balance of \$10.6 million is restricted for use in funding a future replacement school at Lord Roberts Annex.

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

Deferred Capital Revenue			
Description	2021	2020	Change
Completed Projects	624,651,384	555,153,875	69,497,509
Work-in-Progress	116,291,284	121,065,974	(4,774,690)
<i>Unspent</i>			
Bylaw Capital	41,211	1,160	40,051
MEd Restricted Capital	39,755,309	39,224,290	531,019
Other Provincial Capital	2,320,275	2,299,683	20,592
Total Deferred Capital Revenue	783,059,463	717,744,982	65,314,481

Bylaw capital: This balance is receivable from the Ministry of Education.

proceeds from the 2018 sale of a subsurface air parcel at the Lord Roberts Annex school site.

(Ministry) Restricted capital: These are funds held on behalf of the Ministry of Education and represent the Ministry's portion of proceeds on disposal of land and buildings and any surpluses from completed projects. The balance increased by \$0.5 million this year from interest earned on

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

Major Capital Projects

Seismic Mitigation Program (SMP)

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

- General Wolfe Elementary – Fall 2021
- Lord Byng Secondary – Fall 2021
- Chief Maquinna Elementary – Summer 2021
- Sir Matthew Begbie Elementary – Winter 2021/2022
- Bayview Elementary – Spring 2022
- Edith Cavell Elementary – Fall 2022
- Dr. George M. Weir Elementary – Fall 2022

- David Lloyd George Elementary – Winter 2022/2023
- David Livingstone Elementary – Winter 2022/2023
- Eric Hamber Secondary – Fall 2023
- Henry Hudson Elementary – Fall 2024

Project Definition Reports (PDR)



The preparation of project definition reports is in various stages for the following projects: Killarney Secondary, David Thompson Secondary, False Creek Elementary and Sir Wilfred Grenfell Elementary. Sir Guy Carleton Elementary is no longer being considered for seismic upgrading as a business case could not be generated as either an enrolling site or a swing space site. The District is exploring alternate community use opportunities for the Carleton site.

Future New School Construction



Coal Harbour Elementary: This project includes a new school on a secured site next to the Coal Harbour Community Centre, as part of a larger City of Vancouver mixed-use development that would include childcare and non-market housing. The construction of the school will be funded entirely by the District from the proceeds of the sale of the subsurface air parcel at Lord Roberts Annex to BC Hydro in 2018. This project is expected to be completed in time for occupancy by students in September 2024.

School Enhancement Funded Projects (SEP)

The School Enhancement Program provides funding to help 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 project was completed during the year:

Project	Funding	Actuals
<i>Fire System Upgrade</i>		
Sir Winston Churchill Secondary	225,000	225,000

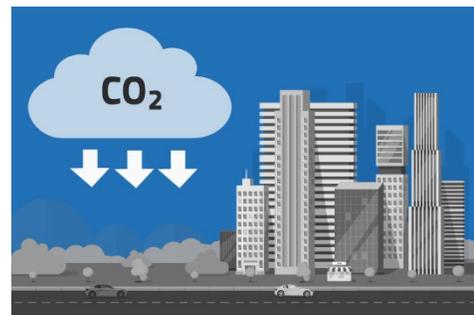
The following projects are in progress:

Project	Funding	Spending to June 2021	Expected Completion
<i>Fire System Upgrade</i>			
General Wolfe Elementary	760,000	760,000	September 2021
<i>Fire Suppression System Upgrades</i>			
Edith Cavell Elementary	152,150	-	September 2021
<i>Plumbing/Water Pipe upgrades</i>			
Lord Selkirk Elementary	199,693	195,401	September 2021
Edith Cavell Elementary	123,283	-	September 2021
Chief Maquinna Elementary	127,406	128,006	September 2021
Lord Byng Secondary	159,832	129,618	September 2021
General Wolfe Elementary	173,415	173,414	September 2021
<i>Interior Renovations</i>			
Chief Maquinna Elementary	145,950	-	March 2022
David Livingstone Elementary	231,000	-	March 2022
Lord Selkirk Elementary	122,850	-	March 2022
<i>Electrical and Fire system upgrades</i>			
Lord Byng Secondary	614,250	-	March 2022
Total	2,809,829	1,386,439	

Carbon Neutral Capital Funded Projects (CNCF)

Provides specific funding to energy efficiency projects that lower the School District’s carbon emissions.

- **Lord Roberts Elementary:** \$355,467 boiler upgrade and heat plant replacement. Natural Gas estimated savings – 663 GJ per year. Project was completed during the year.
- **Hastings Elementary:** \$432,033 boiler upgrade and heat plant replacement. Natural Gas estimated savings – 1,090 GJ per year. Project was completed during the year.
- **Renfrew Elementary:** \$28,844 direct digital control (DCC) upgrade. Project was completed in July 2021.
- **Eric Hamber Secondary:** \$20,000 direct digital control (DCC) upgrade and heat, ventilation, and air conditioning (HVAC) control system upgrade. Project scheduled to be completed by September 30, 2021.
- **Norquay Elementary:** \$364,000 heat, ventilation, and air conditioning (HVAC) upgrade. Project scheduled to be completed by September 30, 2021.



- **Lord Selkirk Elementary:** \$396,000 heat, ventilation, and air conditioning (HVAC) upgrade. Project scheduled to be completed by September 30, 2021.
- **Bayview Community Elementary:** \$369,000 heat, ventilation, and air conditioning (HVAC) upgrade. Project scheduled to be completed by March 31, 2022.

Playground Equipment Program (PEP)

Annual funding program to purchase and install 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.

- **Queen Victoria Annex:** Funding grant of \$125,000. The project was completed during the year.
- **Walter Moberly Elementary:** Funding grant of \$125,000. The project was completed during the year.
- **Sir Richard McBride Elementary:** Funding grant of \$165,000. Project scheduled to be completed March 31, 2022.
- **Lord Tennyson Elementary:** Funding grant of \$165,000. Project scheduled to be completed March 31, 2022.



Annual Facility Grant (AFG)

The Annual Facility Grant is funding provided by the Ministry of Education for designated school capital or maintenance upgrades. \$11.3 million was provided to fund the following projects in 2021-2022.

	No. of Schools	Amount
Disabled Access	5	173,000
Electrical System Upgrade	33	1,915,000
Facility Upgrade	56	3,551,016
Functional Improvement	29	1,717,120
Health and Safety Upgrade	5	63,000
Mechanical System Upgrade	13	994,873
Roof Replacement	11	2,155,912
Site Upgrade	63	594,350
Technology Infrastructure Upgrade	9	100,000
Loss Prevention	1	23,000
Total		<u>11,287,271</u>

Childcare Centres



As part of the seismic upgrades, the Vancouver School District has entered into agreements with the City of Vancouver to build new childcare facilities within various schools. Costs associated with constructing these childcare facilities are to be funded by the City of Vancouver.

- **Lord Nelson Elementary:** The first school in the Vancouver School District to enter into this agreement in November 2015. Project cost: \$6.8 million.
- **Sir Sandford Fleming Elementary:** Entered into agreement with the City of Vancouver in November 2017. Project cost: \$7.4 million.
- **Lord Tennyson Elementary:** Entered into agreement with the City of Vancouver in October 2018. Project cost: \$8.3 million.

- **David Lloyd George:** Project is at construction phase. Occupancy expected Winter 2022/2023. Project cost: \$7.3 million.
- **Coal Harbour:** Project is at design phase. Occupancy expected September 2024. Project cost: \$10.4 million
- **Eric Hamber:** Project is at design phase. Occupancy expected September 2023. Project cost: \$8.2 million.

Risk Factors

There are several risk factors that may have a financial impact on the District, ranging from enrolment changes, unexpected cost pressures and lost revenues. The District undertook a comprehensive enterprise-wide risk assessment in 2018 and 2019 and refreshed the District’s enterprise risks in 2021 due to:

- Changes in certain District and Senior Management positions.
- The current Board of Education, which was elected in 2018, not having had input into the 2018 risk assessment work.
- Expiration of the District’s Strategic Plan in 2021 and the work beginning on a 2022-2026 Education Plan (Strategic Plan); and
- Potentially new risks that have been brought on by the COVID-19 pandemic.

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

Organizational Capacity – The most significant risk factor identified in the KPMG assessment in 2018 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 being distributed to students and staff. Also, the need to stay informed of Ministry and Provincial health and safety directions has resulted in staff being hired to update District messaging to schools.

Facility Maintenance – The District operates 78 elementary schools, 18 secondary schools, 11 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 has identified the 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 towards 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 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 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 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 has been developed for some aspects of the District’s requirements, additional resources will need to continue to be directed in this area.

International Education – The District relies to a great extent on International Education enrolment to supplement Ministry of Education 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. The Federal Government issued Order in Council 17 in March 2020 which prohibited foreign nationals from entering Canada and international students who had study permits issued after March 18, 2020 were impacted by the Order. On October 2, 2020, the Order was lifted and any students with study permits issued after March 18, 2020 could enter Canada. While the projected enrollment in the 2020-2021 budget had already been reduced by 436 FTE, to 1,368, due to the concerns around the pandemic, a further reduction of 205 FTE, to 1,163, was made for the 2021-2022 budget.

COVID-19 Pandemic – The pandemic will continue in the 2021-2022 school year even after many residents have received two doses of the vaccine. The need for increased cleaning and disinfecting, hand hygiene and ventilation requirements will place continued cost pressures on the District.

Looking Forward

On May 28, 2021, the Ministry of Education issued two new Public Financial Management Policies:

1. K-12 Public Education Financial Planning and Reporting Policy
2. K-12 Public Education Accumulated Operating Surplus Policy

The **K-12 Public Education Financial Planning and Reporting Policy** directs boards to develop multi-year financial plans that identify how funding and resources will support board strategic plans, operational needs of school districts and improved educational outcomes for students.

The **K-12 Public Education Accumulated Operating Surplus Policy** ensures consistency, transparency and accountability for the use and reporting of operating funding that is not used in the year in which it was provided. It acknowledges that it is appropriate for boards to maintain an operating surplus to manage financial risk and the accumulation and holding of appropriate operating surpluses by school districts is a component of sound financial and strategic planning.

The development of these two policies is part of the implementation of Ministry's Funding Model Review that commenced in 2017. An independent panel undertook extensive consultation in 2017 and 2018 and produced a report in May 2018 that contained 22 recommendations under three themes:

1. Equity of Educational Opportunity
2. Accountability
3. Financial Management

The panel's report can be found [here](#).

Both Ministry policies will be in effect for the 2022-2023 fiscal year and both require the development of local policies for engaging the education community.

Financial Planning and Reporting Policy

The Financial Planning and Reporting Policy (FPAR) aligns multi-year financial planning and reporting processes with provincial requirements. Its primary purpose is to create an efficient use of funding and resources to support the Board's strategic plans, enhanced educational outcomes for students and other operational needs. It is a component of a provincial framework for transparency, accountability and equity that is centered on the goals contained in the Statement of Education Policy Order.

The multi-year financial planning and reporting requirement is directed by the Framework for Enhancing Student Learning which requires boards to develop and implement multi-year strategic plans, supported by operational and financial plans, that are focused on improving educational outcomes for students. A new Ministerial Order connected to the Framework, the Enhancing Student Learning Reporting Order, came into effect on September 1, 2020. It requires Boards to submit annual reports on student performance measured against certain educational outcomes. The new Order contains the following educational outcomes, in alignment with the objectives of Recommendation 12 of the Funding Model Review:

1. Students will meet or exceed literacy expectations for each grade level
2. Students will meet or exceed numeracy expectations for each grade level
3. Students will feel welcome, safe, and connected to their school
4. Students will graduate.

The order contains specific measures under each educational outcome and requires separate reporting for Indigenous students (living on and off reserve), children and youth in care and students with disabilities or diverse abilities.

The report in Appendix 1, from the Ministry of Education, provides comprehensive information for the District's educational outcomes for the 2019-2020 school year. The multi-year planning required in the

Financial Planning and Reporting policy is intended to improve student outcomes. As the Ministry report on educational outcomes is not available at the time of preparing the annual Financial Statement Discussion & Analysis report, discussion of how multi-year planning strategies impacted student outcomes will be a year behind.

Accumulated Operating Surplus Policy

The Accumulated Operating Surplus Policy (AOS) is aligned with the requirements of the *School Act* with respect to boards having to prepare balanced budgets and the Ministry's Accounting Practices Order (M33/09) which provides, among other things, for a board being able to incur an annual deficit only to the extent there is an equal amount of surplus to offset the deficit. As stated previously, the AOS policy is a subset of the FPAR policy as it provides for a specific resource, an operating surplus, to be allocated to support a board's strategic goals, operational needs, and enhanced outcomes for students. As long as there are sufficient guidelines in place for the use of surplus to support objectives, boards are able to do more effective long-range planning, address risk factors in their budgets and provide consistent services to students. In conjunction with the FPAR policy, the AOS policy can be a significant component of a board's multi-year planning by allowing for the restriction of portions of an operating surplus for future use.

Similar to the FPAR, the AOS policy requires boards to develop and have in place by January 2022 a local policy that supports transparency and accountability when developing financial plans so that the education community is engaged in the development of those plans and are informed of progress in aligning funding and resources with strategic plans and student outcomes

To comply with the policy, boards must:

1. Develop, maintain, and make publicly available a local policy with procedures that guide the accumulation, spending and reporting of operating surplus funds
2. Have procedures for the board's engagement with the local community and education-partner groups, including local First Nations and Metis Nation BC

The local Board policy will:

1. Clearly explain the purpose of operating surplus, and how the surplus will be used to support the board's strategic objectives (for example, improve student educational outcomes) and other operational priorities of the school district
2. Include guidelines on how inter-fund transfers will be managed; and
3. Outline how financial risk will be mitigated by establishing a contingency operating surplus

The reporting component required by the policy will be accomplished using the existing financial framework for reporting which includes the annual Financial Statement Discussion and Analysis Report that districts prepare to explain their financial results.

Contacting Management

This financial report is designed to provide the District's stakeholders with a more detailed overview of the District's financial statements for the year ended June 30, 2021 and related facility matters and the seismic mitigation program. It is intended to demonstrate increased accountability for the public funds received.

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

Appendix 1 – 2020 School District Report | SD39 Vancouver

The School District Report is prepared by the Ministry of Education and the online version can be found [here](#).

Information to support student learning.

This report provides British Columbia citizens with easy access to a comprehensive set of information about each school district in the province.

Our mandate for education: A quality education system assists in the development of human potential and improves the well-being of every British Columbian. The B.C. school system develops educated citizens by supporting each student's intellectual, human and social, and career development, and by considering a wide range of information in all of these areas.



Intellectual Development

Includes the ability to analyze critically, to reason, to think independently, and to acquire important skills and bodies of knowledge.

Reading, Writing, and Numeracy	3
Grade-to-Grade Transitions	5
Provincial Examinations	5
Completion Rates	6



Human and Social Development

Includes developing a sense of self-worth and well being, personal initiative, social responsibility, and a tolerance and respect for the ideas and beliefs of others.

Early Development	7
Student Satisfaction	8



Career Development

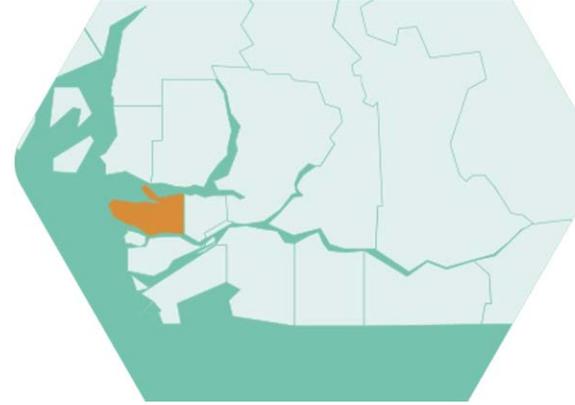
Includes preparing students to attain their career objectives and to develop effective work habits and the flexibility to deal with change in the workplace.

Post-Secondary and Career Preparation	9
Transition to B.C. Post-Secondary Education . . .	9

When reviewing district results, it is important to consider various factors that can influence student learning.

Community demographic and student enrolment information is provided to help inform local planning and continuous improvement efforts.

For information about this district and their plans for enhancing student learning, please refer to: <http://www.vsb.bc.ca>



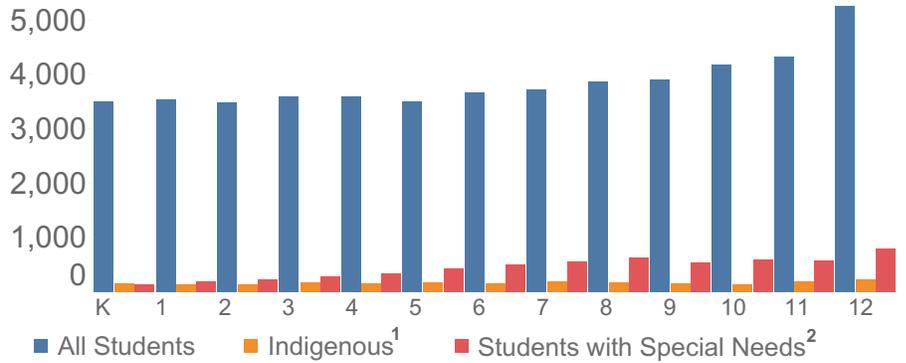
Current Headcount

51,105

Projected change over next 10 years

1,266

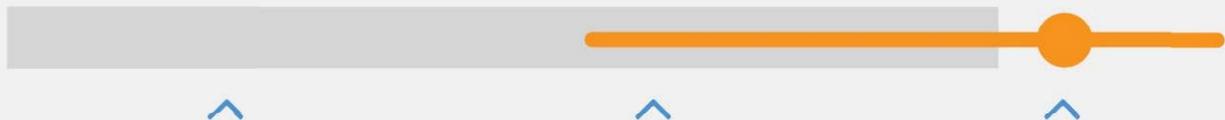
Total Students Across All Grades (2020/21)



Community Demographics

	Unemployment Rate	Percent of 25-64 with Post Secondary Credentials	Percent of Lone-Parent Families	Median Family Income Economic Families	Population Density (people per sq. km of land area)
BC Public Schools	6.8%	63%	4.4%	\$93,013	3,496
District: Vancouver	6.2%	69.7%	4.8%	\$91,634	8,017

How to Read the Charts in This Report



The grey band represents **typical performance** for school districts across British Columbia (the range of results f..

The orange line shows this district's **results over time** (for the last ..

The orange dot shows the **most recent results** for this school district.

Intellectual Development

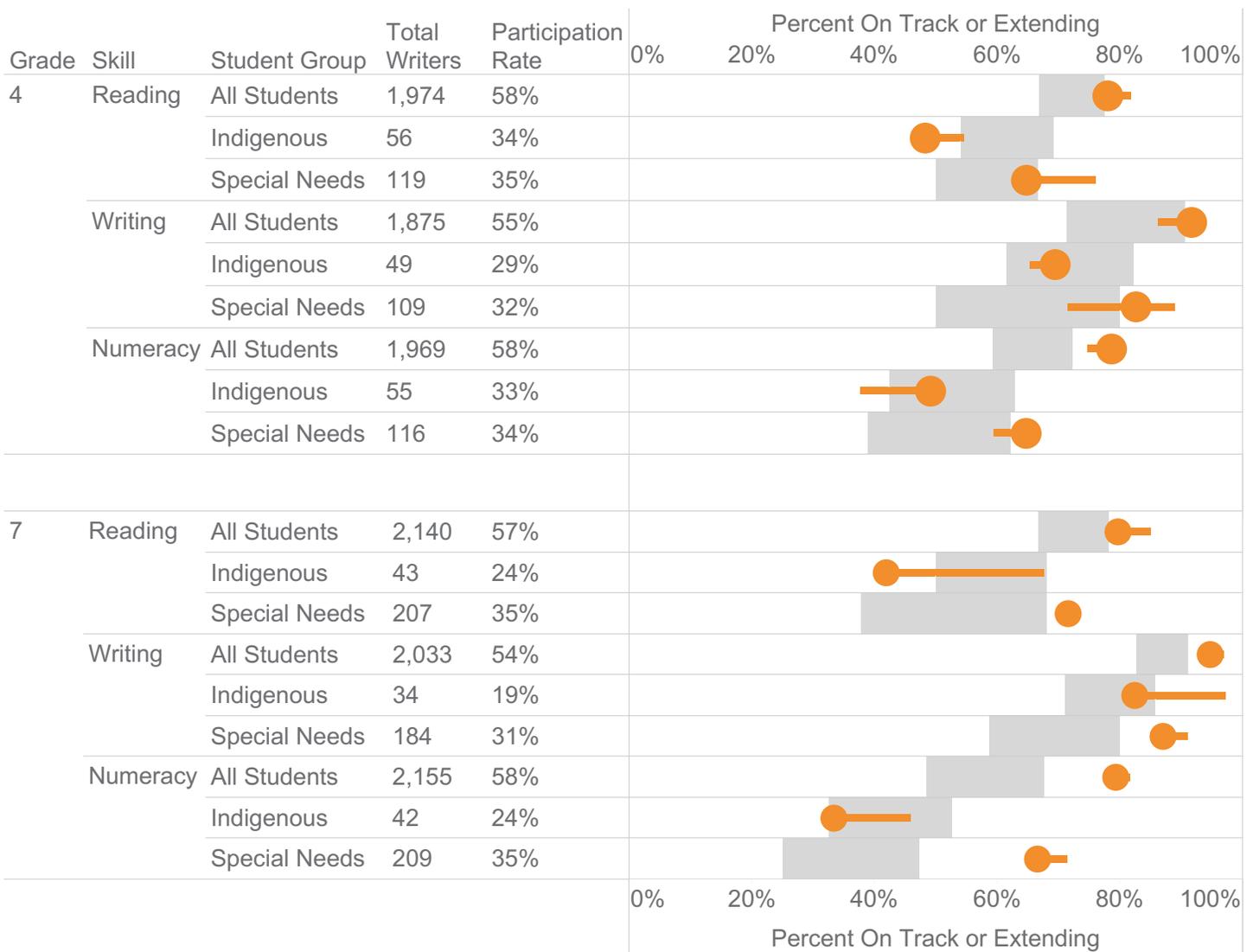
A goal of B.C.'s education system, supported by the family and community, is intellectual development – enabling our students to think critically, independently, and to acquire important skills and knowledge that will enable them to thrive in a rapidly changing world.



Reading, Writing, and Numeracy (2019/20)

The Foundation Skills Assessment (FSA) is a set of reading, writing, and numeracy assessments administered each year to students in Grades 4 and 7, and was completely re-designed for the 2017/18 school year. The FSA is a valuable indicator of where students might have challenges in reading, writing, and numeracy and can be used to help plan their education. It also provides a snapshot of how our education system is meeting the needs of students in these key areas.

**in the chart below the orange bar represents only results in the redesigned FSA: 2017/18 - 2019/20 year range*



Intellectual Development



Student Growth Over Time

These charts follow the performance of a single group of students on their Grade 4 and 7 FSA reading and numeracy assessments. In 2017/18 the assessments were completely re-designed with new score scales developed; as well as moving the assessments earlier in the year. This means scores are not fully comparable across assessments. These charts have still been included for continuity and reference.

See <http://www.bced.gov.bc.ca/reporting/systemperformance>

Reading

Students' 2019/20 Results in Grade 7, Compared to their Grade 4 results

Student Performance Levels in Grade 4 (2016/17)	Number of Students	Extending	On Track	Emerging	Did Not Participate
Exceeds Expectations	254	19%	57%	3%	22%
Meets Expectations	1,345	4%	59%	11%	26%
Not Yet Within Expectations	290		38%	19%	43%
Did Not Participate	1,276	2%	24%	9%	65%

Numeracy

Students' 2019/20 Results in Grade 7, Compared to their Grade 4 results

Student Performance Levels in Grade 4 (2016/17)	Number of Students	Extending	On Track	Emerging	Did Not Participate
Exceeds Expectations	236	61%	20%	2%	17%
Meets Expectations	1,307	16%	49%	9%	26%
Not Yet Within Expectations	342	1%	27%	26%	46%
Did Not Participate	1,280	6%	19%	12%	64%

Percent of students with the same level of performance in Grade 4 and 7

Percent of students with a higher level of performance in Grade 7 than 4

Percent of students with a lower level of performance in Grade 7 than 4

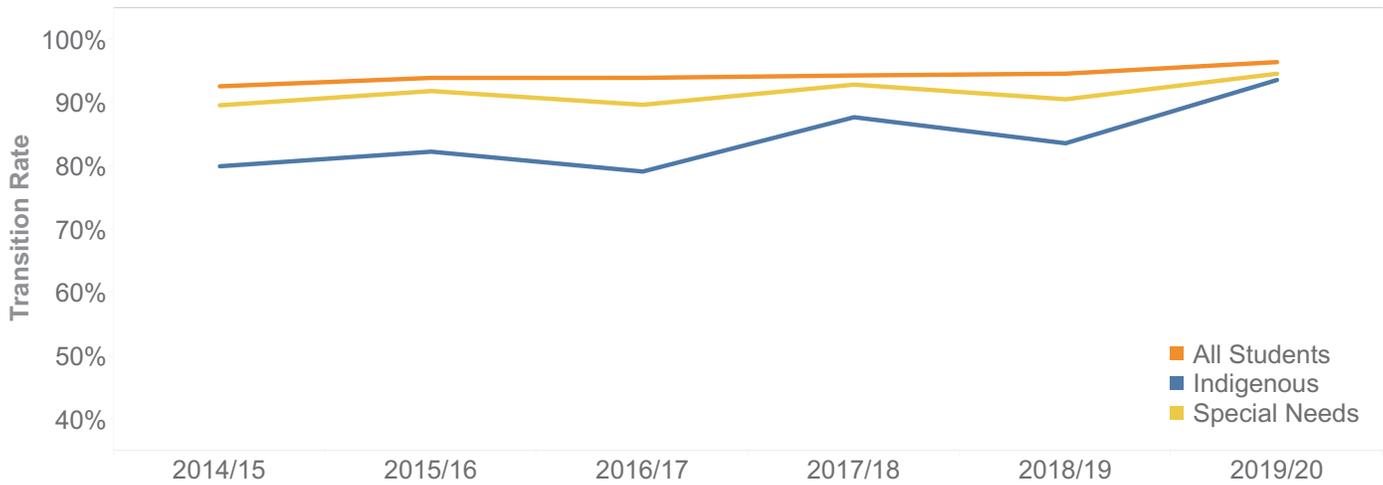
Intellectual Development



Grade-to-Grade Transitions (2019/20)

Grade-to-Grade transition is the percent of students who make a successful transition to a higher grade the following year.

Shown here are the percent of students in the district making a successful transition from Grade 11 to Grade 12.



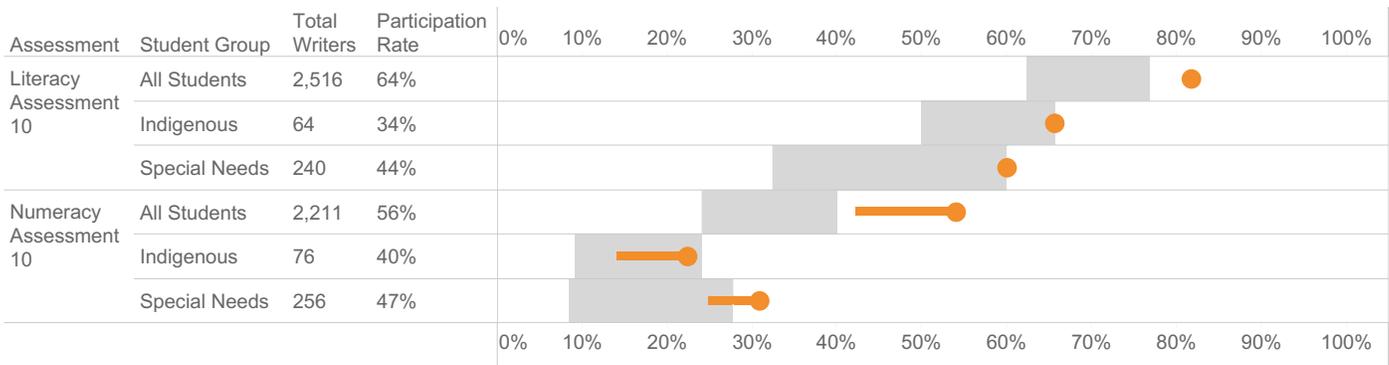
Graduation Assessments (2019/20)



Provincial Assessment results are displayed for:

- » Grade 10 Numeracy Assessment
- » Grade 10 Literacy Assessment

The purpose of Graduation Assessments is to measure the extent to which students are literate and numerate and to provide students and educators with information about their proficiency. As part of the updated graduation requirements, students in the New Graduation Program will have to complete two provincial assessments. They will focus on the demonstration and application of numeracy and literacy.

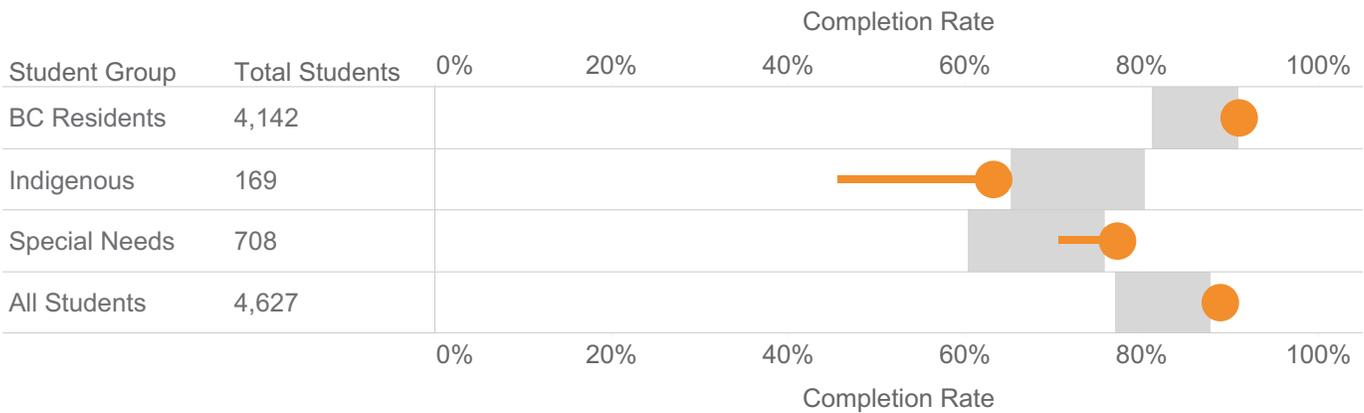


Intellectual Development

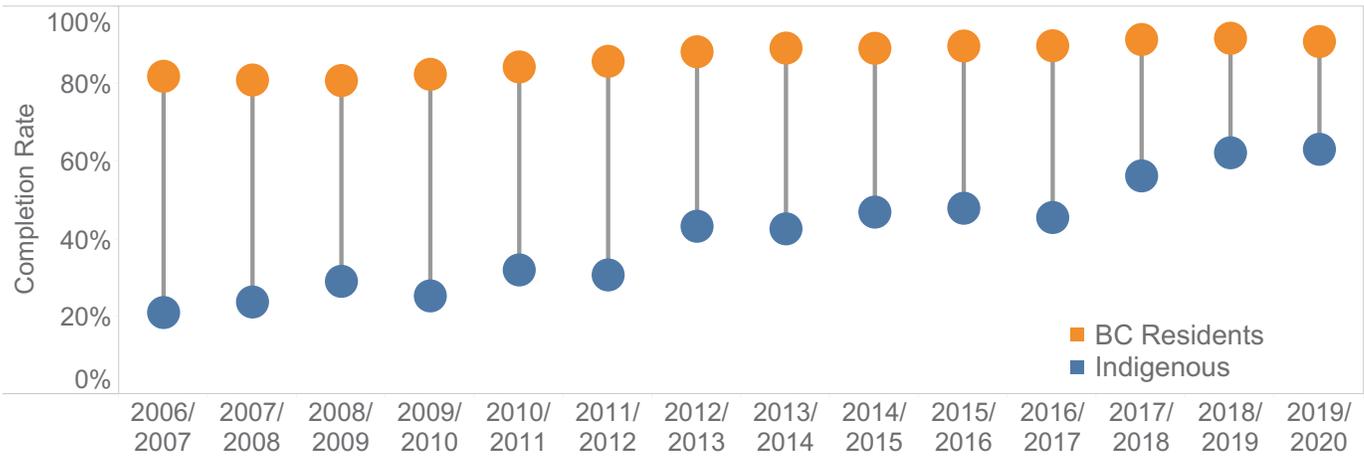


Completion Rates (2019/20)

The Six-Year Completion Rate is the proportion of students who graduate with a B.C. Certificate of Graduation or B.C. Adult Graduation Diploma, within six years from the first time they enrol in Grade 8. Results are adjusted for student migration in and out of British Columbia.



Completion Rates Over Time for Indigenous and All Students



Schools are expected to play a major role, along with families and communities, in helping each student develop a sense of self-worth and well being, personal initiative, social responsibility, and a tolerance and respect for the ideas and beliefs of others.

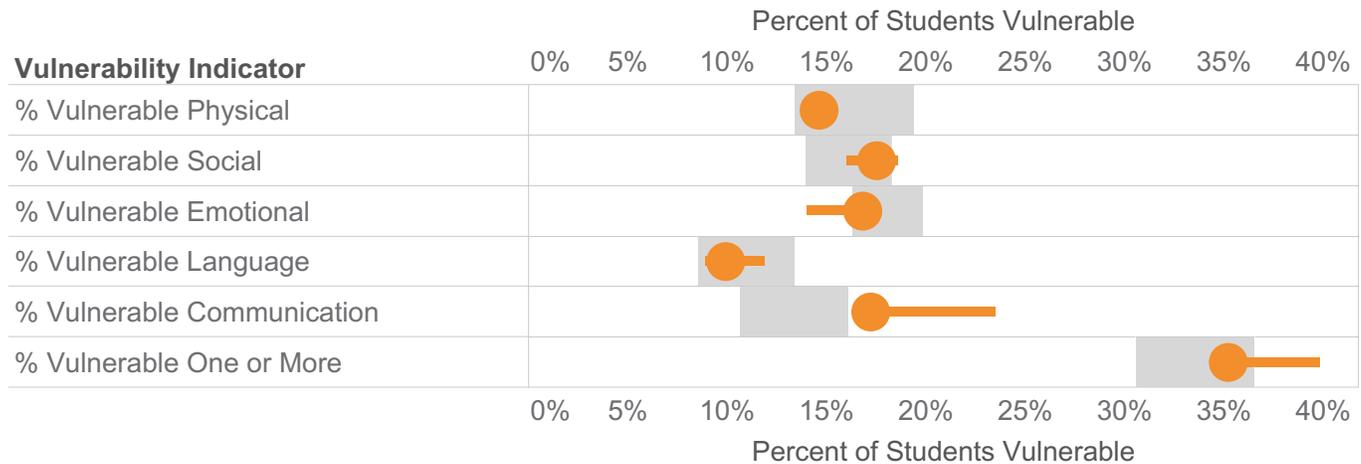


Early Development

The Early Development Instrument (EDI) is a questionnaire completed by kindergarten teachers from across British Columbia. The questionnaire measures five core areas of early child development. These areas are good predictions of adult health, education, and social outcomes. Listed below are the percentages of students considered vulnerable in each of these core areas. Learn more about the EDI at <http://earlylearning.ubc.ca/edi>

3,073 Total number of students assessed (2016/17 - 2018/19)

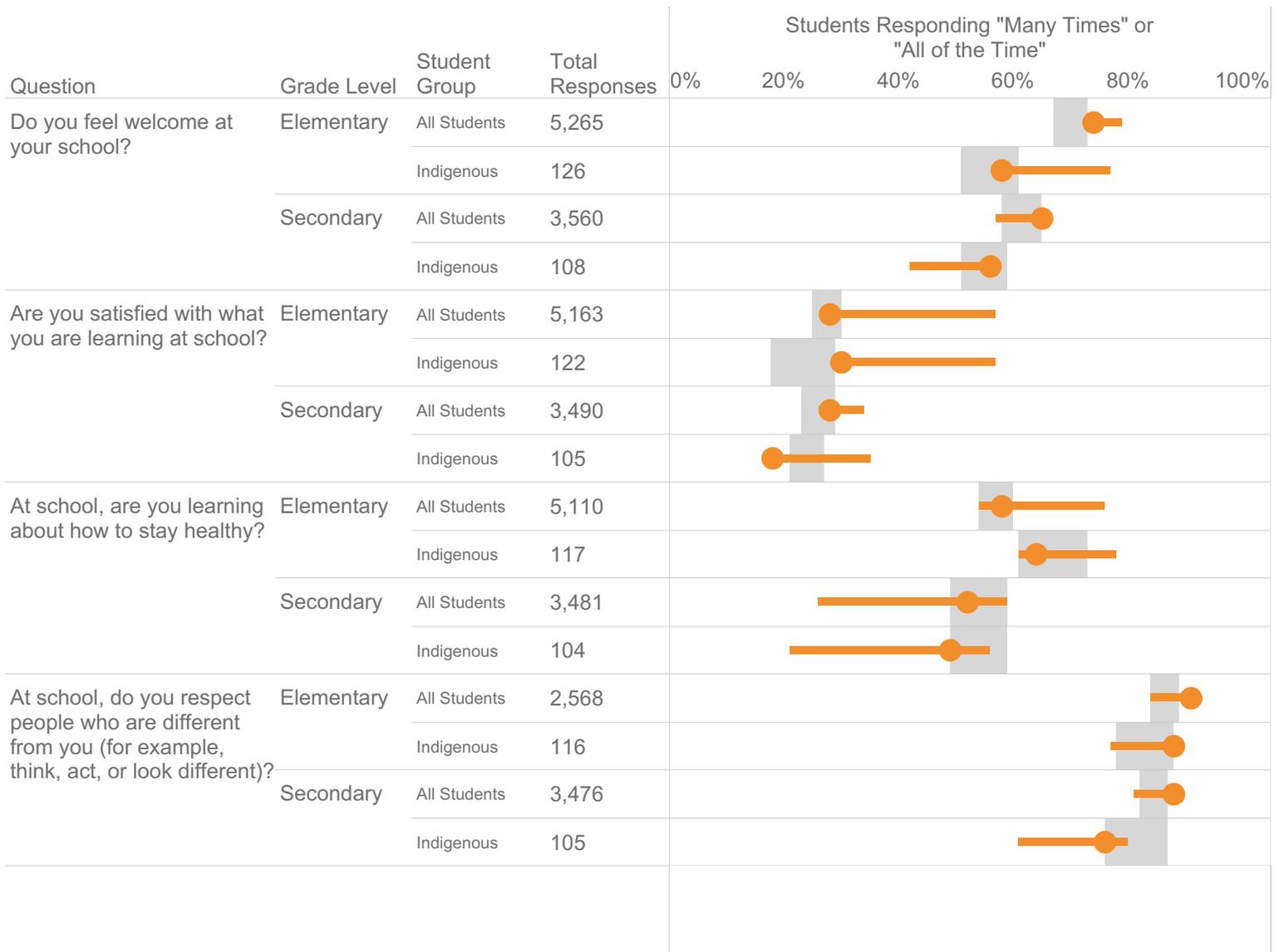
- Typical range across B.C. (middle 50% of districts)
- Selected district's most recent results (2016/17 - 2018/19)
- Range of district's results over time (2007/08 - 2018/19)



Human and Social Development

Student Satisfaction (2018/19)

Every year, the B.C. Ministry of Education invites students in Grades 4, 7, 10 and 12 to complete an online survey about their school experience. Results for elementary students (Grades 4 and 7) and secondary students (Grades 10 and 12) are provided.

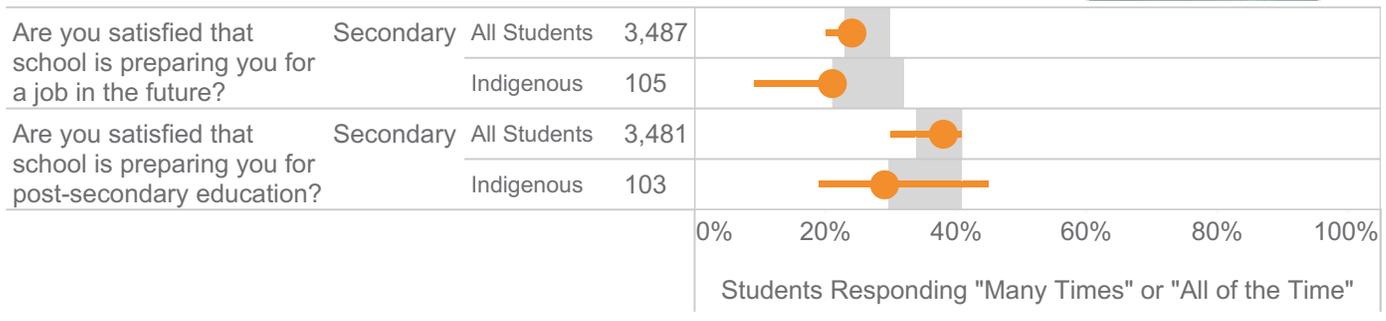


Career Development

Schools are expected to play a major role, along with families and communities, in helping students attain their career objectives and develop effective work habits and the flexibility to deal with change in the workplace.



Post-Secondary and Career Preparation (2018/19)

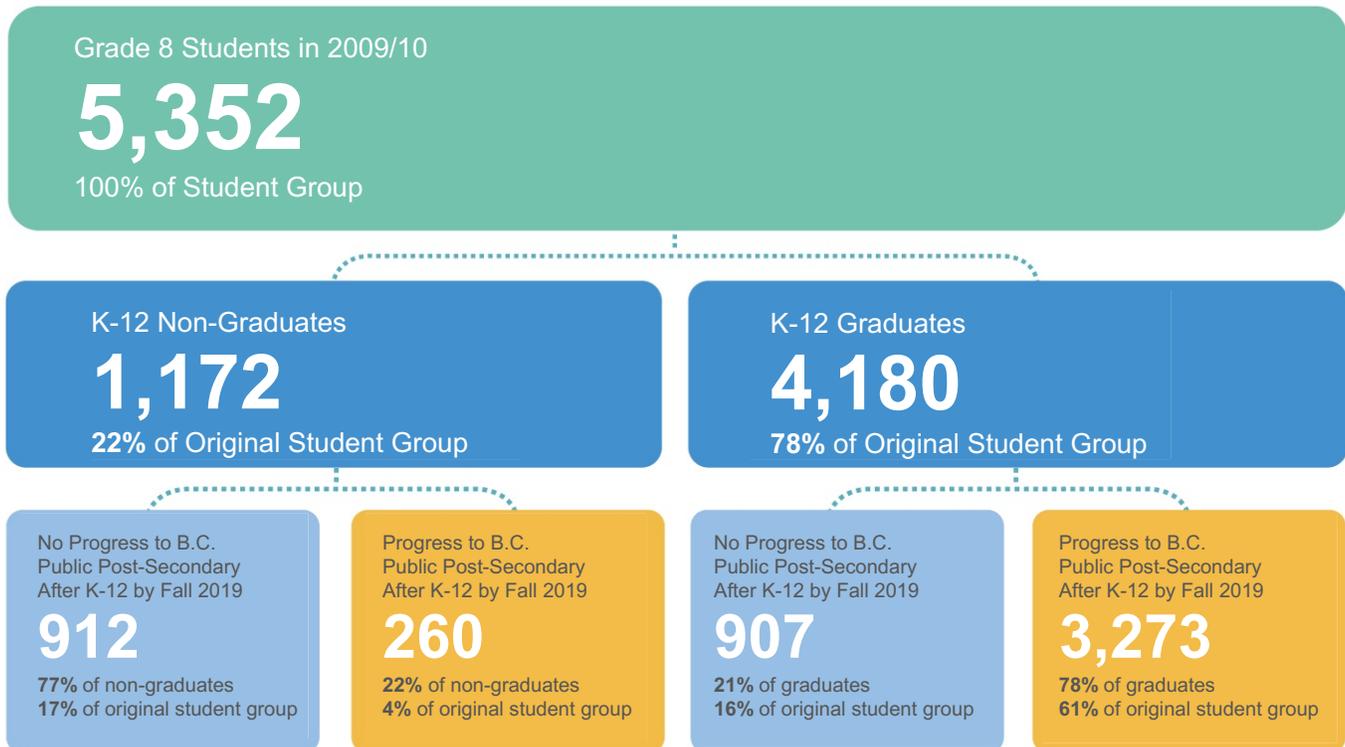


Transition to B.C. Public Post-Secondary Education (2019/20)

The following information shows the transitions of a cohort of students in this district, and:

- » how many of these students graduated from the B.C. school system by fall 2015; and
- » how many of these students enrolled in a B.C. public post-secondary institution by fall 2019³

*Note, these results do not include those students who enrolled in post-secondary institutions outside of B.C.



About This Report

This report provides an overview of information collected by the B.C. Ministry of Education for all school districts across the province. It complements new planning and reporting efforts that are underway to enhance student learning in every school and school district in British Columbia.

A complete and interactive version of this report is available at <https://www.bced.gov.bc.ca/reporting/systemperformance>



Questions to Consider When Reviewing Results

Some questions you might consider when reviewing information in this report include:

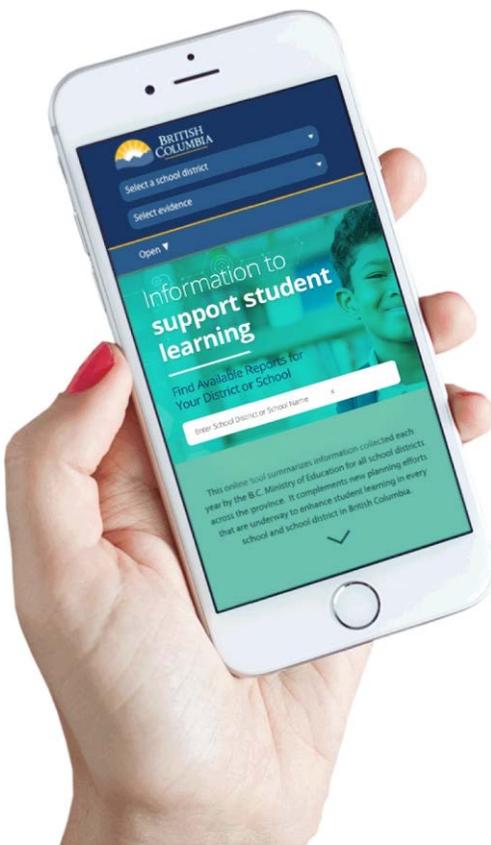
- » To what extent do the results align with what you expected to see?
- » How do the results compare with other information that exists?
- » What are areas of strength?
- » What areas may need further attention?
- » Where do you see growth over time?
- » What patterns do you see across particular groups of students?
- » What efforts are underway to support student success, and what role can you play?

We Value Your Feedback

The B.C. Ministry of Education welcomes your feedback on this new way of displaying student information.

Please send any questions, comments, or suggestions for improvement to educ.systemperformance@gov.bc.ca

Visit <https://www.bced.gov.bc.ca/reporting/systemperformance> to view the interactive version of this report.



(1) **Indigenous Students:** students who have self-identified as being of Aboriginal ancestry (First Nations, Métis, or Inuit)

(2) **Students with Special Needs:** when the Ministry of Education reports on the total number of students with special needs, all categories are included.

(3) **Transitions to B.C. Public Post-Secondary:** for more information, please refer to <http://www2.gov.bc.ca/gov/content/education-training/post-secondary-education/data-research/student-transitions-project>

msk - throughout this report some numbers are 'masked' to protect the privacy of potentially individually identifiable populations of students