



School District No.59 (Peace River South)

PUBLIC BOARD MEETING

The Board of Education of SD59 (PRS) will be holding their Public Board Meeting on Wednesday, September 20, 2023 starting at 1:00 pm the District School Board Office, (11600-7th Street, Dawson Creek, BC).

Anyone wishing to attend the public board meeting may do so in person or via Zoom. Individuals must pre-register by noon (12 pm) on Tuesday, September 19, 2023 to receive the Zoom link.

Please contact Richell Schwartz to register for the meeting:

Phone: 250-782-8571, ext. 217

Email: rschwartz@sd59.bc.ca



School District No.59 (Peace River South)

Open Board Meeting Agenda

Date: September 20, 2023 1:00 PM

Place: School Board Office – Dawson Creek, BC

“We acknowledge that we share this territory with the people of Treaty 8”

ORGANIZATIONAL MEETING:

- **ELECTION OF BOARD CHAIR**
- **ELECTION OF BOARD VICE-CHAIR**
- **UPDATE CONFLICT OF INTEREST**

APPROVAL OF AGENDA

1. **ITEMS FOR ADOPTION**
 - R1.1 – Regular Board Meeting Minutes – June 28, 2023
 - R1.2 – Excerpts Closed Meeting – June 28, 2023
2. **BUSINESS ARISING**
3. **ESSENTIAL ITEMS**
4. **PRESENTATIONS**
 - R4.1 – Presentation of Artwork – W. Lariviere
 - R4.2 – Auditors Report – J. Neufeld - Sander Rose Bone Grindle, LLP
5. **REPORTS FROM THE SECRETARY-TREASURER**
 - R5.1 - Audited Financial Statements (2022-23)
 - R5.2 - Audit Management Letter
 - R5.3 - Financial Statement Discussion & Analysis Report
 - R5.4 - Preliminary Enrollment
 - R5.5 - Minor Capital Submission (2024-25)
6. **REPORTS FROM THE SUPERINTENDENT OF SCHOOLS**
 - R6.1 – School/Student News
 - R6.2 – Feeding Futures
 - R6.3 – New Reporting Order
 - R6.4 – New Strategic Plan Timeline
7. **TRUSTEE ITEM**
 - R7.1 – BCSTA Update – R. Gulick
 - R7.2 – Recognition, Appreciation, Condolence Practices – C. Anderson
 - R7.3 – 2023-24 Board Committees & Reps (effective October 1, 2023)
8. **COMMITTEE REPORTS**
 - R8.1 – Policy Committee
9. **DIARY**



School District No.59 (Peace River South)

10. **QUESTION PERIOD**

Questions or comments must relate to items in this meeting's agenda.

11. **FUTURE BUSINESS / EVENTS**

R11.1 – Open Board Meeting – October 25, 2023 (Chetwynd)



School District No.59 (Peace River South)

BOARD OF EDUCATION OF SCHOOL DISTRICT NO.59

11600 – 7TH Street, Dawson Creek, BC V1G 4R8

Open Session Minutes

DATE & TIME: June 28, 2023 – 1:00 PM

PLACE: School District Board Office, Dawson Creek, BC

PRESENT: Trustees:

C. Anderson (Chair)
C. Hillton (Vice-Chair) - via zoom
R. Gulick - via zoom
S. Mounsey
A. Schurmann - via zoom
C. Wards
T. Jones – via zoom

C. Fennell, Superintendent
M. Readman, Assistant Superintendent - absent
M. Panoulis, Secretary-Treasurer - via zoom
R. Schwartz, Recording Secretary

The meeting was called to order at 1:00 pm.

“We acknowledge that we share this territory with the people of Treaty 8.”

APPROVAL OF AGENDA

Additions:

Deletions:

(2023-06-005)

MOVED/SECONDED – Mounsey/Hillton

THAT, the regular meeting agenda be approved as printed.

CARRIED

1.0 ITEMS FOR ADOPTION

R1.1 Regular Board Meeting Minutes – May 31, 2023

The Chair asked for any corrections to the minutes.

(2023-06-006)

The Chair declared the minutes of the open meeting May 31, 2023 approved as printed.

R1.2 Excerpts of Closed Board Meeting – May 31, 2023

(2023-06-007)

The Chair declared the excerpts of the closed board meeting May 31, 2023 approved as printed.

R1.3 Public 2023-24 Budget Consultation Meeting – June 13, 2023

The Chair asked for any corrections to the minutes.

(2023-06-008)

The Chair declared the minutes of the public consultation meeting June 13, 2023 approved as printed.

2.0 BUSINESS ARISING

3.0 ESSENTIAL ITEMS

4.0 PRESENTATIONS

R4.1 Student Voice – District Student Group

Students from the Student Voice group presented to the board about their Student Voice Environmental Scan they conducted at schools throughout the district. The scan included reviewing the school website and a site visit to gain valuable information about first impressions, utilities and spaces, and social connection which included talking to staff and students of the school. The main focus of the scan was to generate collaborative discussion to improve schools from the ground level.

5.0 REPORTS FROM THE SUPERINTENDENT OF SCHOOLS

R5.1 School/Student News

The Superintendent reported school/student news:

- Little Prairie Elementary students are having fun on year end field trips; a highlight trip was the visit to Saulteau First Nations for National Indigenous Peoples Day. The school held primary and intermediate sports days.
- The Skills Exploration class at Tumbler Ridge Secondary School will be raffling off their barn and castle themed playhouses built by the students.
- Dawson Creek Secondary and Chetwynd Secondary high schools held their graduation celebrations – Tumbler Ridge Secondary School graduation was rescheduled due to the wild fire evacuation.
- Crescent Park Elementary students had fun creating a wall mural with Wayne Lariviere.

- Ecole Frank Ross continues to plant marigolds to honour the survivors and missing children of Residential Schools. The intermediate classes created some amazing bulletin boards that celebrated Indigenous people. On National Indigenous Peoples Day, the school set up a large tipi and students took part in many Indigenous cultural activities which included tipi talk, bannock, and rock painting.
- The South Peace Campus woodshop made a detailed map of Canada.
- Don Titus Montessori students are enjoying many year end field trips. The students had fun feeding baby goats and the grade 7's enjoyed their trip to Grande Prairie.
- Canalta Elementary created a wall mural with Wayne Lariviere and the students enjoyed their Metis cultural dancing with Bev Lambert.
- McLeod Elementary School hosted Aboriginal Family Services on National Indigenous Peoples Day and the students had fun participating in many Indigenous culture activities throughout the day.
- The District celebrated National Indigenous Peoples Day with a Zoom Around the District that had over 1200 people on zoom; the district also hosted a public BBQ in the evening with over 500 people in attendance.
- Parkland Elementary School held an Agriculture Safety Day. Local farmers spent the day with the students to teach them equipment and farm safety.
- Devereaux Elementary held a talent show which showcased scooter riders, music talent, and even horse performances which included a synchro team! Devereaux held a grade 7 graduation and tea.

R5.2 Tumbler Ridge Evacuation & School Closures

The Superintendent reviewed the steps the district took to evacuate the schools in Tumbler Ridge when the Evacuation Order was issued on June 8, 2023; including the evacuation of a school field trip that was booked to stay overnight at Gwillim Lake. The evacuation order was lifted on June 15, 2023 and residents could return to the community; Tumbler Ridge Elementary and Tumbler Ridge Secondary schools remained closed until June 19, 2023 to allow time for staff and families to return to the community, as well as, allowing time for the custodial staff to clean the school for re-opening.

R5.3 – K-12 Student Reporting Update

The Ministry of Education and Child Care has released additional K-12 Student Reporting Policy implementation support materials. Resources are available for educators as well as parents and caregivers. The resources provide important information about the upcoming shifts to the K-12 Student Reporting Policy that take effect July 1, 2023.

R5.4 BC Demographic Survey

The Province of BC is encouraging everyone in BC to take the BC Demographic Survey to help address systemic racism and improve public services. The survey is open until September 29, 2023.

R5.5 BC Learning Pathways

BC Learning Pathways is a series of resources that support teachers in developing student literacy and numeracy skills. Educators are encouraged to use the resources and provide feedback during the Field Review consultation period.

R5.6 – Updated Career Guides

The Ministry of Education and Child Care have updated the Work Experience and Youth Work in Trades career guides. The guides have been updated to reflect policy changes related to work experience programming.

R5.7 – Principal Retreat

The District and Principal and Vice-Principal association will be hosting an administration retreat at Gwillim Lake Educational site on August 27-28, 2023. The retreat is a great way to build connections and relationships among all the principals and district staff.

As per policy 5190, the use of alcohol at school district facilities is only permitted by board approval. The Superintendent requested the board to approve serving alcohol with dinner on August 28, 2022.

(2023-06-009)

MOVED/SECONDED – Hillton/Jones

THAT, the Board approve for alcohol to be served at the principal retreat at the Gwillim Lake Educational Site on August 27, 2023.

CARRIED

6.0 REPORTS FROM THE SECRETARY TREASURER

R6.1 Finance Reports

The finance reports as of May 30, 2023 were presented.

R6.2 2024-25 Major Capital Plan Submission

The Secretary Treasurer presented the 2024-25 Major Capital Plan that will be submitted to the Ministry of Education and Child Care. The major capital plan includes expansion requests for Crescent Park Elementary and a gym for Moberly Lake Elementary. The school replacement program includes future replacement of Chetwynd Senior Secondary/Windrem Elementary and Canalta Elementary schools. The district will receive confirmation in Spring 2024 if any projects are chosen by the Ministry of Education and Child Care to proceed and receive funding.

(2023-06-010)

MOVED/SECONDED – Wards/Jones

In accordance with provisions under section 142 (4) of the *School Act*, the Board of Education of School District No. 59 (Peace River South) hereby approves the proposed Five-Year Capital Plan (Major Capital Programs) for 2024/25 as provided on the Five-Year Capital Plan Summary for 2024/25 submitted to the Ministry of Education and Child Care.

CARRIED

R6.3 School Food Infrastructure Program

The Secretary Treasurer presented the 2023-24 minor capital submission specific to the School Food Infrastructure Program. The funds will be used toward purchasing capital items such as, fridges, freezers, stoves and shelving to support food programs in schools.

(2023-06-011)

MOVED/SECONDED – Jones/Gulick

In accordance with provisions under section 142 (4) of the *School Act*, the Board of Education of School District No. 59 (Peace River South) hereby approves the proposed Five-Year Capital Plan (School Food Infrastructure Program) for 2023/24, as provided on the Five-Year Capital Plan Summary for 2023/24 submitted to the Ministry of Education and Child Care.

CARRIED

R6.4 2023-24 Annual Budget & Bylaw (3rd Reading)

The Secretary Treasurer presented the annual budget for the 2023-24 school year in the May board meeting. The budget presentation meeting was held on June 13, 2023 via zoom. The district received 40 responses from the budget survey. The Secretary Treasurer reported the majority of the survey responses aligned with the funding allocations in the budget and therefore, no major changes were made. The feedback will be considered as well when planning for the amended budget.

The Board read the first two readings of the annual budget bylaw in the May board meeting and proceeded with the 3rd and final reading of the bylaw.

The preliminary budget is balanced for the 2023-24 school year with a total budget of \$66,515,787.

(2023-06-012)

MOVED/SECONDED – Wards/Mounsey

THAT, the Annual Budget Bylaw 2023/2024 showing estimated expenditures for 2023/2024 fiscal year in the total amount of \$66,515,787 be read a third time, passed and adopted.

CARRIED

R6.5 2023-24 Board Meeting Dates

The board meeting dates for 2023-24 school year were presented. The board meeting dates will be posted on the school district website.

7.0 TRUSTEE ITEMS

R7.1 BCSTA Update

Trustee Gulick reported on the latest news and events from BCSTA.

R7.2 Professional Development Report

Trustee Schurmann provided an overview of the Productive Workplace Interactions webinar she attended that was presented from BCPSEA. The webinar was focused on how to identify and reflect on the attitudes and behaviours that lead to positive outcomes in conflict situations.

8.0 COMMITTEE REPORTS

R8.1 Indigenous Councils

The councils received an overview of activities that have been happening at the schools that promote a sense of belonging for Indigenous students. The students have really enjoyed the

various cultural activities with Bev Lambert, Wayne Lariviere, Kym Gouchie and Stan Fraser. Both councils held a BBQ for their last meeting of the school year to thank everyone for their time and commitment over the year. A highlight of June was the Zoom Around the District and the National Indigenous Peoples Day celebrations.

R8.2 Policy Committee

The Policy committee recommended repeal of Policy 3230 Fire Fighting Duties.

(2023-06-013)

MOVED/SECONDED – Gulick/Hillton

THAT, the Board repeal Policy 3230 Fire Fighting Duties, effective immediately.

CARRIED

9.0 DIARY

10.0 NOTICE OF MOTION

11.0 QUESTION PERIOD

A question and answer period was provided.

12.0 FUTURE BUSINESS

R12.1 – Regular Board Meeting – September 20, 2023

ADJOURNMENT

(2023-06-014)

MOVED – Hillton

THAT, the Regular Meeting be terminated. (3:51 PM)

CARRIED

CERTIFIED CORRECT:

(C. Anderson) Board Chair

(M. Panoulas) Secretary Treasurer



School District No.59 (Peace River South)

MEETING: Closed Board Meeting
DATE: June 28, 2023 10:30 AM
PLACE: School Board Office – Dawson Creek, BC

The meeting was called to order at 10:42 a.m. and the following was reported:

Items for Adoption

- Approval of Agenda
- Closed Meeting Minutes – May 31, 2023

Business Arising

Trustee Items

Items discussed and reported included:

- BCPSEA Update

Superintendent's Reports

Items discussed and reported included:

- Personnel Matters

Secretary Treasurer's Reports

Items discussed and reported included:

- Exempt Compensation

Adjournment Motion @ 11:24 a.m.

CERTIFIED CORRECT:

C. Anderson, Board Chair

M. Panoulas, Secretary Treasurer

Audited Financial Statements of

School District No. 59 (Peace River South)

And Independent Auditors' Report thereon

June 30, 2023

School District No. 59 (Peace River South)

June 30, 2023

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Partners

- * Dale J. Rose, CPA, CA
- * Alan Bone, B. Comm., CPA, CA
- * Jason Grindle, B. Comm., CPA, CA
- * Jaron Neufeld, B. Comm., CPA, CA

- * Ben Sander, B. Comm., FCPA, FCA (Retired)

INDEPENDENT AUDITOR'S REPORT

To the Board of Education of School District No. 59 (Peace River South) and the Minister of Education of British Columbia

Opinion

We have audited the accompanying financial statements of School District No. 59 (Peace River South) which comprise the statement of financial position as at June 30, 2023 and the statement of operations, changes in net financial assets (debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School District No. 59 (Peace River South) as at June 30, 2023 and the result of its operations and its cash flows for the year then ended in accordance with Section 23.1 of the Budget Transparency and Accountability Act.

Basis for Opinion

We conduct 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 report. We are independent of the district 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describe the basis of accounting and the significant differences between such basis of accounting and Canadian Public Sector Accounting Standards. Note 2 to the financial statements discloses the impact of these differences.

Other Information

Management is responsible for the other information. Other information comprises of the unaudited schedules 1-4 that are attached to the audited financial statements.

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.

Independent Auditor's Report to the Board of Education of School District No. 59 (Peace River South) and the Ministry of Education of British Columbia (*continued*)

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.

If, based on the work we have performed on this information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' 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 and fair presentation of these financial statements in accordance with Section 23.1 of the Budget Transparency and Accountability Act 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 district's ability to continue as a going concern, disclosing, as applicable, matter relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the district or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the district'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 judgement and maintain professional scepticism 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 district's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report to the Board of Education of School District No. 59 (Peace River South) and the Ministry of Education of British Columbia (*continued*)

- 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 district'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, further events or conditions may cause the district to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

We 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.

Dawson Creek, BC
September 20, 2023

Sander Rose Bone Grindle CPA
Chartered Professional Accountants

School District No. 59 (Peace River South)

Statement of Financial Position

As at June 30, 2023

	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	15,131,835	15,752,624
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	26,062	153,117
Due from First Nations	220,706	
Other (Note 3)	354,101	450,663
Total Financial Assets	15,732,704	16,356,404
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	3,224,183	3,153,497
Unearned Revenue (Note 5)	106,767	91,470
Deferred Revenue (Note 6)	1,548,720	1,838,892
Deferred Capital Revenue (Note 7)	28,545,102	28,361,534
Employee Future Benefits (Note 8)	1,052,413	1,027,807
Asset Retirement Obligation (Note 17)	6,151,717	6,151,717
Total Liabilities	40,628,902	40,624,917
Net Debt	(24,896,198)	(24,268,513)
Non-Financial Assets		
Tangible Capital Assets (Note 9)	39,890,030	39,527,337
Prepaid Expenses	96,183	107,219
Total Non-Financial Assets	39,986,213	39,634,556
Accumulated Surplus (Deficit) (Note 21)	15,090,015	15,366,043
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) from Operations	15,090,015	15,366,043
Accumulated Remeasurement Gains (Losses)	15,090,015	15,366,043

Unrecognized Assets (Note 13)

Contractual Obligations (Note 14)

Contractual Rights (Note 15)

Contingent Liabilities (Note 16)

Approved

DRAFT

Signature of the Chairperson of the Board of Education _____ Signed

Signature of the Superintendent _____ Signed

Signature of the Secretary Treasurer _____ Date Signed

School District No. 59 (Peace River South)

Statement of Operations
Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	55,054,095	55,394,649	52,373,983
Other	273,065	264,948	293,311
Tuition	24,666	24,735	60,104
Other Revenue	2,678,539	2,861,250	2,616,779
Rentals and Leases	157,000	162,594	175,139
Investment Income	440,600	582,015	123,666
Amortization of Deferred Capital Revenue	1,702,419	1,759,711	1,716,107
Total Revenue	<u>60,330,384</u>	<u>61,049,902</u>	<u>57,359,089</u>
Expenses			
Instruction	44,892,251	44,108,462	40,421,235
District Administration	2,378,439	2,383,562	1,948,917
Operations and Maintenance	10,644,427	10,676,780	9,771,330
Transportation and Housing	4,438,961	4,157,126	3,963,449
Total Expense	<u>62,354,078</u>	<u>61,325,930</u>	<u>56,104,931</u>
Surplus (Deficit) for the year	<u>(2,023,694)</u>	<u>(276,028)</u>	<u>1,254,158</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		15,366,043	14,111,885
Accumulated Surplus (Deficit) from Operations, end of year		<u>15,090,015</u>	<u>15,366,043</u>

School District No. 59 (Peace River South)

Statement of Changes in Net Debt
Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual <small>(Restated - Note 22)</small>
	\$	\$	\$
Surplus (Deficit) for the year	(2,023,694)	(276,028)	1,254,158
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(843,563)	(2,601,046)	(3,500,577)
Amortization of Tangible Capital Assets	2,254,505	2,238,353	2,174,635
Total Effect of change in Tangible Capital Assets	1,410,942	(362,693)	(1,325,942)
Acquisition of Prepaid Expenses		(96,183)	(107,219)
Use of Prepaid Expenses		107,219	74,664
Total Effect of change in Other Non-Financial Assets	-	11,036	(32,555)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(612,752)</u>	(627,685)	(104,339)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(627,685)	(104,339)
Net Debt, beginning of year		(24,268,513)	(24,164,174)
Net Debt, end of year		(24,896,198)	(24,268,513)

School District No. 59 (Peace River South)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2023

	2023 Actual	2022 Actual
		(Restated - Note 22)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(276,028)	1,254,158
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	2,635	154,314
Prepaid Expenses	11,036	(32,555)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	70,956	(2,401,891)
Unearned Revenue	15,303	6,018
Deferred Revenue	(290,172)	546,512
Employee Future Benefits	24,606	60,327
Amortization of Tangible Capital Assets	2,238,353	2,174,635
Amortization of Deferred Capital Revenue	(1,759,711)	(1,716,107)
Capital Grants Spent on Non-Capital Items	(1,179,639)	(1,205,920)
Total Operating Transactions	(1,142,661)	(1,160,509)
Capital Transactions		
Tangible Capital Assets Purchased	(2,601,046)	(2,037,609)
Tangible Capital Assets -WIP Purchased		(1,462,968)
Total Capital Transactions	(2,601,046)	(3,500,577)
Financing Transactions		
Capital Revenue Received	3,122,918	3,906,344
Total Financing Transactions	3,122,918	3,906,344
Net Increase (Decrease) in Cash and Cash Equivalents	(620,789)	(754,742)
Cash and Cash Equivalents, beginning of year	15,752,624	16,507,366
Cash and Cash Equivalents, end of year	15,131,835	15,752,624
Cash and Cash Equivalents, end of year, is made up of:		
Cash	8,657,096	9,561,815
Cash Equivalents	6,474,739	6,190,809
	15,131,835	15,752,624

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 1 AUTHORITY AND PURPOSE

The School District operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 59 (Peace River South)", and operates as "School District No. 59 (Peace River South)." 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. 59 (Peace River South) is exempt from federal and provincial corporate income taxes.

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020 and has had a significant financial, market and social dislocating impact worldwide. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decreases in revenue, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the School District is not practicable at this time.

NOTE 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(e) and 2(l).

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(e) and 2(l), 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.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

a) Basis of Accounting *(Continued)*

As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require that:

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

The impact of this difference on the financial statements of the School District is as follows:

Year-ended June 30, 2022 – increase in annual surplus by \$1,334,048

June 30, 2022 – increase in accumulated surplus and decrease in deferred contributions by \$28,265,356

Year-ended June 30, 2023 – increase in annual surplus by \$48,573

June 30, 2023 – increase in accumulated surplus and decrease in deferred contributions by \$28,313,931

b) Cash and Cash Equivalents

Cash and cash equivalents include Certificates of Deposit with the Provincial Treasury that are readily convertible to known amounts of cash, have no set maturity terms, and that are subject to an insignificant risk of change in value. These cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

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

d) Unearned Revenue

Unearned revenue includes receipt of proceeds for services or products to be delivered in a future period. Revenue will be recognized in that future period when the services or products are provided.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

e) Deferred Revenue and Deferred Capital Revenue

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

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

f) Employee Future Benefits

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

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

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime 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.

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.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

g) 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 2 i)). Assumptions used in the calculations are reviewed annually.

h) 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 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.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

i) Tangible Capital Assets

The following criteria apply:

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

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

j) Prepaid Expenses

Prepaid expenses consist of unexpired insurance premiums and other prepaid amounts which are stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

k) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 11 – Interfund Transfers and Note 21 – Accumulated Surplus).

l) 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 life of the assets. Donated sites are recorded as revenue at fair market value when received or receivable.

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

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

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

l) Revenue Recognition *(Continued)*

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

m) 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 District Principals employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant Superintendents, Directors of Instruction, Secretary-Treasurers, 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 Indigenous 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.

n) Financial Instruments

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

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

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

n) Financial Instruments *(Continued)*

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

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations. There are no measurement gains or losses during the periods presented; therefore, no statement of remeasurement gains or losses is included in these financial statements.

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.

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

o) 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.

p) Future Change in Accounting Policies

PS 3400 Revenue issued November 2018 establishes standards on how to account for and report on revenue and is effective July 1, 2023. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions".

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

p) Future Change in Accounting Policies *(Continued)*

Revenue from transactions with performance obligations should be recognized when (or as) the school district satisfies a performance obligation by providing the promised goods or services to a payor.

Revenue from transactions with no performance obligations should be recognized when a school district:

- (a) has the authority to claim or retain an inflow of economic resources; and
- (b) identifies a past transaction or event that gives rise to an asset.

This standard may be applied retroactively or prospectively. Management is in the process of assessing the impact of adopting this standard on the School District's financial results.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	<u>2023</u>	<u>2022</u>
Due from Federal Government	\$ 198,339	\$ 164,937
CUPE	2,006	-
BCTF	819	-
BCGEU	3,177	1,356
Private Schools	2,734	2,076
PRSTA	43,402	48,483
Simon Fraser University	14,658	14,147
Other Accounts Receivable	88,966	219,664
	<u>\$ 354,101</u>	<u>\$ 450,663</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	<u>2023</u>	<u>2022</u>
Trade payables	\$ 490,149	\$ 432,025
Salaries and benefits payable	1,193,622	1,161,144
Source deductions	633,467	577,962
Accrued vacation pay	725,451	792,691
Other	181,494	189,675
	<u>\$ 3,224,183</u>	<u>\$ 3,153,497</u>

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 5 UNEARNED REVENUE

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 91,470	\$ 85,452
Changes for the year:		
Increase:		
Other revenue	113,759	114,742
Decrease:		
Other revenue	<u>98,462</u>	<u>108,724</u>
Balance, end of year	<u>\$ 106,767</u>	<u>\$ 91,470</u>

NOTE 6 DEFERRED REVENUE

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

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 1,838,892	\$ 1,292,380
Changes for the year:		
Increase: Contributions received		
Provincial Grants – Ministry of Education	5,735,749	5,414,290
Other	1,255,702	988,925
Investment income	<u>1,922</u>	<u>507</u>
	<u>6,993,373</u>	<u>6,403,722</u>
Decrease:		
Expenses	7,283,545	5,857,210
Recovered	<u>-</u>	<u>-</u>
	<u>7,283,545</u>	<u>5,857,210</u>
Net changes for the year	<u>(290,172)</u>	<u>546,512</u>
Balance, end of year	<u>\$ 1,548,720</u>	<u>\$ 1,838,892</u>

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 7 DEFERRED CAPITAL REVENUE

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

	Deferred Capital 2023	Unspent Capital 2023	Total Deferred Capital Revenue 2023	Total Deferred Capital Revenue 2022
Balance, beginning of year	\$28,265,356	\$96,178	\$28,361,534	\$28,201,027
Prior Period Adjustment	-	-	-	(\$823,810)
Balance, beginning of year, as restated	<u>28,265,356</u>	<u>96,178</u>	<u>28,361,534</u>	<u>27,377,217</u>
Changes for the year:				
Increase:				
Transfer from Unspent – Capital Additions	1,808,285	-	1,808,285	1,824,446
Transfer from Work in Progress	-	-	-	-
Transfer from Unspent – Work in Progress	-	-	-	1,225,709
Provincial Grants – Ministry of Education	-	3,121,918	3,121,918	3,871,085
Provincial Grants – Other	-	-	-	-
Other Income	-	1,000	1,000	35,259
Investment income	-	-	-	-
MoEd Restricted Portion of Disposal Proceeds	-	-	-	-
	<u>1,808,285</u>	<u>3,122,918</u>	<u>4,931,203</u>	<u>6,956,499</u>
Decrease:				
Amortization of Deferred Capital	1,759,711	-	1,759,711	1,716,107
Capital Additions–transfer to Deferred Capital	-	1,808,285	1,808,285	1,824,446
Work in Progress–transfer to Deferred Capital	-	-	-	1,225,709
Non-capital items	-	1,179,639	1,179,639	1,205,920
	<u>1,759,711</u>	<u>2,987,924</u>	<u>4,747,635</u>	<u>5,972,182</u>
Net changes for the year	<u>48,574</u>	<u>134,994</u>	<u>183,568</u>	<u>984,317</u>
Balance, end of year	<u>\$28,313,930</u>	<u>\$231,172</u>	<u>\$28,545,102</u>	<u>\$28,361,534</u>

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 8 EMPLOYEE FUTURE BENEFITS

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

	2023	2022
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 1,126,801	\$ 967,769
Service Cost	98,410	95,216
Interest Cost	36,529	25,281
Benefit Payments	(131,320)	(102,991)
Actuarial (Gain) Loss	(79,094)	141,526
Accrued Benefit Obligation – March 31	\$1,051,326	\$1,126,801
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$1,051,326	\$1,126,801
Funded Status - Surplus (Deficit)	(1,051,326)	(1,126,801)
Employer Contributions After Measurement Date	11,869	13,322
Benefits Expense After Measurement Date	(34,692)	(33,735)
Unamortized Net Actuarial (Gain) Loss	21,736	119,407
Accrued Benefit Asset (Liability) - June 30	(\$1,052,413)	(\$1,027,807)
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	\$ 1,027,807	\$ 967,480
Net Expense for Fiscal Year	154,473	149,962
Employer Contributions	(129,867)	(89,635)
Accrued Benefit Liability (Asset) - June 30	\$ 1,052,413	\$ 1,027,807
Components of Net Benefit Expense		
Service Cost	\$ 97,780	\$ 96,015
Interest Cost	38,117	28,093
Amortization of Net Actuarial (Gain)/Loss	18,576	25,854
Net Benefit Expense (Income)	\$ 154,473	\$ 149,962

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 8 EMPLOYEE FUTURE BENEFITS *(Continued)*

The significant actuarial assumptions adopted for measuring the School District’s accrued benefit obligations are:

	2023	2022
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
EARSLS - March 31	9.8	9.8

NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value

	Net Book Value June 30, 2023	Net Book Value June 30, 2022
Sites	\$ 5,244,777	\$ 5,244,777
Buildings	30,975,488	29,075,932
Buildings – work in progress	-	1,555,937
Furniture & Equipment	251,575	1,083,472
Vehicles	3,375,023	2,509,363
Computer Software	602	1,803
Computer Hardware	42,565	56,053
Total	\$ 39,890,030	\$ 39,527,337

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 9 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2023

Cost:	Balance at July 1, 2022	Prior Period Adjustment	Additions	Disposals	Balance at June 30, 2023
Sites	\$ 5,244,777	\$ -	\$ -	\$ -	\$ 5,244,777
Buildings	84,155,186	-	3,425,068	-	87,580,254
Buildings – work in progress	1,555,937	-	-	(1,555,937)	-
Furniture & Equipment	2,106,364	-	60,194	(899,051)	1,267,507
Vehicles	5,063,768	-	671,721	(210,101)	5,525,388
Computer Software	6,006	-	-	-	6,006
Computer Hardware	67,441	-	-	-	67,441
Total	\$ 98,199,479	\$ -	\$ 4,156,983	\$ (2,665,089)	\$ 99,691,373

Accumulated Amortization:	Balance at July 1, 2022	Prior Period Adjustment	Amortization Expense	Disposals	Balance at June 30, 2023
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	55,079,254	-	1,525,512	-	56,604,766
Furniture & Equipment	1,022,892	-	203,141	(210,101)	1,015,932
Vehicles	2,554,405	-	495,011	(899,051)	2,150,365
Computer Software	4,203	-	1,201	-	5,404
Computer Hardware	11,388	-	13,488	-	24,876
Total	\$ 58,672,142	\$ -	\$ 2,238,353	\$ (1,109,152)	\$ 59,801,343

June 30, 2022

Cost:	Balance at July 1, 2021	Prior Period Adjustment	Additions	Disposals	Balance at June 30, 2022
Sites	\$ 5,244,777	\$ -	\$ -	\$ -	\$ 5,244,777
Buildings	76,940,730	6,151,717	1,062,739	-	84,155,186
Buildings – work in progress	92,969	-	1,462,968	-	1,555,937
Furniture & Equipment	2,188,670	-	268,768	(351,074)	2,106,364
Vehicles	4,484,597	-	661,891	(82,720)	5,063,768
Computer Software	6,006	-	-	-	6,006
Computer Hardware	23,230	-	44,211	-	67,441
Total	\$ 88,980,979	\$ 6,151,717	\$ 3,500,577	\$ (433,794)	\$ 98,199,479

Accumulated Amortization:	Balance at July 1, 2021	Prior Period Adjustment	Additions	Disposals	Balance at June 30, 2022
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	47,464,563	6,150,481	1,464,210	-	55,079,254
Furniture & Equipment	1,159,214	-	214,752	(351,074)	1,022,892
Vehicles	2,159,706	-	477,419	(82,720)	2,554,405
Computer Software	3,002	-	1,201	-	4,203
Computer Hardware	2,321	-	9,067	-	11,388
Total	\$ 50,788,806	\$ 6,150,481	\$ 2,166,649	\$ (433,794)	\$ 58,672,142

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 10 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 the 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 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.

The School District paid \$3,588,381 for employer contributions to these plans in the year ended June 30, 2023 (2022: \$3,387,411).

NOTE 11 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2023, were as follows:

- A transfer in the amount of \$792,761 (2022: \$213,163) was made from the operating fund to the capital fund for capital equipment purchases.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 12 RELATED PARTY TRANSACTIONS

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

NOTE 13 UNRECOGNIZED ASSETS

The School District has been made available the use of Crown Land. The Crown Land has not been recorded in these Financial Statements.

NOTE 14 CONTRACTUAL OBLIGATIONS

The School District has a total of \$759,714 of contractual obligations at year end related to the construction or renovation of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

Tremblay Elementary - HVAC Upgrade	\$ 433,607
Canalta Elementary - Playground Equipment	240,138
DCSS Central Campus - Gym Floor Replacement	<u>85,969</u>
	<u>\$ 759,714</u>

NOTE 15 CONTRACTUAL RIGHTS

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The School District’s contractual rights arise because of contracts entered into for rental revenue. The following table summarizes the contractual rights of the School District for future assets:

	2024	2025	2026	2027	2028	Thereafter
Future Rental Revenue	\$ 199,411	\$ 190,378	\$ 189,531	\$ 171,676	\$ 157,557	\$ 101,613

NOTE 16 CONTINGENT LIABILITIES

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

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 17 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal or disposal of asbestos and other environmentally hazardous materials within some 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 22 – 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 22)	\$ 6,151,717	
Settlements during the year	-	
Asset Retirement Obligation, closing balance	\$ 6,151,717	

NOTE 18 EXPENSE BY OBJECT

	2023	2022
Salaries and benefits	\$ 47,367,969	\$ 43,873,534
Services and supplies	11,719,608	10,056,762
Amortization	2,238,353	2,174,635
	\$ 61,325,930	\$ 56,104,931

NOTE 19 BUDGET FIGURES

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an amended annual budget on February 15, 2023. The Board adopted a preliminary annual budget on June 22, 2022. The amended budget is used for comparison purposes, as these are based on actual student enrollments.

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 19 BUDGET FIGURES *(Continued)*

The difference between the two budgets is as follows:

	2023 Amended	2023 Preliminary	Difference
Revenues			
Provincial Grants			
Ministry of Education	\$ 55,054,095	\$ 52,426,888	\$ 2,627,207
Other	273,065	253,295	19,770
Tuition	24,666	48,104	(23,438)
Other Revenue	2,678,539	2,452,045	226,494
Rentals and Leases	157,000	176,000	(19,000)
Investment Income	440,600	167,700	272,900
Gain (Loss) on Disposal of Tangible Capital Assets	-	-	-
Amortization of Deferred Capital Revenue	1,702,419	1,703,519	(1,100)
Total Revenue	60,330,384	57,227,551	3,102,833
Expenses			
Instruction	44,892,251	42,094,444	2,797,807
District Administration	2,378,439	2,074,667	303,772
Operations and Maintenance	10,644,427	10,098,509	545,918
Transportation and Housing	4,438,961	4,282,292	156,669
Total Expenses	62,354,078	58,549,912	3,804,166
Surplus (Deficit) for the year	(2,023,694)	(1,322,361)	(701,333)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets			
From Operating and Special Purpose Funds	(843,563)	(170,000)	(673,563)
From Deferred Capital Revenue	-	-	-
Total Acquisition of Tangible Capital Assets	(843,563)	(170,000)	(673,563)
Amortization of Tangible Capital Assets	2,254,505	2,237,647	16,858
Total Effect of change in Tangible Capital Assets	1,410,942	2,067,647	(656,705)
(Increase) Decrease in Net Financial Assets	\$ (612,752)	\$ 745,286	\$ (1,358,038)

NOTE 20 ECONOMIC DEPENDENCE

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

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 21 ACCUMULATED SURPLUS

	2023	2022
OPERATING		
Internally Restricted (appropriated) by Board for:		
School-based Surpluses	\$ 371,294	\$ 547,586
Indigenous Education Surplus	79,574	108,684
Capital Projects	65,000	174,436
Premier's Award for Excellence in Education Bursary	1,000	-
Renovation Pouce Coupe Elementary	-	44,062
Service Improvement Allocation	21,699	11,453
Portables	-	600,000
Strategic Plan Initiatives	1,766,804	2,157,500
Subtotal Internally Restricted	2,305,371	3,643,721
Unrestricted Operating Surplus (Deficit)	7,188,301	6,441,631
Total Available for Future Operations	\$ 9,493,672	\$ 10,085,352
CAPITAL		
Investment in Tangible Capital Assets	5,424,385	5,110,266
Local Capital	171,958	170,425
Capital Surplus	5,596,343	5,280,691
ACCUMULATED SURPLUS	\$ 15,090,015	\$ 15,366,043

NOTE 22 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 17). This standard was adopted using the modified retroactive approach.

On July 1, 2022 the School District recognized an asset retirement obligation relating to several owned buildings that contain asbestos and other hazardous materials. 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*).

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 22 PRIOR PERIOD ADJUSTMENT – CHANGE IN ACCOUNTING POLICY
(Continued)

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

	<u>Increase (Decrease)</u>
Asset Retirement Obligation (liability)	\$ 6,151,717
Tangible Capital Assets - cost	6,151,717
Tangible Capital Assets - accumulated amortization	6,150,481
Operations & Maintenance Expense – Asset amortization (2022)	7,986
Accumulated Surplus – Invested in Capital Assets	(6,142,495)

NOTE 23 RISK MANAGEMENT

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

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

a) Credit risk

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

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

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

SCHOOL DISTRICT NO. 59 (PEACE RIVER SOUTH)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 24 RISK MANAGEMENT *(continued)*

b) Market risk

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. 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.

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.

School District No. 59 (Peace River South)

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 22)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	10,085,352		5,280,691	15,366,043	20,254,380
Prior Period Adjustments					(6,142,495)
Accumulated Surplus (Deficit), beginning of year, as restated	10,085,352	-	5,280,691	15,366,043	14,111,885
Changes for the year					
Surplus (Deficit) for the year	201,081		(477,109)	(276,028)	1,254,158
Interfund Transfers					
Tangible Capital Assets Purchased	(792,761)		792,761	-	
Net Changes for the year	(591,680)	-	315,652	(276,028)	1,254,158
Accumulated Surplus (Deficit), end of year - Statement 2	9,493,672	-	5,596,343	15,090,015	15,366,043

School District No. 59 (Peace River South)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	47,349,321	48,165,511	46,286,062
Other	273,065	264,948	273,111
Tuition	24,666	24,735	60,104
Other Revenue	1,907,852	1,629,126	1,662,277
Rentals and Leases	157,000	162,594	175,139
Investment Income	440,000	578,560	119,507
Total Revenue	<u>50,151,904</u>	<u>50,825,474</u>	<u>48,576,200</u>
Expenses			
Instruction	38,289,770	37,543,650	34,848,384
District Administration	2,378,439	2,383,562	1,948,917
Operations and Maintenance	7,051,655	7,054,295	6,604,219
Transportation and Housing	3,904,248	3,642,886	3,465,646
Total Expense	<u>51,624,112</u>	<u>50,624,393</u>	<u>46,867,166</u>
Operating Surplus (Deficit) for the year	<u>(1,472,208)</u>	<u>201,081</u>	<u>1,709,034</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>2,315,771</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(843,563)	(792,761)	(213,163)
Total Net Transfers	<u>(843,563)</u>	<u>(792,761)</u>	<u>(213,163)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(591,680)</u>	<u>1,495,871</u>
Operating Surplus (Deficit), beginning of year		10,085,352	8,589,481
Operating Surplus (Deficit), end of year		<u>9,493,672</u>	<u>10,085,352</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		2,305,371	3,643,721
Unrestricted		7,188,301	6,441,631
Total Operating Surplus (Deficit), end of year		<u>9,493,672</u>	<u>10,085,352</u>

School District No. 59 (Peace River South)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	46,111,425	46,139,821	46,009,843
ISC/LEA Recovery	(1,426,352)	(1,180,958)	(1,136,627)
Other Ministry of Education and Child Care Grants			
Pay Equity	944,395	944,395	944,395
Funding for Graduated Adults			314
Student Transportation Fund	441,458	441,458	441,458
Support Staff Benefits Grant	16,094	16,677	16,094
FSA Scorer Grant	8,187	8,187	8,187
Early Learning Framework (ELF) Implementation	522	522	2,398
Labour Settlement Funding	1,252,592	1,794,409	
Premier's Award for Excellence in Education Bursary	1,000	1,000	
Total Provincial Grants - Ministry of Education and Child Care	47,349,321	48,165,511	46,286,062
Provincial Grants - Other	273,065	264,948	273,111
Tuition			
International and Out of Province Students	24,666	24,735	60,104
Total Tuition	24,666	24,735	60,104
Other Revenues			
Funding from First Nations	1,426,352	1,170,892	1,136,627
Miscellaneous			
Seconded Staff Recoveries	229,000	224,405	208,097
Substitute Staff Recoveries	95,000	82,475	88,687
Bus Charges	50,000	39,684	37,921
Miscellaneous	107,500	111,670	190,945
Total Other Revenue	1,907,852	1,629,126	1,662,277
Rentals and Leases	157,000	162,594	175,139
Investment Income	440,000	578,560	119,507
Total Operating Revenue	50,151,904	50,825,474	48,576,200

School District No. 59 (Peace River South)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$	\$
Salaries			
Teachers	16,831,170	16,796,666	15,808,264
Principals and Vice Principals	3,366,278	3,586,684	3,160,147
Educational Assistants	4,715,076	4,399,872	3,853,419
Support Staff	5,907,237	5,952,022	5,417,514
Other Professionals	2,103,065	1,900,367	1,790,788
Substitutes	1,858,832	1,762,225	1,711,685
Total Salaries	34,781,658	34,397,836	31,741,817
Employee Benefits	8,192,893	7,980,156	7,432,436
Total Salaries and Benefits	42,974,551	42,377,992	39,174,253
Services and Supplies			
Services	1,792,294	1,653,401	1,485,791
Student Transportation	1,065,035	1,042,642	997,848
Professional Development and Travel	526,803	533,953	337,252
Rentals and Leases	26,000	22,603	33,655
Dues and Fees	393,988	392,591	350,136
Insurance	180,973	198,989	196,057
Supplies	2,493,868	2,490,144	2,310,165
Utilities	2,170,600	1,912,078	1,982,009
Total Services and Supplies	8,649,561	8,246,401	7,692,913
Total Operating Expense	51,624,112	50,624,393	46,867,166

School District No. 59 (Peace River South)

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	14,055,780	882,704	66,352	583,928	99,673	979,360	16,667,797
1.03 Career Programs	30,279	29,719			177,066	2,340	239,404
1.07 Library Services	132,275		58,055			52,373	242,703
1.08 Counselling	577,676		33,621	72,319		1,394	685,010
1.10 Special Education	1,565,276		3,885,038	158,946	-	281,249	5,890,509
1.20 Early Learning and Child Care					42,189		42,189
1.30 English Language Learning	43,252		37,320			4,142	84,714
1.31 Indigenous Education	392,128	560,177	296,161	113,438	12,955	13,884	1,388,743
1.41 School Administration		2,085,156		659,560		38,038	2,782,754
1.62 International and Out of Province Students							-
Total Function 1	16,796,666	3,557,756	4,376,547	1,588,191	331,883	1,372,780	28,023,823
4 District Administration							
4.11 Educational Administration		28,928		20,892	509,177	1,225	560,222
4.40 School District Governance					119,327		119,327
4.41 Business Administration				170,292	547,346	805	718,443
Total Function 4	-	28,928	-	191,184	1,175,850	2,030	1,397,992
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				50,817	291,054	6,808	348,679
5.50 Maintenance Operations				2,465,294		279,642	2,744,936
5.52 Maintenance of Grounds				432,961		48,773	481,734
5.56 Utilities							-
Total Function 5	-	-	-	2,949,072	291,054	335,223	3,575,349
7 Transportation and Housing							
7.41 Transportation and Housing Administration				54,312	101,580		155,892
7.70 Student Transportation			23,325	1,169,263		52,192	1,244,780
Total Function 7	-	-	23,325	1,223,575	101,580	52,192	1,400,672
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	16,796,666	3,586,684	4,399,872	5,952,022	1,900,367	1,762,225	34,397,836

School District No. 59 (Peace River South)

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	2022 Actual (Restated - Note 22)
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	16,667,797	3,984,099	20,651,896	1,955,305	22,607,201	22,454,937	21,274,239
1.03 Career Programs	239,404	57,534	296,938	150,912	447,850	372,385	502,974
1.07 Library Services	242,703	53,056	295,759	51,046	346,805	403,987	427,047
1.08 Counselling	685,010	140,298	825,308	12,167	837,475	877,107	787,700
1.10 Special Education	5,890,509	1,360,739	7,251,248	358,443	7,609,691	8,100,769	6,269,195
1.20 Early Learning and Child Care	42,189	12,985	55,174	2,573	57,747		
1.30 English Language Learning	84,714	16,700	101,414	10,659	112,073	218,709	151,642
1.31 Indigenous Education	1,388,743	321,740	1,710,483	202,367	1,912,850	2,078,219	1,840,823
1.41 School Administration	2,782,754	629,301	3,412,055	96,256	3,508,311	3,682,739	3,487,043
1.62 International and Out of Province Students	-	-	-	103,647	103,647	100,918	107,721
Total Function 1	28,023,823	6,576,452	34,600,275	2,943,375	37,543,650	38,289,770	34,848,384
4 District Administration							
4.11 Educational Administration	560,222	118,958	679,180	56,058	735,238	735,594	568,536
4.40 School District Governance	119,327	7,850	127,177	116,592	243,769	249,033	231,157
4.41 Business Administration	718,443	162,447	880,890	523,665	1,404,555	1,393,812	1,149,224
Total Function 4	1,397,992	289,255	1,687,247	696,315	2,383,562	2,378,439	1,948,917
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	348,679	81,251	429,930	247,832	677,762	665,932	660,567
5.50 Maintenance Operations	2,744,936	625,740	3,370,676	1,046,890	4,417,566	4,356,128	3,928,945
5.52 Maintenance of Grounds	481,734	99,092	580,826	127,842	708,668	708,995	685,183
5.56 Utilities	-	-	-	1,250,299	1,250,299	1,320,600	1,329,524
Total Function 5	3,575,349	806,083	4,381,432	2,672,863	7,054,295	7,051,655	6,604,219
7 Transportation and Housing							
7.41 Transportation and Housing Administration	155,892	35,184	191,076	16,683	207,759	288,975	187,130
7.70 Student Transportation	1,244,780	273,182	1,517,962	1,917,165	3,435,127	3,615,273	3,278,516
Total Function 7	1,400,672	308,366	1,709,038	1,933,848	3,642,886	3,904,248	3,465,646
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	34,397,836	7,980,156	42,377,992	8,246,401	50,624,393	51,624,112	46,867,166

School District No. 59 (Peace River South)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 22)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	6,525,135	6,049,499	4,902,201
Other Revenue	770,687	1,232,124	954,502
Investment Income	-	1,922	507
Total Revenue	<u>7,295,822</u>	<u>7,283,545</u>	<u>5,857,210</u>
Expenses			
Instruction	6,602,481	6,564,812	5,572,851
Operations and Maintenance	654,100	699,504	263,975
Transportation and Housing	39,241	19,229	20,384
Total Expense	<u>7,295,822</u>	<u>7,283,545</u>	<u>5,857,210</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 59 (Peace River South)

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

	Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing
Deferred Revenue, beginning of year	\$ 368,311	\$ 23,525	\$ 804,636	\$ 29,701	\$	\$ 63,237	\$ 80,773	\$	\$
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	285,788	162,608		192,000	31,850	86,872	390,125	303,972	3,341,765
Other			1,231,459						
Investment Income									
	285,788	162,608	1,231,459	192,000	31,850	86,872	390,125	303,972	3,341,765
Less: Allocated to Revenue	610,483	143,947	1,195,158	193,646	26,418	141,607	320,007	303,972	3,341,765
Deferred Revenue, end of year	43,616	42,186	840,937	28,055	5,432	8,502	150,891	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	610,483	143,947		193,646	26,418	141,607	320,007	303,972	3,341,765
Other Revenue			1,195,158						
Investment Income									
	610,483	143,947	1,195,158	193,646	26,418	141,607	320,007	303,972	3,341,765
Expenses									
Salaries									
Teachers						41,943			2,709,766
Principals and Vice Principals									
Educational Assistants		117,574				28,759	143,047		
Support Staff	90,117			124,128			25,891	18,139	
Other Professionals					8,351		15,014	31,893	
Substitutes					4,668	19,860	718	196,729	
	90,117	117,574	-	124,128	13,019	90,562	184,670	246,761	2,709,766
Employee Benefits	22,874	26,373		31,768	2,822	23,890	51,364	56,408	631,999
Services and Supplies	497,492		1,195,158	37,750	10,577	27,155	83,973	803	
	610,483	143,947	1,195,158	193,646	26,418	141,607	320,007	303,972	3,341,765
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 59 (Peace River South)

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

	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Federal Safe Return to Class / Ventilation Fund	Early Childhood Education Dual Credit Program	Student & Family Affordability	JUST B4	ECL (Early Care & Learning)	Career Grants
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		24,459	85,101	89,021	200,248				20,687
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	209,908	14,782	55,000		2,000	459,079	25,000	175,000	
Other									6,000
Investment Income									
	209,908	14,782	55,000	-	2,000	459,079	25,000	175,000	6,000
Less: Allocated to Revenue	191,322	19,229	67,145	89,021	86,230	314,707	25,000	175,000	11,379
Deferred Revenue, end of year	18,586	20,012	72,956	-	116,018	144,372	-	-	15,308
Revenues									
Provincial Grants - Ministry of Education and Child Care	191,322	19,229	67,145	89,021	86,230	314,707	25,000	175,000	
Other Revenue									11,379
Investment Income									
	191,322	19,229	67,145	89,021	86,230	314,707	25,000	175,000	11,379
Expenses									
Salaries									
Teachers	61,067				296				
Principals and Vice Principals								126,384	
Educational Assistants			10,107						
Support Staff							16,733		
Other Professionals					8,180			16,667	
Substitutes	34,182		16,237						
	95,249	-	26,344	-	8,476	-	16,733	143,051	-
Employee Benefits	15,177		5,142		2,542		3,979	30,856	
Services and Supplies	80,896	19,229	35,659	89,021	75,212	314,707	4,288	1,093	11,379
	191,322	19,229	67,145	89,021	86,230	314,707	25,000	175,000	11,379
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 59 (Peace River South)

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

	Early Learning Grants	TOTAL
	\$	\$
Deferred Revenue, beginning of year	49,193	1,838,892
Add: Restricted Grants		
Provincial Grants - Ministry of Education and Child Care		5,735,749
Other	18,243	1,255,702
Investment Income	1,922	1,922
	<u>20,165</u>	<u>6,993,373</u>
Less: Allocated to Revenue	27,509	7,283,545
Deferred Revenue, end of year	<u>41,849</u>	<u>1,548,720</u>
Revenues		
Provincial Grants - Ministry of Education and Child Care		6,049,499
Other Revenue	25,587	1,232,124
Investment Income	1,922	1,922
	<u>27,509</u>	<u>7,283,545</u>
Expenses		
Salaries		
Teachers		2,813,072
Principals and Vice Principals		126,384
Educational Assistants		299,487
Support Staff		275,008
Other Professionals		80,105
Substitutes		272,394
	<u>-</u>	<u>3,866,450</u>
Employee Benefits		905,194
Services and Supplies	27,509	2,511,901
	<u>27,509</u>	<u>7,283,545</u>
Net Revenue (Expense) before Interfund Transfers	<u>-</u>	<u>-</u>
Interfund Transfers	<u>-</u>	<u>-</u>
Net Revenue (Expense)	<u><u>-</u></u>	<u><u>-</u></u>

School District No. 59 (Peace River South)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2023

	2023	2023 Actual			2022
	Budget	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual (Restated - Note 22)
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	1,179,639	1,179,639		1,179,639	1,185,720
Other				-	20,200
Investment Income	600		1,533	1,533	3,652
Amortization of Deferred Capital Revenue	1,702,419	1,759,711		1,759,711	1,716,107
Total Revenue	2,882,658	2,939,350	1,533	2,940,883	2,925,679
Expenses					
Operations and Maintenance	1,179,639	1,179,639		1,179,639	1,205,920
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,759,033	1,743,342		1,743,342	1,697,216
Transportation and Housing	495,472	495,011		495,011	477,419
Total Expense	3,434,144	3,417,992	-	3,417,992	3,380,555
Capital Surplus (Deficit) for the year	(551,486)	(478,642)	1,533	(477,109)	(454,876)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	843,563	792,761		792,761	213,163
Total Net Transfers	843,563	792,761	-	792,761	213,163
Total Capital Surplus (Deficit) for the year	292,077	314,119	1,533	315,652	(241,713)
Capital Surplus (Deficit), beginning of year		5,110,266	170,425	5,280,691	11,664,899
Prior Period Adjustments					
To Recognize Asset Retirement Obligation					(6,142,495)
Capital Surplus (Deficit), beginning of year, as restated		5,110,266	170,425	5,280,691	5,522,404
Capital Surplus (Deficit), end of year		5,424,385	171,958	5,596,343	5,280,691

School District No. 59 (Peace River South)

Tangible Capital Assets
Year Ended June 30, 2023

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	5,244,777	78,003,469	2,106,364	5,063,768	6,006	67,441	90,491,825
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		6,151,717					6,151,717
Cost, beginning of year, as restated	5,244,777	84,155,186	2,106,364	5,063,768	6,006	67,441	96,643,542
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,360,517		447,768			1,808,285
Operating Fund		508,614	60,194	223,953			792,761
Transferred from Work in Progress		1,555,937					1,555,937
	-	3,425,068	60,194	671,721	-	-	4,156,983
Decrease:							
Deemed Disposals			210,101	899,051			1,109,152
	-	-	210,101	899,051	-	-	1,109,152
Cost, end of year	5,244,777	87,580,254	1,956,457	4,836,438	6,006	67,441	99,691,373
Work in Progress, end of year							-
Cost and Work in Progress, end of year	5,244,777	87,580,254	1,956,457	4,836,438	6,006	67,441	99,691,373
Accumulated Amortization, beginning of year		48,928,773	1,022,892	2,554,405	4,203	11,388	52,521,661
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		6,150,481					6,150,481
Accumulated Amortization, beginning of year, as restated		55,079,254	1,022,892	2,554,405	4,203	11,388	58,672,142
Changes for the Year							
Increase: Amortization for the Year		1,525,512	203,141	495,011	1,201	13,488	2,238,353
Decrease:							
Deemed Disposals			210,101	899,051			1,109,152
			-	210,101	-	-	1,109,152
Accumulated Amortization, end of year		56,604,766	1,015,932	2,150,365	5,404	24,876	59,801,343
Tangible Capital Assets - Net	5,244,777	30,975,488	940,525	2,686,073	602	42,565	39,890,030

School District No. 59 (Peace River South)

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	1,555,937				1,555,937
Changes for the Year					
Decrease:					
Transferred to Tangible Capital Assets	1,555,937				1,555,937
	1,555,937	-	-	-	1,555,937
Net Changes for the Year	(1,555,937)	-	-	-	(1,555,937)
Work in Progress, end of year	-	-	-	-	-

School District No. 59 (Peace River South)

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	25,501,314	492,558	952,806	26,946,678
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,808,285			1,808,285
Transferred from Work in Progress	800,000	518,678		1,318,678
	<u>2,608,285</u>	<u>518,678</u>	<u>-</u>	<u>3,126,963</u>
Decrease:				
Amortization of Deferred Capital Revenue	1,684,480	34,027	41,204	1,759,711
	<u>1,684,480</u>	<u>34,027</u>	<u>41,204</u>	<u>1,759,711</u>
Net Changes for the Year	<u>923,805</u>	<u>484,651</u>	<u>(41,204)</u>	<u>1,367,252</u>
Deferred Capital Revenue, end of year	<u>26,425,119</u>	<u>977,209</u>	<u>911,602</u>	<u>28,313,930</u>
Work in Progress, beginning of year	800,000	518,678		1,318,678
Changes for the Year				
Decrease				
Transferred to Deferred Capital Revenue	800,000	518,678		1,318,678
	<u>800,000</u>	<u>518,678</u>	<u>-</u>	<u>1,318,678</u>
Net Changes for the Year	<u>(800,000)</u>	<u>(518,678)</u>	<u>-</u>	<u>(1,318,678)</u>
Work in Progress, end of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Capital Revenue, end of year	<u>26,425,119</u>	<u>977,209</u>	<u>911,602</u>	<u>28,313,930</u>

School District No. 59 (Peace River South)

Schedule 4D (Unaudited)

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	\$ 60,919	\$	\$	\$	\$ 35,259	\$ 96,178
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	3,121,918					3,121,918
Other					1,000	1,000
Transfer project surplus to MECC Restricted (from) Bylaw	(150,000)	150,000				-
	2,971,918	150,000	-	-	1,000	3,122,918
Decrease:						
Transferred to DCR - Capital Additions	1,808,285					1,808,285
Facility Improvements Not Capitalized	1,179,639					1,179,639
	2,987,924	-	-	-	-	2,987,924
Net Changes for the Year	(16,006)	150,000	-	-	1,000	134,994
Balance, end of year	44,913	150,000	-	-	36,259	231,172

Partners

- * Dale J. Rose, CPA, CA
- * Alan Bone, B. Comm., CPA, CA
- * Jason Grindle, B. Comm., CPA, CA
- * Jaron Neufeld, B. Comm., CPA, CA

- * Ben Sander, B. Comm., FCPA, FCA (Retired)

September 20, 2023

School District No. 59 (Peace River South)
11600 – 7 St
DAWSON CREEK BC V1G 4R8

Dear Board of Education

We are pleased to inform you that the audit of the School District No. 59 (Peace River South) is now complete for the year ending June 30, 2023. Canadian auditing standards require that we communicate the following information with you in relation to your audit.

Evaluation of Internal Controls

The audit includes consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal controls. Matters that are reported to the Board of Education are limited to those deficiencies that the auditor has identified during the audit and that the auditor has concluded are of sufficient importance to merit being reported to those charged with governance.

We found the system of internal controls was functioning adequately and therefore we have no issues to bring to your attention at this time.

Significant Accounting Principles

Management is responsible for the appropriate selection and application of accounting policies. Our role is to review the appropriateness and application as part of our audit. The accounting policies used by the School District No. 59 are described in Note 2, Summary of Significant Accounting Policies, in the financial statements.

Misstatements

We have attached the Schedule of Unadjusted Financial Statement Misstatements. These are uncorrected misstatements aggregated by us during the audit that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Significant Unusual Transactions

We are not aware of any significant or unusual transactions entered into by School District No. 59 (Peace River South) that you should be informed about.

Accounting Estimates

Management is responsible for the accounting estimates included in the financial statements. Estimates and the related judgments and assumptions are based on management's knowledge of the business and past experience about current and future events.

Our responsibility as auditors is to obtain sufficient appropriate evidence to provide reasonable assurance that management's accounting estimates are reasonable within the context of the financial statements as a whole. An audit includes performing appropriate procedures to verify the:

- Calculation of accounting estimates;
- Analyzing of key factors such as underlying management assumptions;
- Materiality of estimates individually and in the aggregate in relation to the financial statements as a whole;
- Estimate's sensitivity to variation and deviation from historical patterns;
- Estimate's consistency with the entity's business plans; and
- Other audit evidence.

We have found management's accounting estimates are reasonable within the context of the financial statements as a whole.

Disagreements with Management

We are required to communicate any disagreements with management, whether or not resolved, about matters that are individually or in aggregate significant to the School District's financial statements or auditor's report. Disagreements may arise over:

- Selection or application of accounting principles;
- Assumptions and related judgments for accounting estimates;
- Financial statement disclosures;
- Scope of the audit; or
- Wording of the auditor's report.

We are pleased to inform you that we had no disagreements with management during the course of our audit.

Consultation with Other Accountants (Second Opinions)

Management may consult with other accountants about auditing and accounting matters to obtain a “second opinion”. When an entity requests that another accountant provide a written report or oral advice on the application of accounting principles to a specific transaction or the type of opinion that may be rendered on the entity’s financial statements, we are required to ensure that the accountant has ensured that the reporting accountant has knowledge of all facts and circumstances and has conducted the engagement in accordance with Canadian auditing standards on the Reports on the Application of Accounting Principles.

We are not aware of any consultations that have taken place with other accountants.

Issues Discussed

The auditor generally discusses among other matters, the application of accounting principles and auditing standards, and fees, etc. with management in the initial or recurring appointment of the auditor during the normal course of business. There were no major issues discussed during our audit with regards to our retention that were not in the normal course of business.

Difficulties Encountered During the Audit

We encountered no significant difficulties during our audit that should be brought to the attention of the Board of Education.

We would like to thank Melissa Panoulis, Lauralee Cooper and the staff at School District No. 59 (Peace River South) for their assistance in completing the audit.

Should any member of the Board of Education wish to discuss or review any matter addressed in this letter or any other matters related to financial reporting, please do not hesitate to contact me at any time.

Yours very truly
SANDER ROSE BONE GRINDLE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS



Jaron Neufeld
B. Comm., CPA, CA

cc: Melissa Panoulis, CPA, CA
Secretary Treasurer

School District No. 59 (Peace River South)
 Schedule of Unadjusted Financial Statement Misstatements
 June 30, 2023

Asset/Liability/Equity A/L/E	Description	Statement of Financial Position effect of misstatement over (under)			Statement of Operations effect of misstatement over (under)
		Asset	Liability	Ending Equity	
	Carryforward variances	-	-	-	(19,412.00)
A	Understated prepaid expenses	(37,420.00)	-	(37,420.00)	37,420.00
L	Understated asset retirement	(45,959.00)	(45,959.00)	-	-
L	Over recorded deferred revenue	-	29,496.00	(29,496.00)	(29,496.00)
		<u>(83,379.00)</u>	<u>(16,463.00)</u>	<u>(66,916.00)</u>	<u>(11,488.00)</u>

Conclusion: In our opinion, the effects of not recording the above identified financial statement misstatements are, both individually and in aggregate, immaterial to the financial statements of School District No. 59 (Peace River South) taken as a whole.

Sander Rose Bone Grindle LLP, per *S. Ryfalk*

Date 8/29/23

School District No. 59 (Peace River South), per *PCB*

Date Sept 11/2023

FINANCIAL STATEMENT DISCUSSION & ANALYSIS

For the year ended June 30, 2023

School District
No. 59 Peace
River South



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Introduction

The following is a discussion and analysis of the School District's financial performance for the fiscal year ended June 30, 2023. It is based on currently known facts, decisions, and conditions. This report should be read in conjunction with the District's financial statements for the same period.

The purpose of a Financial Statement Discussion and Analysis is to provide an explanation of the information included in the financial statements and the trends and factors that influence them. The goal is to increase the reader's understanding of the financial statements.

The School District

School District No. 59 (Peace River South) has approximately 3,650 students and serves the communities of Chetwynd, Dawson Creek, Tumbler Ridge and the surrounding rural area. We acknowledge the South Peace region is located within Treaty 8 Territory, a traditional travelling route for the Cree, Dunne-Za and Métis. The district has 15 elementary schools, three high schools and offers a distributed learning program.

The governing body of the School District is a Board of Education of seven trustees who are each elected for a four-year term. The day-to-day matters are managed by the administrative staff of the School District, headed by the Superintendent of Schools.

Our Mission

To embrace, inspire, and value learning, meaningful communication, and integrity for each individual and for the communities we serve.

Strategic Plan

The 2020-2024 Strategic Plan identifies three areas of focus, each area has identified goals.

1. Equity
2. Foundational Skills and Core Competencies
3. Sustainable use of our resources

The Strategic Plan serves as a foundation for the senior administration to develop operational initiatives to meet the goals of each priority in the over-arching plan. Targets and fiscal responsibility (if required) are attached to each initiative and reviewed on an ongoing basis.





Composition of Financial Statements

The financial statements are prepared using fund accounting, they are a consolidation of three separate funds (operating, special purpose and capital). Financial performance is difficult to ascertain in the audited statements as the three funds are all combined. Financial details of each fund are reported in the supplementary schedules that follow the notes of the financial statements.

Key Audited Statements

1. Statement of Financial Position (Statement 1) summarizes financial assets, liabilities and accumulated surplus as at June 30, 2023.
2. Statement of Operations (Statement 2) summarizes revenues received and expenses incurred between July 1, 2022 and June 30, 2023.

Schedule 2 – Operating Fund

The Operating Fund accounts for the district's daily operating transactions. Annual and accumulated surplus within the Operating Fund are an important indication of financial health. School districts are unable to incur an accumulated deficit position. When the district has an available accumulated surplus balance, those funds are available to use for future expenses and to reduce the financial risk of unforeseen circumstances.

The Operating Fund is where most of the district's operations are reported; therefore, considerable focus and analysis of the Operating Fund has been provided.

Schedule 3 – Special Purpose Funds

Special Purpose Funds are funds that are restricted for a specific purpose. These funds do not result in an accumulated surplus position but instead are accounted as deferred revenue (deferral method). This is because revenue is only recognized as related expenses are incurred. If expenses for a program within a Special Purpose Fund exceed the revenues received the deficit must be transferred to the Operating or Capital Fund depending on the nature of the expenditure.

Schedule 4 – Capital Fund

The Capital Fund reports investments in and financial activities related to tangible capital assets, including land, buildings, furniture, computers and equipment. Capital contributions are accounted for using the deferral method. Recognition of the capital funding revenue is spread out over the life of the related capital asset to match the amortization expense. Therefore, capital fund revenues reflected in the financial statements are not a reflection of actual funding received in a year.



District Enrollment

Until the 2016/17 school year, the District had been in a steady enrollment decline for over 10 years. From 2016/17 the District has seen modest increases.

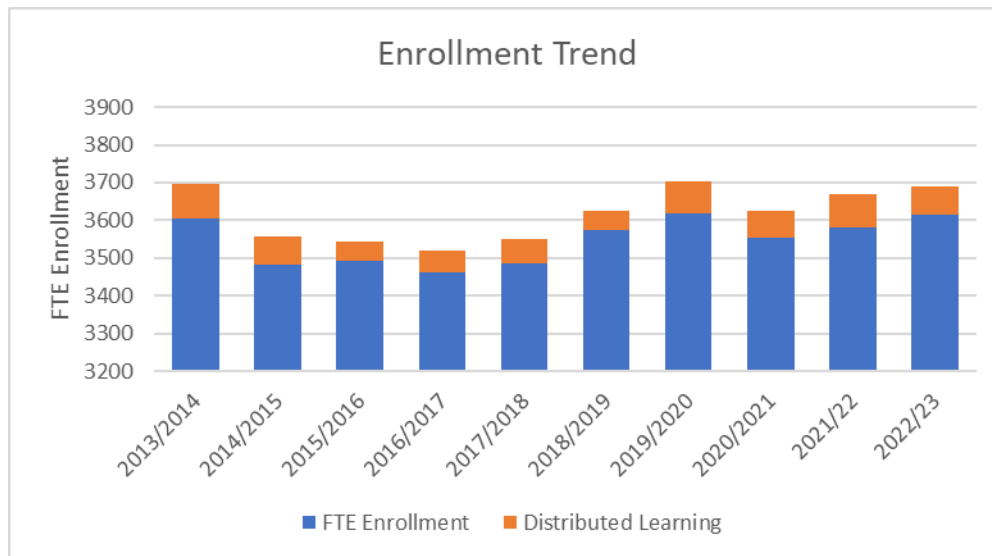
	2022/23 Actual	2022/23 Prelim Budget	2021/22 Actual	Variance to Budget	% Change to Budget	Variance to Prior Year	% Change to Prior Year
Standard School	3615.75	3570	3581.06	45.75	1.28%	34.69	0.97%
DL	72.56	85	87.88	-12.44	-14.63%	-15.31	-17.43%
Total FTE	3688.31	3655	3668.94	33.31	0.91%	19.38	0.53%

Variance to Budget

The 2022/23 Preliminary Budget Enrollment estimates were submitted in February 2022, a variance of 45.75 FTE (1.28%) is minor. An elementary Distributed Learning (DL) program was created for the 2020/21 school year to accommodate a non-face-to-face option during the COVID-19 pandemic. Enrollment fluctuations in this newly developed program are expected.

Variance to 2021/2022

An overall variance of 19.38 FTE (0.53%) is minor.





Employees

Salaries and benefits are the highest operational expense of the School District (84%). The table summarizes the full-time equivalent (FTE) of employees for the prior two years that were allocated to the operating fund.

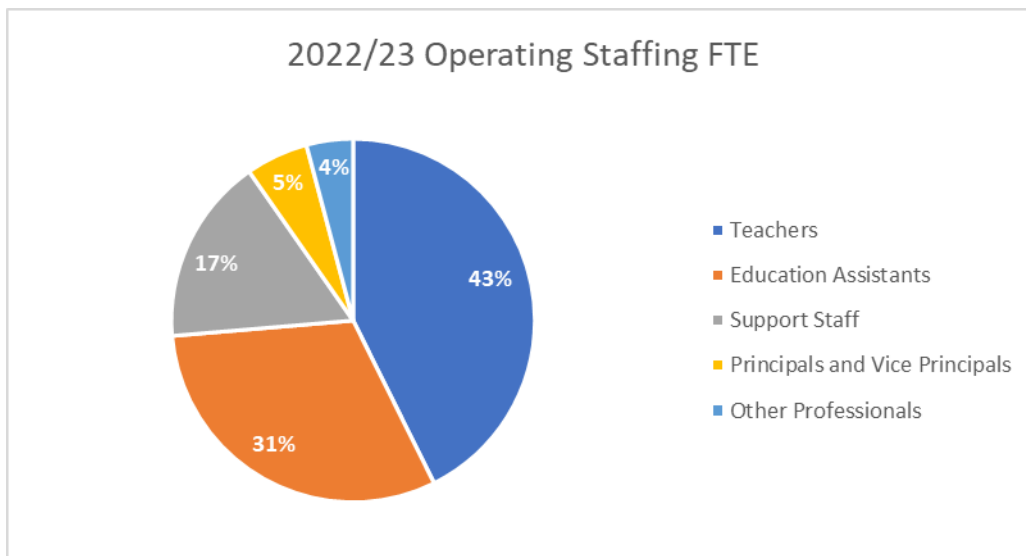
	2022/23	2021/22	Variance	% Change
Teachers	222.588	214.746	7.842	3.65%
Education Assistants	161.760	146.770	14.990	10.21%
Support Staff	86.900	87.720	-0.820	-0.93%
Principals and Vice Principals	29.000	26.000	3.000	11.54%
Other Professionals	21.630	21.630	0.000	0.00%
Total Staffing	521.878	496.866	25.012	5.03%

Teachers increased by 7.872 FTE when enrollment increased by 34.69 FTE, the overall percentage change is very low. Each year, the school’s employee per student FTE can vary depending on the school’s composition and configuration.

There were 286 students claimed under a unique needs category in the 2022/23 school year, this is compared to 281 in 2021/22.

Three additional Vice-Principal positions were re-introduced to larger elementary schools (Crescent Park, Canalta Elementary and Tumbler Ridge Elementary) to aid with the district’s mentorship and succession plans.

The district does always strive to be fully staffed but there are also periods of time in the school year where teaching and education assistant positions were unfilled and being covered by casual subs which are not reflected in the above employee numbers.





Prior Period Adjustments

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. 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. The prior period figures are therefore being issued as restated in the financial statements.

Statement of Financial Position

The Statement of Financial Position presents an entity's financial assets and liabilities at a point in time. This statement provides two key performance measures of the District's ability to finance its operations and provide future service; Net Financial Asset (Net Debt) and Accumulated Surplus (Deficit).

Net Financial Asset (Debt)

Net Debt is a term unique to public sector financial reporting. It is the difference between a district's financial assets and liabilities at a point in time. This measure provides readers with important information regarding the district's requirement to generate future revenues to fund past services and transactions.

School districts will show a Net Financial Debt position due to funding, primarily provided by the Ministry of Education and Child Care, to support capital projects. This balance is reported under the title "Deferred Capital Revenue." Differently from a true liability, these funds do not have to be repaid and are decreased over time. If the Deferred Capital Revenue balance was eliminated from consideration, the District would be in a Net Financial Asset position.

Accumulated Surplus (Deficit)

The Accumulated Surplus (Deficit) represents the net recognized economic resources (all assets and liabilities) of a district at the date of the financial statements. This measure provides the new economic position of a district from all year's operations at a point in time.

The District was in an Accumulated Surplus position as at June 30, 2023.



	June 30, 2023	June 30, 2022		
	Actual	Actual	Increase	Increase
	\$	(Restated)	(Decrease)	(Decrease)
			\$	%
Financial Assets				
Cash & Cash Equivalents	15,131,835	15,752,624	(620,789)	-4%
Accounts Receivable				
Due from Province - Ministry of Education	26,062	153,117	(127,055)	-83%
Due from First Nations	220,706	-	220,706	-
Other	354,101	450,663	(96,562)	-21%
Total Financial Assets	15,732,704	16,356,404	(623,700)	-4%
Liabilities				
Accounts Payable and Accrued Liabilities				
Other	3,224,183	3,153,497	70,686	2%
Unearned Revenue	106,767	91,470	15,297	17%
Deferred Revenue	1,548,720	1,838,892	(290,172)	-16%
Deferred Capital Revenue	28,545,102	28,361,534	183,568	1%
Employee Future Benefits	1,052,413	1,027,807	24,606	2%
Asset Retirement Obligation	6,151,717	6,151,717	-	0%
Total Liabilities	40,628,902	40,624,917	3,985	0%
Net Financial Assets (Debt)	(24,896,198)	(24,268,513)	(627,685)	3%
Non - Financial Assets				
Tangible Capital Assets	39,890,030	39,527,337	362,693	1%
Prepaid Expenses	96,183	107,219	(11,036)	-10%
Total Non-Financial Assets	39,986,213	39,634,556	351,657	1%
Accumulated Surplus (Deficit)	15,090,015	15,366,043	(276,028)	-2%

Assets

Cash & Cash Equivalents has decreased, even though the district ended in a net Operating Fund surplus position the cash balance won't necessarily increase, this is due to the variability of timing when invoices are received by the District. The Due from Province – Ministry of Education and Child Care decreased due to one-time ventilation funding of \$100,201 that was receivable in the prior year as at June 30, 2022. As of June 30, 2023 the district was owed \$220,706 from First Nations, this amount was aged less than 30 days and was paid soon after year-end on July 6, 2023. Other Accounts Receivable are amounts owed to the District and primarily consist of a GST rebate and other receivables, both of which increased from the prior year.



Liabilities

Other Accounts Payable is comprised of amounts the District owes and primarily consist of salaries and benefits payable and accrued vacation pay. Deferred Revenue refers to unused funds from the Special Purpose Funds, the decrease this year is mainly due to the increased spending of the Annual Facilities Grant during the 2022/23 year. The majority of this balance consists of school generated funds and the Annual Facilities Grant. Deferred Capital Revenue relates to funding provided by the Ministry of Education and Child Care for capital projects and is decreased as the tangible capital assets are amortized. Accrued Employee Future Benefits (liabilities) is actuarially calculated annually and includes vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits.

Non-Financial Assets

Tangible Capital Assets reflect the unamortized cost of land, buildings, furniture, computers and equipment. Prepaid Expenses are a result of making advance payments for a good or service that will be received in the future; a common occurrence for the district is insurance premiums that are paid in advance.

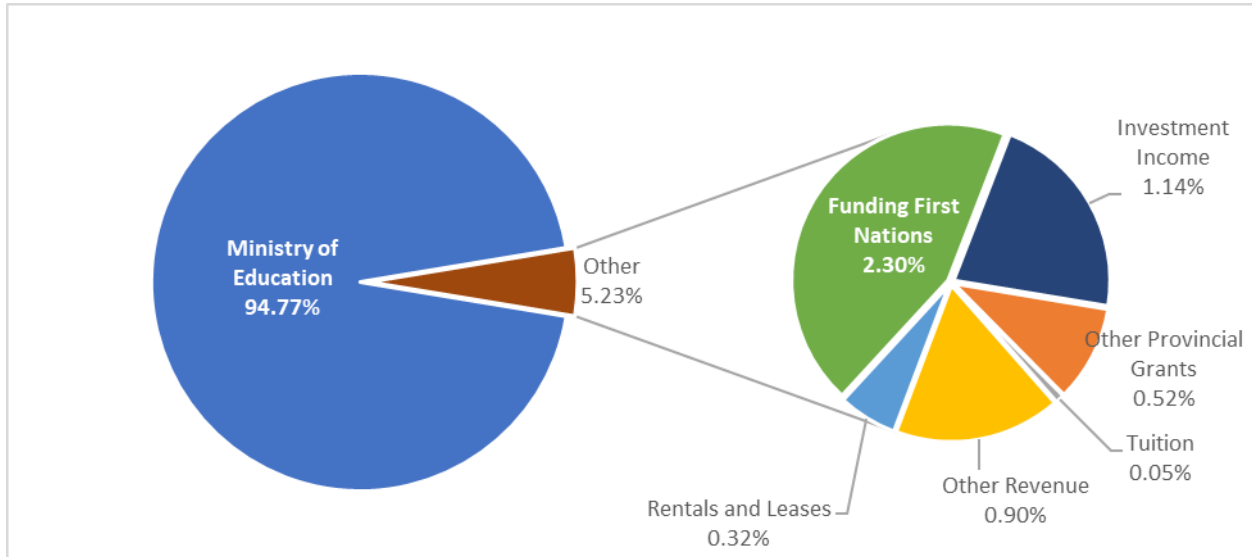
Operating Fund – Schedule 2

	2022/2023 Actual	2022/2023 Budget	Variance to Budget	2021/2022 Actual	Variance to Prior Year
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education	48,165,511	47,349,321	816,190	46,286,062	1,879,449
Other	264,948	273,065	(8,117)	273,111	(8,163)
Tuition	24,735	24,666	69	60,104	(35,369)
Other Revenue	1,629,126	1,907,852	(278,726)	1,662,277	(33,151)
Rentals and Leases	162,594	157,000	5,594	175,139	(12,545)
Investment Income	578,560	440,000	138,560	119,507	459,053
Total Revenue	50,825,474	50,151,904	673,570	48,576,200	2,249,274
Expenses					
Instruction	37,543,650	38,289,770	(746,120)	34,848,384	2,695,266
District Administration	2,383,562	2,378,439	5,123	1,948,917	434,645
Operations and Maintenance	7,054,295	7,051,655	2,640	6,604,219	450,076
Transportation and Housing	3,642,886	3,904,248	(261,362)	3,465,646	177,240
Total Expense	50,624,393	51,624,112	(999,719)	46,867,166	3,757,227
Operating Surplus (Deficit)	201,081	(1,472,208)	1,673,289	1,709,034	(1,507,953)
Budget Appropriation of Surplus		2,315,771			
Net Transfers from other funds					
Tangible Capital Assets Purchased	(792,761)	(843,563)	50,802	(213,163)	579,598
Total Operating Surplus	(591,680)	-	1,724,091	1,495,871	(2,087,551)



Revenues

Total operating revenues for the District were \$50.8 million for the 2022/23 school year. The Ministry of Education and Child Care funding makes up 95% of total operating revenue for the school district, this means the District is heavily reliant on the Base Operating Grant, which is calculated mainly on student enrollments.



Revenues - Variance to Budget

Total Variance to Budget was an increase of \$673,570. The positive variance can be broken down to the following.

Operating Grant	28,396
LEA - Funding from First Nations	(10,066)
Support Staff Benefits Grant	583
Labour Settlement Funding	541,817
Early Learning	1,883
ACEIT Grants	(10,000)
Non-resident Tuition	69
Seconded Staff Recoveries	(4,595)
Substitute Staff Recoveries	(12,525)
Misc Revenue	(6,146)
Rentals and Leases	5,594
Investment Income	138,560
	<u>\$ 673,570</u>

Operating Grant - Distance learning was budgeted at 85.66 FTE and the actual FTE as at June 30, 2023 was 72.56 FTE, this resulted in a decrease in funding of \$83,972. This was offset with an increase in the February 1701 report of 18 new students that qualified for additional funding of \$112,368.

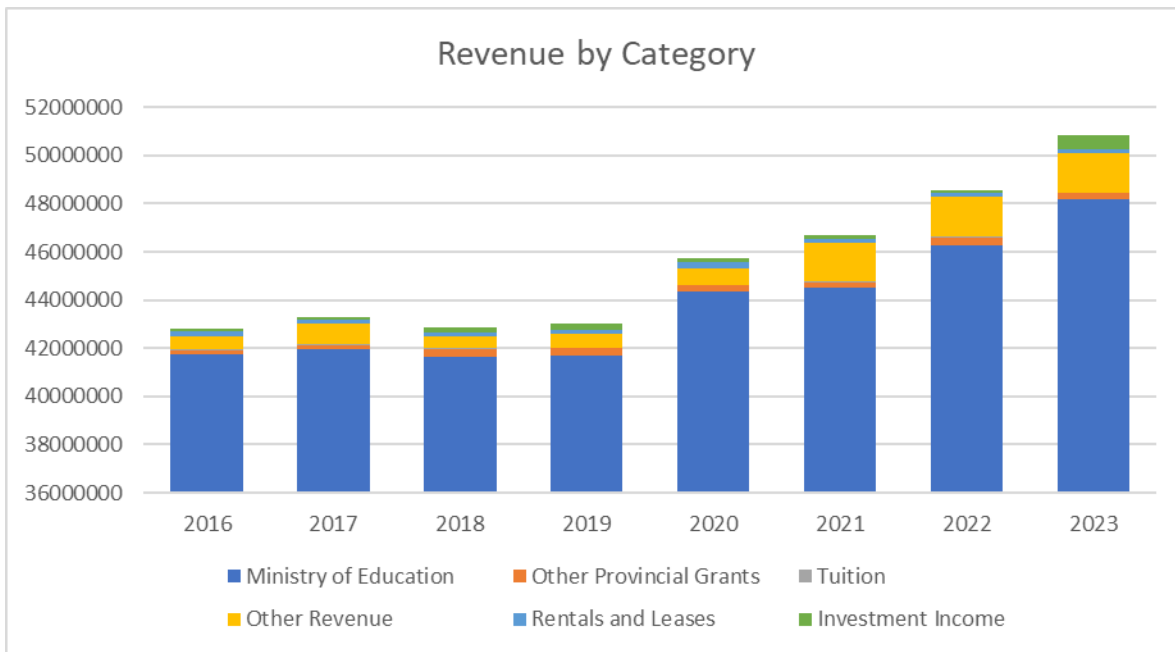


Collective Agreements all expired June 30, 2022, the district and province were negotiating new agreements during the 2022/23 school year. When the amended budget was approved the only funding that was confirmed was for teachers and excluded staff increases, the district is unable to budget for grants not yet announced and therefore the support staff labour settlement funding was not included in the budget as revenue. Given the support staff increases were known the expense was included in the budget and an estimate of the future grant announcement was budgeted from reserves at \$473,616. The variance of \$541,817 is due to \$493,580 in support staff labour settlement, \$29,684 in BCTF transition, and \$18,553 in teacher benefit enhancements. The estimate of the support labour settlement funding from reserves was \$19,964 less than what was received (\$493,580 less \$473,616).

Investment income was budgeted based on the average of interest income received from July 2022 to November 2022. Interest rates continued to increase in the later part of the fiscal year resulting in a Investment Income positive variance of \$138,560 as at June 30, 2023. Interest earned in July 2022 was less than half (45%) of what was earned in June 2023.

Revenues - Variance to Prior Year

Total Variance to Prior Year was an increase of \$2,249,274. This is mainly due to the increase in the Labour Settlement Funding to cover collective agreement increases, the additional 19.38 student FTE and the increase Investment Income from higher interest rates.



The large increase in Other Revenue that occurred the previous three fiscal years was as a result of the new LEA agreements. Tuition for First Nations students living on reserve is now flowed from the Federal Government through the First Nations as opposed to from the Ministry of Education and Child Care.



Expenses

Of the School District’s expenses 83.7% (83.6% 2021/22) are related to salaries and benefits, most salaries (49%) are paid to teachers. The remaining 16.3% of operating expenses are related to supplies and services including professional development, student transportation, utilities, and insurance.

In 2022 child care was moved into the Ministry of Education and it became the Ministry of Education and Child Care. A new program code (1.20, 4.20 and 5.20) was added to Schedule 2C Operating Expenses by Function, Program and Object to report Early Learning and Child Care expenses.

Expenses - Variance to Budget

Operating expenses as compared to budget were down \$1.0 million.

Instruction was underbudget by \$746,120

The positive variance can be broken down to the following:

School Surpluses	340,500
District 100 account	78,500
District Level Budget	327,000
	<u>\$ 746,000</u>

Of the \$340,500 of School Surpluses, both professional staff (\$164,000) and support staff (\$301,000) were underbudget while substitutes (\$43,000) and supplies and services (\$82,000) were overbudget. Given the difficulty recruiting positions for the 2022/23 school year, the positive variance in staffing is expected. Some of the positions were covered by casual substitutes which explains the overage in that category. It is always the District’s goal to be fully staffed, but when that doesn’t occur, savings are often a result. The district took additional steps this year for students who were affected by unfilled support staff positions, schools were offered the opportunity to purchase technology that assisted in communication which improved students access to learning.

The District 100 account was \$78,500 underbudget. The District 100 account cumulates the difference between the average costs and actual wages, given the balance was a negative (savings) the average costs was higher than the actual wages. The average costs do include a sub component, part of this variance would be explained by the decreased availability of substitutes as compared to the prior year. A variance of \$78,500 is 0.25% of the total \$30 million of salaries and benefits that flow through this account.



The District Level Budget variance of \$327,000 can be broken down as follows:

Indigenous Education	172,000
Literacy	23,000
Learning Services	10,000
Gwillim Lake	13,000
Numeracy	25,000
Employee Future Benefits	60,000
Student Voice	20,000
Reading Recovery	28,000
Technology	150,000
CEF Operating	(230,000)
Miscellaneous	56,000
	<hr/>
	\$ 327,000

Administration was overbudget by \$5,123

Variances were experienced across the eight district administration departments. Notable variances include an overage in business administration of \$70,000 due to two years of the district software license being expensed (summary of unadjusted errors), savings of \$20,000 in legal expenses and \$25,000 in education administration supplies. The overall variance is minimal.

Operation and Maintenance was overbudget by \$2,640

Total salaries and benefits were underbudget by \$36,700 while supplies and services were overbudget by \$109,600. The increase in supplies and services were mainly concentrated in mechanical, electrical, insurance and a new asbestos reassessment and labelling plan. Utilities were underbudget by \$70,301 mainly from natural gas, electricity, and carbon offsets. Utilities in the prior year were \$1.329 million and therefore the 2022/23 budget was increased to \$1.321 million, actual costs were \$1.25 million and therefore the budgeted increases weren't warranted. The overall variance is minimal.

Transportation was underbudget by \$261,362

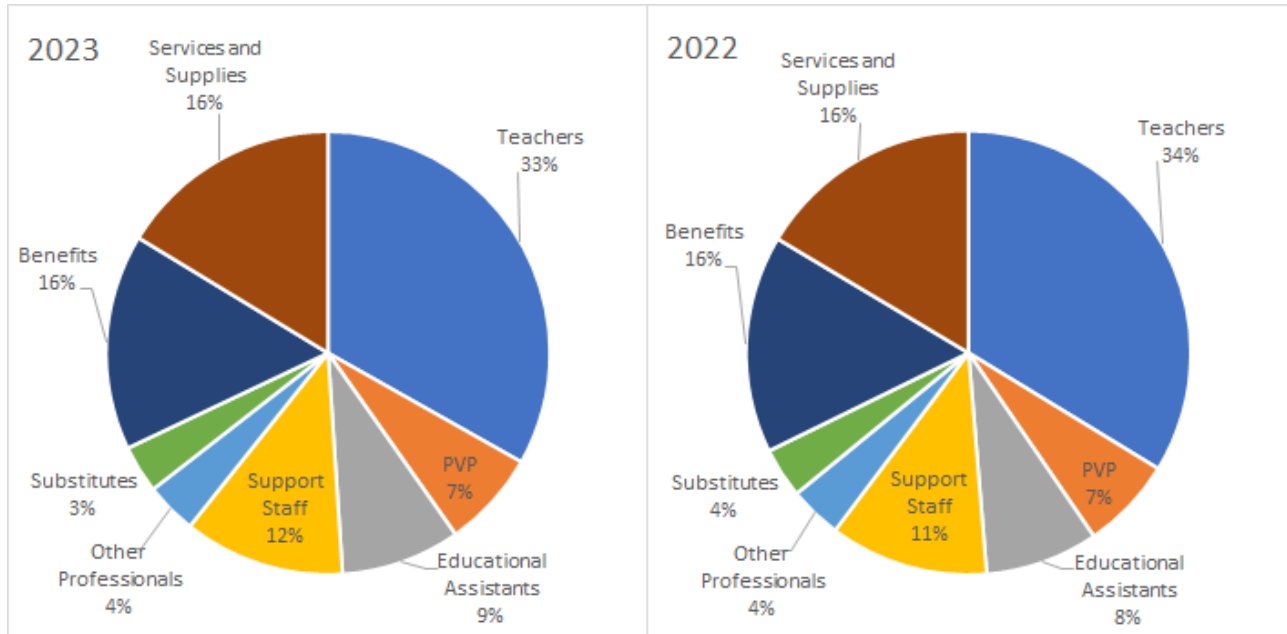
Total salaries and benefits were underbudget by \$80,000, this is due to the shortage of spare bus drivers and the continued occurrence of cancelled runs. Much of the remaining variance is from overbudget supplies of \$35,500 and underbudget vehicle fuel of \$186,000.

Expenses - Variance to Prior Year

Overall operating expenses are up 8% as compared to the previous year. This is in alignment with the 4.63% increase in revenue as compared to the previous year. Additionally overall inflation from July 2022 to July 2023 was 3%.



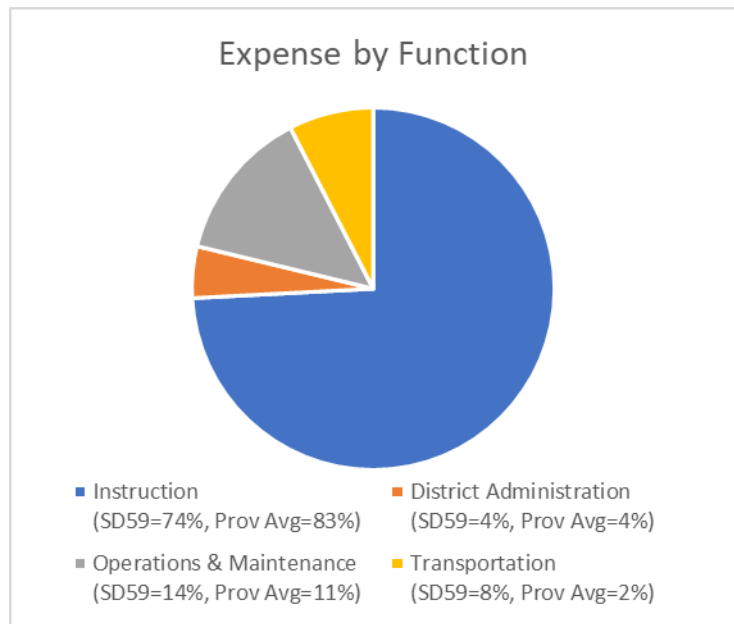
Expenses by Object



Expenses by Function

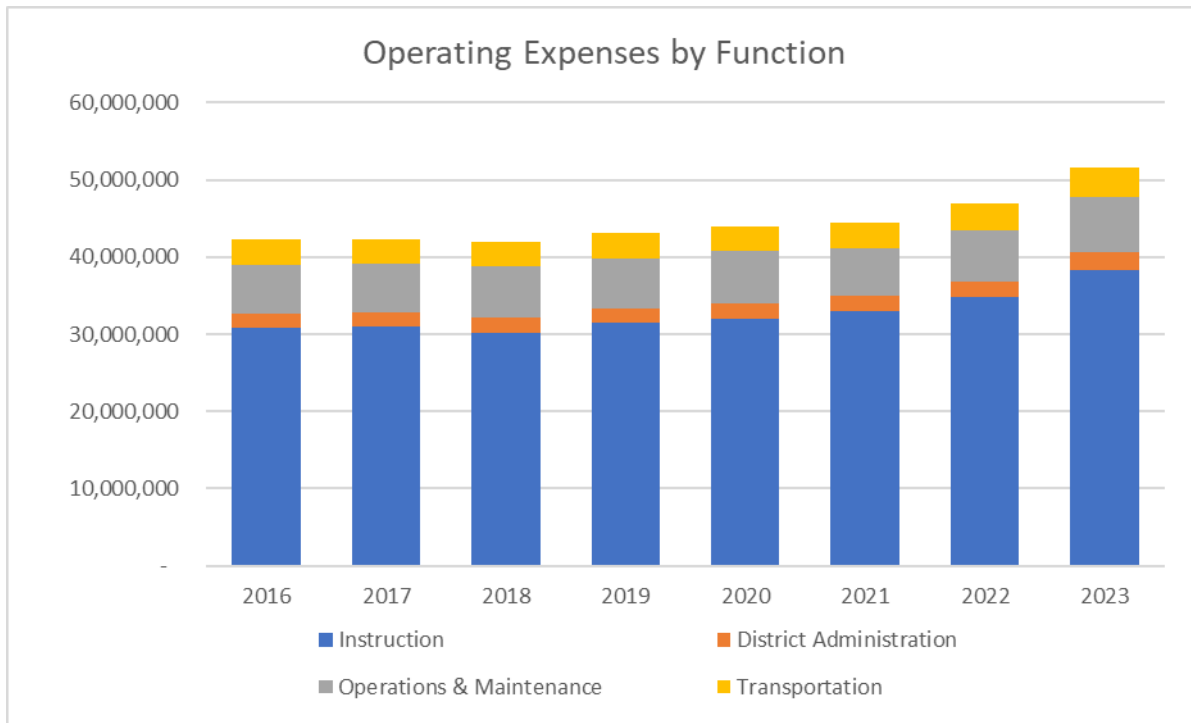
The four functions are described below:

- **Instruction** function includes expenses related to the instruction of students.
- **District Administration** function included expenses related to district governance and district administration of education, business and human resources.
- **Operations and Maintenance** function includes expenses related to the operation, maintenance and safety of buildings and equipment.
- **Transportation** function included expenses involved with the transportation of students.





The percentages per function has remained steady within the district over many years.



Surplus

The school district ended the 2022/23 fiscal year with an operating deficit of \$591,680. The Amended 2022/23 Budget had draws from operating reserves of \$2,315,771. This was a planned reduction of reserves to support board approved initiatives.

There are certain balances within this years Total Operating Deficit that are restricted for a specific use, it is therefore important to isolate those balances to consider what surplus is as a result of the day-to-day operations. After isolating restricted funds and School Surpluses from the Total Operating Deficit, the district-based portion was \$1,065,247.

Total Operating Surplus (Deficit)	(591,680)
Indigenous Education underspend	79,574
Premier's Award for Excellence in Education	1,000
Service Improvement Allocation	21,699
School Surpluses	371,294
District Based portion of Operating Surplus (Deficit)	(1,065,247)



The planned initiatives that were being funded from reserves are detailed below.

Surplus Appropriation	Budget	Actual
Pouce Coupe Renovation	44,062	44,062
Portables	500,000	464,552
Legal Settlement	85,000	91,660
Strategic Plan Initiatives	370,933	390,696
Labour Settlement Funding	473,616	-
Service Improvement Allocation	11,453	-
Capital Purchases that didn't arrive by year-end	174,436	174,436
Indigenous Education underspend	108,684	108,684
School Surpluses	547,587	547,587
District Based portion of Operating Surplus	2,315,771	1,821,677

The Board of Education approved the allocation of \$2,315,771 from unrestricted reserves to support the above projects. Of the amount budgeted, \$1,821,677 was spent. These initiatives contributed to the current year operating deficit and therefore the actual district surplus would be considered to be \$756,430 (\$1,821,677 less \$1,065,247).

Although school surpluses are treated as a restricted surplus, there is no guarantee that schools would continue to carry-forward 100% of these funds. The Secretary Treasures has authority to monitor and limit these balances when necessary.

Accumulated Operating Reserves

Policy 5010 Accumulated Operating Surplus states that the Board of Education is responsible for ensuring the District is protected financially from financial forecasting risk and unforeseen circumstances which could negatively impact the education of students. The accumulated operating surplus serves as a contingency reserve for the risk's associated with unexpected increases in expenses and /or decreases in revenues related to major emergent operating issues, one-time costs and intermittent projects. Regulation 5010 states the Board of Education will attempt to maintain an unrestricted operating fund balance of 5% of annual operating expenses.

As at June 30, 2023, the district had \$9,493,672 in operating surplus, of which \$2,305,371 is restricted for specific purposes and \$7,188,301 is unrestricted. Restricted reserve funds are held for an intended purpose.



The breakdown of the restricted operating surplus is as follows:

School Surpluses	371,294
Service Improvement Allocation	21,699
Indigenous Education	79,574
Crescent Park Portable Washrooms	65,000
Strategic Plan Initiatives	1,766,804
Premier's Award for Excellence in Education	1,000
	<u>\$ 2,305,371</u>

An unrestricted accumulated Operating Surplus of \$7,188,301 is 14% of the 2022/23 annual operating expenses. This is well above the policy requirement.

	2018	2019	2020	2021	2022	2023
Internally Restricted	5,410,944	2,570,088	1,256,241	2,058,880	3,643,721	2,305,371
Unrestricted	1,566,321	3,826,524	5,882,422	6,530,601	6,441,631	7,188,301
Total Operating Surplus	\$ 6,977,265	\$ 6,396,612	\$ 7,138,663	\$ 8,589,481	\$ 10,085,352	\$ 9,493,672

Unrestricted Surplus as a % of annual operating expenses	4%	9%	13%	15%	14%	14%
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As the district continues to experience difficulty with recruitment and retention, surpluses will likely continue. The district's goal is always to remain fully staffed and will budget accordingly. The district will continue to prioritize efforts to allocate and spend the funding received for the education of students within the school district.

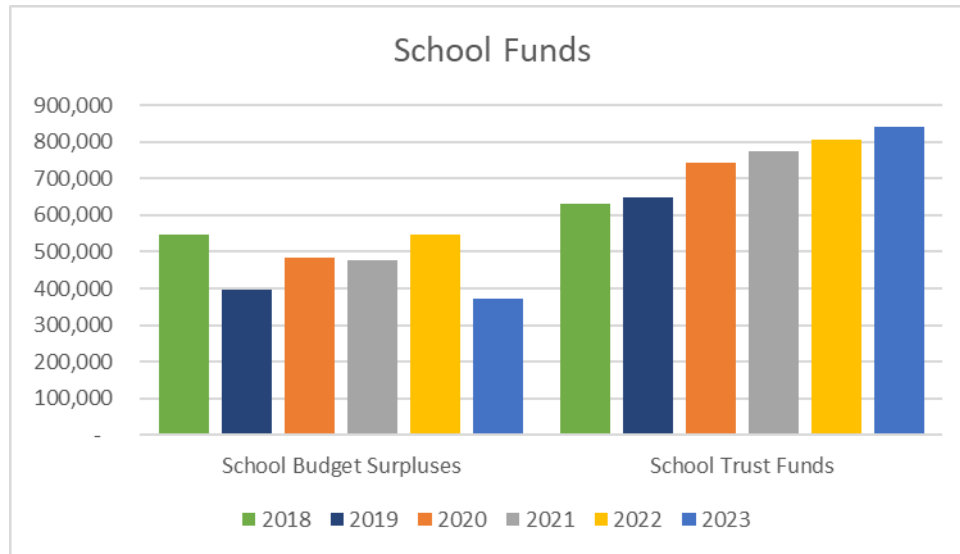
School Funds

The District practices school-based budgeting which allows schools that end the year in a surplus position to carry forward any balances. These balances are restricted at year-end and then pulled out of reserves at the beginning of each school year for the schools to apply to their new budget. For the last four years, school surpluses greater than 2.5-3% of budget were restricted. This was done to stop the trend of increasing surpluses that was occurring. This year the limitation of 2.5-3% of budget resulted in a decrease of \$13,799 (\$206,847 prior year) in the school surpluses.

	2018	2019	2020	2021	2022	2023
School Budget Surpluses	547,282	395,250	483,810	477,553	547,586	371,294
School Trust Funds	630,905	648,912	742,970	775,774	804,636	840,937
School Funds Total	\$ 1,178,187	\$ 1,044,162	\$ 1,226,780	\$ 1,253,327	\$ 1,352,222	\$ 1,212,231



The graph below includes school trust funds which are funds that are held by the schools in independent bank accounts. The school trust funds are tracked and maintained by the school administrator and secretary. Most of these funds exist for a specific purpose (field trips, grad fundraising, hot lunch programs, yearbook sales, etc.). The school trust funds are tracked within a special purpose fund and are not part of the operating reserve.



Special Purpose Fund – Schedule 3

The Special Purpose Funds (SPF) are utilized to track funding for designated purposes. The balances can often be deferred to subsequent years for the intended purpose. Some of the funds require ministry approval to carry forward surpluses, whereas any carry forward in the Classroom Enhancement Fund will reduce the funding allocated in the next fiscal year.



The following table summarizes the transactions for the year.

	Opening	Revenue	Expense	Closing June 30, 2023
Ministry of Education Grants				
Annual Facility Grant	368,311	285,788	(610,483)	43,616
Learning Improvement Fund	23,525	162,608	(143,947)	42,186
StrongStart	29,701	192,000	(193,646)	28,055
Ready Set Learn	-	31,850	(26,418)	5,432
French Language	63,237	86,872	(141,607)	8,502
Community Links	80,773	390,125	(320,007)	150,891
Mental Health in Schools	85,101	55,000	(67,145)	72,956
First Nation Student Transportation	24,459	14,782	(19,229)	20,012
Classroom Enhancement Fund	-	3,855,645	(3,837,059)	18,586
Safe Return to School Grant	-			-
Federal Safe Return to Class Fund	89,021		(89,021)	-
Early Childhood Education Dual Credit Program	200,248	2,000	(86,230)	116,018
Student & Family Affordability Fund	-	459,079	(314,707)	144,372
Just B4	-	25,000	(25,000)	-
Early Care & Learning Grant	-	175,000	(175,000)	-
Other Special Purpose Funds				
School Generated Funds	804,636	1,231,459	(1,195,158)	840,937
Early Learning Funds	49,193	20,165	(27,509)	41,849
Career Grants	20,687	6,000	(11,379)	15,308
Total	1,838,892	6,993,373	(7,283,545)	1,548,720

Vacancies within the StrongStart, Learning Improvement Fund, and Community Links all contributed to underspending this year.

The Student and Family Affordability Fund is one-time funding to help school districts expand school meals programs, make sure students have the school supplies they need and cover any additional fees so that students in need can take part in activities. The goal was to make back-to-school more affordable for students and their families who maybe struggling with the rising costs of living due to global inflation.

Just B4 is an early childhood education program that is specifically designed to support children the year before they enter Kindergarten. It is a half-day licensed pre-school child care program located within Tremblay Elementary for three to four year old children that utilizes the existing StrongStart space.

The Early Care and Learning Grant supported the district in the responsibility for child care transitioning to the Ministry of Education and Child Care in April 2022. The funding was provided to



support the completion of an environmental scan of existing early learning and child care programs that serve families in the area and to engage more deeply in the early learning child care work.

Capital Fund – Schedule 4

Ministry of Education

DCSS - SP Campus - HVAC Upgrade - SEP program	511,126
Tremblay - Electrical Upgrade - SEP program	50,109
Pouce Coupe - HVAC Upgrade - CNCP program	100,639
DCSS - SP Campus - Roof Renewal - SEP program	650,000
Tumbler Ridge Elementary - HVAC Upgrade - CNCP program	48,643
Pouce Coupe - Expansion program	800,000
School Buses	447,768
Total	\$ 2,608,285

District Operating Fund

Pouce Coupe Expansion	508,614
1 Ton Work Van	63,249
Plow Truck	69,671
SUV	30,637
1/2 Ton Pickup Truck	38,987
Bus Replacement Over-Charge	21,410
Bobcat renewal program	32,062
John Deere Gator	24,457
Box Sander	9,904
Floor Burnisher	10,473
School Furniture	4,922
Budgeted Credit from Prior Year	(21,625)
Total	\$ 792,761

The School District invested \$3.4 million in capital additions. Funding to make these additions came from the following sources: \$2,608,285 from the Ministry of Education and Child Care and \$792,761 from the District Operating Fund.

Specific balances in the Capital Fund are as follows:

Capital Fund	June 30, 2023	June 30, 2022	Change
Work-In-Progress	-	1,555,937	(1,555,937)
Unspent Deferred Capital	231,172	96,178	134,994
Deferred Capital	28,313,930	28,265,356	48,574
Local Capital	171,958	170,425	1,533
Total	28,717,060	30,087,896	(1,370,836)



Opening work-in-progress reported on Schedule 4B represents costs incurred up to June 30, 2022 on the Pouce Coupe Elementary School expansion project, given the project is completed it is no longer considered work-in-progress.

Included in the \$231,172 of Unspent Deferred Capital is \$150,000 which is a transfer from Bylaw Capital. The \$150,000 was funding not spent on the Pouce Coupe Expansion project that the ministry approved to transfer to Ministry of Education and Child Care Restricted Capital.

There are two capital fund surpluses:

The **Local Capital** fund of \$171,958 represents accumulated surpluses designated to fund the purchase of Tangible Capital Assets. This balance can increase if the Board makes a motion to transfer operating surpluses to Local Capital or when the district receives the unrestricted portion (25%) on sales or property.

The **Investment in Tangible Capital Assets** fund of \$5,424,385 represents capital investments that are funded by operating funds (shows as a net transfer from other funds). As an asset is amortized (shown as an expense), the surplus will decrease. Therefore, the balance is used to fund future amortization costs and does not represent funds that are available for other purposes.

Other Significant Matters

Strategic Plan

A new Strategic Plan was developed during the 2019/20 school year. During the 2022/23 school year, the District was in year three of the four-year plan.

During the 2022/23 school year, the work on the Strategic/Operational Plan included:

- Continuation of offered Universal Design for Learning (UDL) training with Dr Katz (train the trainer);
- Training in schools on the new Competency-based Individual Education Plan (ICBIEP) within MyEd.
- Training on the new K-12 Reporting Policy Framework
- Investing in Compassionate Systems Leadership training;
- The district hosted their first professional development day “Reconciliation, Our Path Forward” that was solely focused on Indigenous Education, it included keynote speakers Monique Gray Smith and Kevin Lamoureux.
- Second year of investment into the Middle Years Development Instrument, this tool helps the district gain a deeper understanding of children’s social and emotional health, well-being and assets during middle childhood, from the child’s own perspective.
- Continuation of Literacy and Numeracy PLC meetings
- Student Voice conducted environmental scans at schools throughout the district. The scan included reviewing the school website and a site visit to gain valuable information about first



impressions, utilities and spaces, and social connection which included talking to staff and students at the school. The focus of the scan was to generate collaborative discussion to improve schools from the ground level.

- The start of a new Leadership Academy cohort in January 2023 that will finish in June 2024.
- Continued support of district Vice-Principal positions to support the district mentorship and succession planning.
- Additional investment in recruitment initiatives including the development of a district teacher recruitment webpage “Discover Your Path” (<https://discover59.com/>).
- Completion of a technology database listing the technology allocation and access at each school to assess equity in the district.

More information on the Strategic and Operational plan can be found on the District website (<https://www.sd59.bc.ca/district/achievement>).

Infrastructure

The majority of the buildings within the school district were built in the 1960’s, with a few that were built in the late 1950’s. Given the age of our schools, there is a concern on the ability to maintain buildings that are beyond a normal life expectancy. A large portion of the provincial K-12 capital budget is used to support seismic upgrades and the financial support for replacement schools is minimal. The District continues to prioritize submission of major and minor capital projects to the Ministry of Education and Child Care to support our infrastructure, this is supported with the Long Range Facility Plan that was created during this fiscal year. The district’s current priority continues to be an expansion request for Crescent Park Elementary.

Capacity

Capacity continues to be a concern at Crescent Park Elementary and Canalta Elementary. The board approved the purchase of an additional two portables in June 2022 to assist the two schools with instructional and meeting space. The expansion request for Crescent Park Elementary to the Ministry of Education and Child Care has been included in the major capital submission for the past three years.

Operating Reserves

As at June 30, 2023, the unrestricted accumulated operating surplus was 14% of the 2022/23 annual operating expenses, this is well above the policy requirement of 5%. Senior administration continues to strive to spend budgeted funds but struggle with increased vacancies throughout the district. Reserve balances continue to face scrutiny from the Ministry and it is important the District is using resources effectively and responsibly.

Ministry of Education and Child Care

In March 2022, The Ministry of Education changed to the Ministry of Education and Child Care. The amalgamation of the two branches of the Ministry is still in early stages. With the new role of child care under the Ministry of Education the district is exploring ways to support child care initiatives; some of



the initiatives include creation of an environmental scan, partnering with the YMCA for before and after school care, and creating relationships with early learning organizations in the area. The district currently has before and after school child care programs within 4 schools, Windrem Elementary, Ecole Frank Ross Elementary, Crescent Park Elementary and Tumbler Ridge Elementary. The district aimed for an additional location at Pouce Coupe Elementary but enrollment was not high enough for it to open; however, an arrangement is in place and the facility setup if enrollment is high enough for it to open. A JustB4 program opened within Tremblay Elementary. The program is a half-day licensed pre-school that is specifically designed to support children the year before they enter Kindergarten. Two applications were also submitted for the ChildCareBC New Spaces Fund to open new licensed child care spaces for children 0-5 at Tremblay Elementary and Tumbler Ridge Elementary.

Contact Management

This financial report was completed with the purpose to provide a general overview of the School District's finances as at June 30, 2023 and to demonstrate the District's accountability for the funding it receives.

If you have any questions about the report, please contact the Secretary Treasurer's office at 250-782-8571.

SD59 2023/24 Preliminary Enrollments (FTE's)

School	Prelim. Budget	Sep-23	Change	Sep-22	Sep-23	Change
Canalta	244.0	262.0	18.0	267.0	262.0	(5.0)
Chetwynd Secondary	270.0	269.0	(1.0)	268.1	269.0	0.9
Crescent Park	260.0	264.0	4.0	256.0	264.0	8.0
Devereaux	79.0	82.0	3.0	86.0	82.0	(4.0)
Don Titus	141.0	157.0	16.0	124.0	157.0	33.0
Ecole Frank Ross	470.0	470.0	0.0	466.0	470.0	4.0
Distributed Learning & Kelly Lake	80.0	88.0	8.0	80.2	88.0	7.8
Little Prairie	205.0	203.0	(2.0)	217.0	203.0	(14.0)
McLeod	69.0	67.0	(2.0)	66.0	67.0	1.0
Moberly Lake	33.0	33.0	0.0	33.0	33.0	0.0
Parkland	60.0	59.0	(1.0)	61.0	59.0	(2.0)
Peace View School	31.0	31.0	0.0	32.0	31.0	(1.0)
Pouce Coupe	121.0	124.0	3.0	114.0	124.0	10.0
South Peace Elementary	36.0	37.0	1.0	33.0	37.0	4.0
Dawson Creek Secondary	942.0	956.0	14.0	985.6	956.0	(29.6)
Tremblay	161.0	182.0	21.0	153.0	182.0	29.0
Tumbler Ridge Elementary	208.0	219.0	11.0	216.0	219.0	3.0
Tumbler Ridge Secondary	165.0	183.0	18.0	160.0	183.0	23.0
Windrem	62.0	53.0	(9.0)	70.0	53.0	(17.0)
District	48.0	0.0	(48.0)	0.0	0.0	0.0
Total FTE	3685.00	3739.00	54.0	3687.94	3739.00	51.1

SUMMARY:

Elementary	2,180.0	2,243.0	63.0	2,194.0	2,243.0	49.0
Secondary	1,377.0	1,408.0	31.0	1,413.8	1,408.0	(5.8)
Distributed Learning & Kelly Lake	80.0	88.0	8.0	80.2	88.0	7.8
District School	48.0	0.0	(48.0)	0.0	0.0	0.0
Total FTE	3,685.0	3,739.0	54.0	3,687.9	3,739.0	51.1

SUMMARY:

Elementary:

Urban Dawson Creek	1,135.0	1,178.0	43.0	1,142.0	1,178.0	36.0
Rural Dawson Creek	396.0	400.0	4.0	392.0	400.0	8.0
Chetwynd Area	441.0	446.0	5.0	444.0	446.0	2.0
Tumbler Ridge	208.0	219.0	11.0	216.0	219.0	3.0
Total	2,180.0	2,243.0	63.0	2,194.0	2,243.0	49.0

Secondary:

Dawson Creek	942.0	956.0	14.0	985.6	956.0	(29.6)
Chetwynd	270.0	269.0	(1.0)	268.1	269.0	0.9
Tumbler Ridge	165.0	183.0	18.0	160.0	183.0	23.0
Total	1,377.0	1,408.0	31.0	1,413.8	1,408.0	(5.8)

Distributed Learning & Kelly Lake	80.0	88.0	8.0	80.2	88.0	7.8
District School	48.0	0.0	(48.0)	0.0	0.0	0.0

Submission Summary

Submission Summary:	Minor 2024/2025 2023-09-30
Submission Type:	Capital Plan
School District:	Peace River South (SD59)
Open Date:	2023-04-14
Close Date:	2023-09-30
Submission Status:	Draft

Submission Category	Sum Total Funding Requested
SEP	\$1,410,000
BUS	\$363,752
CNCP	\$310,000
PEP	\$390,000
Total	\$2,473,752

BUS					
SD Category Rank	Project Number	Facility/Site	Project Type	Project Description	Total Funding Requested
1	163328	Transportation	Replacement	Chronic mechanical issues.	\$181,876
2	163470	Transportation	Replacement	Chronic mechanical issues.	\$181,876
Submission Category Total:					\$363,752
CNCP					
SD Category Rank	Project Number	Facility/Site	Project Type	Project Description	Total Funding Requested
1	163324	Ecole Frank Ross Elementary	Exterior Wall Systems (CNCP)	Replace existing end of life exterior windows with energy efficient units, this is for a complete replacement, project can be phased to allow for a lesser allocation.	\$250,000
2	163433	Chetwynd Secondary - ATEC Building	HVAC (CNCP)	Replace existing mid efficient gas furnaces with high efficiency furnaces and connect to Chetwynd Senior Secondary School DDC system.	\$60,000
Submission Category Total:					\$310,000
PEP					
SD Category Rank	Project Number	Facility/Site	Project Type	Project Description	Total Funding Requested

Submission Summary

1	152027	Tremblay Elementary	New (PEP)	This school does not have a universally accessible playground.	\$195,000
2	152028	McLeod Elementary Secondary	New (PEP)	This school does not have a universally accessible playground.	\$195,000
				Submission Category Total:	\$390,000
SEP					
SD Category Rank	Project Number	Facility/Site	Project Type	Project Description	Total Funding Requested
1	159324	Tumbler Ridge Elementary	HVAC (SEP)	Replace existing end of life furnace units with Hydronic system that will include DDC Controls. Phase one for equipment purchase only.	\$600,000
2	163327	Tremblay Elementary	Roofing (SEP)	Replace roof membrane, modified bitumen torch on.	\$660,000
3	163317	Devereaux Elementary	Electrical (SEP)	Replace main electrical service.	\$150,000
				Submission Category Total:	\$1,410,000



School District No.59 (Peace River South)

September 15, 2023

To: The Board of Education

Agenda Item: R6.2 Feeding Futures

As announced in April 2023, the Province is investing \$214 million over three years so school districts can create or expand local food programs in schools throughout B.C. The funds are to be used for purchasing food and hiring dedicated staff to co-ordinate providing healthy food options to students. This is the largest investment in school food programs in the Province's history.

The Feeding Futures program will address the immediate need of feeding students and builds on the progress made with the Student and Family Affordability Fund to help reduce the challenges of rising food costs for families who need it most.

At a local level, the district has created a Feeding Futures staffing position to assist schools in managing this program. Food will be ordered at the district level and delivered schools to streamline the ordering process. The target is that approximately 20% of the student population will have access to food if they are hungry at breakfast, snack and lunch. This will be grab and go food that can be easily managed and accessed quickly by the students. The food will be available in areas that are easily accessed by anyone where there is no stigma attached to accessing food.

As part of the new role, there will be an emphasis on addressing student hunger to ensure every child is receiving healthy meals and snacks if needed. Community connections will be an important component of this program to build strong community partnerships around the school food program.

Sincerely,

Christy Fennell
Superintendent School District 59 – Peace River South



Information for Parents and Caregivers

K-12 Student Reporting

When you were in school, were you asked to memorize information and repeat it on a test, only to forget it soon after? We now know learning is not just memorizing – it's being able to use what we know and apply it in real-world settings. Universities, colleges, and employers today care more about how students think than how many facts they can repeat.

BC's Curriculum

The learning students do today is more complex than ever. British Columbia redesigned the provincial curriculum to respond to the needs of today's learners. The curriculum continues to give your child a strong foundation in reading, writing, and math. But it also teaches your child how to think critically, communicate, solve problems, and use their knowledge in ways that both matter in school and will matter in a rapidly changing future.

The new curriculum has been in place in all grades since 2019, but report cards and the way student learning is communicated haven't really changed for decades. Report cards are now changing to align with the curriculum and to help ensure that every student in the province is set up for success in their learning.



Classroom assessment

You may remember getting a letter grade or percentage at the end of a chapter in your textbook or after a test, signaling to you that learning had come to an end. Today we know that learning doesn't stop when students hand in an assignment or complete a test.

We also know that:

- student learning can be communicated in ways other than letter grades
- teacher feedback on student learning can help students continue to learn
- students are more engaged when they have a say in how they show their learning



That's why students will receive marks on a four-point scale from Kindergarten to Grade 9. Students in Grades 10-12 will still receive a letter grade and percentage to support their entry into post-secondary education. And reporting for all students will now include self-reflection and goal setting.

Report Cards

These changes mean that report cards might not look the same as when you were in school. But the information you will now receive will provide a complete picture of what your child can do, where they need to improve, and how you can support their learning. Reporting in this way will ensure that students focus on learning instead of competing for marks.



What is consistent?

5 reporting events (3 written and 2 informal reports, such as parent/caregiver-teacher conferences)

Letter grades and percentages at grades 10-12

Written feedback grades K-9

Student self-assessment of Core Competencies grades K-9

What is evolving?

Inclusion of the graduation status update at grades 10-12 on the end of year report card

The consistent use of the Provincial Proficiency Scale by all districts at grades K-9

Written feedback at grades K-12

Student self-assessment of Core Competencies and goal-setting grades K-12



The Provincial Proficiency Scale

If your child is in Grades K-9, you won't see letter grades on their report card. Instead, you will see information on where your child is on the Provincial Proficiency Scale. The scale uses the terms "Emerging," "Developing," "Proficient," and "Extending" to describe student learning. The scale maintains high standards for student learning.

Emerging

Emerging means your child is beginning to understand something in an area of learning. They are still learning but may need more support to move ahead. Emerging doesn't mean your child is unsuccessful in this area.

Developing

Developing means your child understands some things in an area of learning but still has other areas to work on. Like Emerging, it doesn't mean your child is unsuccessful in this area.

Proficient

Proficient is the goal for your child. It's also the goal for all students. When your child is Proficient, it means they fully understand the required learning. But it doesn't mean their learning stops.

Extending

Extending is when students show a deeper understanding. It's when your child is able to apply their learning in new and different ways. Extending is not the goal for all students in every area of learning.

For more information:



Email

student.reporting@gov.bc.ca



Website

<https://curriculum.gov.bc.ca/>



School District No.59 (Peace River South)

September 20, 2023

Strategic Plan Timeline

School District 59 is currently in year four of the strategic plan. The Board of Education will use this year to gather information and create the next strategic plan.

An environmental scan of employees, stakeholders, rightsholders, students and parents will be completed to hear what the strengths, opportunities, aspirations, and results are for learning in School District 59. This allows everyone's voice to be a part of the process. Teams will be trained to conduct these scans at each school, and with each outside partner group. The data will be collated and themes will be picked. These scans will occur from October to December of 2023.

Next the district will collect data on literacy, numeracy, attendance, report card data, data from the student learning surveys, kindergarten screens, the MDI, the YDI, and finally the literacy and numeracy assessments that are part of the graduation program, to determine what areas need to be a priority for School District 59 in the next strategic plan. We will also use our document, "Enhancing Student Learning" to help guide this work. This work will happen from January to April of 2024.

When looking at the qualitative and quantitative data, it is to tell the story of the district in areas we are doing well, and areas we continue to need to work at closing achievement gaps.

By May of 2024, a draft document will be circulated for feedback, and then the plan will be formalized at the Board of Education meeting in June of 2024.

Christy Fennell
Superintendent School District 59 – Peace River South



School District No.59 (Peace River South)

September 15, 2023

To: The Board of Education of SD59 (PRS)

RE: Agenda Item R7.2 – Recognition, Appreciation, Condolence Practices

Preamble:

In the open board meeting on December 16, 2020, the board tasked the policy committee with exploring options for recognition, appreciation, and condolence practices.

In June 2023, the Policy Committee brought back three options for the board's consideration of which the board passed a motion to accept option 2 which requires all requests to be brought to the attention of the board at a regular meeting of the Board (refer to R8.1.1 Policy Committee Report in June 23, 2021 board package and minutes).

It has become clear to me in the two years since that decision was taken that the current approach is impractical. I believe that the board needs to be able to promptly reflect common courtesy within the organization and in the community through its spokesperson.

New recommendation:

That the board agrees to revoke motion 2021-06-018 with regard to recognition, appreciation and condolences practices, returning the responsibility for such communications to the Chair, acting as spokesperson of the Board of Education.

Chad Anderson
Board Chair



School District No.59 (Peace River South)

2023-24 BOARD REPRESENTATIVES

ELECTORAL AREA I (Chetwynd & Rural Area)		
Crystal Hillton		chillton@sd59.bc.ca
Sherry Mounsey		smounsey@sd59.bc.ca
ELECTORAL AREA II (Tumbler Ridge & Area)		
Roxanne Gulick		rgulick@sd59.bc.ca
ELECTORAL AREA III (City of Dawson Creek)		
Angelina Schurmann		aschurmann@sd59.bc.ca
Christina Wards		chwards@sd59.bc.ca
ELECTORAL AREA IV (Rural Areas surrounding Devereaux, McLeod, Parkland, Colonies, Pouce Coupe)		
Chad Anderson		canderson@sd59.bc.ca
Travis Jones		trjones@sd59.bc.ca

Committee Representatives:

Policy Committee	(District Staff – C. Fennel)
DPAC	(District Staff – P. Chisholm)
Indigenous Education Councils	(District Staff – D. Bassendowski)
Transportation	(District Staff – M. Panoulis/ W. Simlik/ J. Lekstrom)
Finance-Audit/Budget	Committee Of The Whole
Recruitment/Retention (Special)	(District Staff – C. Fennell)

Provincial Council Liaisons:

BCSTA	
BCPSEA	

School Liaisons:

Canalta Elem.		Moberly Lake Elem.	
DCSS (SP & Central)		Parkland Elem.	
Chetwynd Secondary		Peace View Elem.	
Crescent Park Elem.		Pouce Coupe Elem.	
Devereaux Elem.		South Peace Elem.	
Don Titus Montessori		Tremblay Elem.	
Ecole Frank Ross		Tumbler Ridge Elem.	
Little Prairie Elem.		Tumbler Ridge Sec.	
McLeod Elem.		Windrem Elem.	



School District No.59 (Peace River South)

DATE: September 20, 2023

CHAIR: Roxanne Gulick

Policy for Discussion:

Policy for Circulation:

Policy for Adoption:

- Policy 5140 Moving Assistance

Policy/Regulation for Further Review:

- Regulation 4209 Energy Management and Sustainability
- Regulation 4570 Emergency Preparedness
- Trustee Code of Conduct
 - Policy 2150 Roles and Responsibilities of the Board
 - Bylaw 1-99 Organization and Operation of the Board

Policy/Regulation for Repeal:

Regulations for Board Information:

5140 Moving Assistance – Teachers & Support

Policy 5140

STATUS: **FOR ADOPTION**

MOVING ASSISTANCE - TEACHERS & SUPPORT

Board Approved and Codified: April 28, 1986

Last Revised: June 19, 2013; September 20, 2023

Description:

The Board of Education recognizes the high cost of relocating furniture and household effects for new employees to the District and agrees to offer assistance. The amount may be adjusted based on recruitment challenges.

Repealed Regulation December 17, 2014