



QUALICUM SCHOOL DISTRICT
FINANCE & OPERATIONS COMMITTEE OF THE WHOLE

MONDAY, NOVEMBER 18, 2024
10:30 A.M.
VIA VIDEO CONFERENCING

Join on your computer, mobile app or room device

[Join the meeting now](#)

Meeting ID: 215 481 922 705

Passcode: 7PFfmQ

Facilitator: Trustee Carol Kellogg

Mandate: To discuss and make recommendations to the Board on financial, facilities, maintenance, technology and transportation matters with a view to environmental sustainability.

AGENDA

We would like to give thanks and acknowledge that the lands on which we work and learn are on the shared traditional territory of the Qualicum and Snaw-Naw-As (Nanoose) First Nations People.

1. ACKNOWLEDGEMENT OF TRADITIONAL TERRITORIES

2. PRESENTATIONS (10 MINUTES)

3. PROJECT UPDATES

- a. Ongoing Capital Projects (Phil)

4. ITEMS FOR DISCUSSION

5. INFORMATION ITEM(S)

- a. Statement of Financial Information (Ron/Ryan H) p 1-55
b. 25/26 Budget Development (Ron)
- Budget Process Schedule p 56
c. [Making Progress Towards Sustainable Schools](#) (Carol) p 57-110
d. Transportation Revenues (Ryan H)

6. ITEMS FOR RECOMMENDATION TO THE BOARD

- a. Statement of Financial Information

7. FUTURE TOPICS

- a. 2024-2025 Amended Budget (Ron)

8. NEXT MEETING DATE:

Tuesday, January 20, 2025 at 10:30 via video conferencing

9. ADJOURNMENT



Ministry
of Education

SCHOOL DISTRICT STATEMENT OF FINANCIAL INFORMATION (SOFI)

6049

SCHOOL DISTRICT NUMBER 69	NAME OF SCHOOL DISTRICT Qualicum	YEAR 2024
OFFICE LOCATION(S) 100 Jensen Avenue East		TELEPHONE NUMBER 250-248-4241
MAILING ADDRESS PO Box 430		
CITY Parksville	PROVINCE BC	POSTAL CODE V9P 2G5
NAME OF SUPERINTENDENT Peter Jory		TELEPHONE NUMBER 250-954-4687
NAME OF SECRETARY TREASURER Ron Amos		TELEPHONE NUMBER 250-954-4675

DECLARATION AND SIGNATURES

We, the undersigned, certify that the attached is a correct and true copy of the Statement of Financial Information for the year ended
June 30, 2024

for School District No. **69** as required under Section 2 of the Financial Information Act.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION	DATE SIGNED
SIGNATURE OF SUPERINTENDENT	DATE SIGNED
SIGNATURE OF SECRETARY TREASURER	DATE SIGNED

EDUC. 6049 (REV. 2008/09)

Statement of Financial Information for Year Ended June 30, 2024

Financial Information Act-Submission Checklist

		<i>Due Date</i>
a)	<input checked="" type="checkbox"/> A statement of assets and liabilities (audited financial statements).	<i>September 30</i>
b)	<input checked="" type="checkbox"/> An operational statement including, i) a Statement of Income and ii) a Statement of Changes in Financial Position, or, if omitted, an explanation in the Notes to Financial Statements (audited financial statements)	<i>September 30</i>
c)	<input checked="" type="checkbox"/> A schedule of debts (audited financial statements).	<i>September 30</i>
d)	<input checked="" type="checkbox"/> A schedule of guarantee and indemnity agreements including the names of the entities involved and the amount of money involved. (Note: Nil schedules can be submitted December 31).	<i>September 30</i>
e)	A schedule of remuneration and expenses, including: <input checked="" type="checkbox"/> i) an alphabetical list of employees earning over \$75,000, the total amount of expenses paid to or on behalf of each employee for the year reported and a consolidated total for employees earning under \$75,000. If the total wages and expenses differs from the audited financial statements, an explanation is required. <input checked="" type="checkbox"/> ii) a list by name and position of Board Members with the amount of any salary and expenses paid to or on behalf of the member <input checked="" type="checkbox"/> iii) the number of severance agreements started during the fiscal year and the range of months' pay covered by the agreement, in respect of excluded employees. If there are no agreements to report, an explanation is required	<i>December 31</i>
f)	<input checked="" type="checkbox"/> An alphabetical list of suppliers receiving over \$25,000 and a consolidated total for those suppliers receiving less than \$25,000. If the total differs from the Audited Financial Statements, an explanation is required.	<i>December 31</i>
g)	<input checked="" type="checkbox"/> Approval of Statement of Financial Information.	<i>December 31</i>
h)	<input checked="" type="checkbox"/> A management report approved by the Chief Financial Officer	<i>December 31</i>

School District Number & Name: School District No. 69 (Qualicum)

**School District
Statement of Financial Information (SOFI)**

School District No. 69 (Qualicum)

Fiscal Year Ended June 30, 2024

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1. Management Report
2. Audited Financial Statements with Note Disclosure
3. Schedule of Debt (Schedule 1)
4. Schedule of Guarantee and Indemnity Agreements (Schedule 2)
5. Schedule of Remuneration and Expenses (Schedule 3)
6. Statement of Severance Agreements (Schedule 4)
7. Schedule of Payments for Goods and Services (Schedule 5)
8. Comparison of Scheduled Payments to Audited Financial Statements (Schedule 6)

**School District
Statement of Financial Information (SOFI)**

School District No. 69 (Qualicum)

Fiscal Year Ended June 30, 2024

MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with Canadian generally accepted accounting principles and the integrity and objectivity of these statements are management's responsibility.

Management is also responsible for all other schedules of financial information and for ensuring this information is consistent, where appropriate, with the information contained in the financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Education is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and for approving the financial information included in the Statement of Financial Information.

The external auditors, MPS Chartered Professional Accountants, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements as required by the *School Act*. Their examination does not relate to the other schedules of financial information required by the *Financial Information Act*. Their examination includes a review and evaluation of the board's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.

On behalf of School District

Peter Jory, Superintendent

Date:

Ron Amos, Secretary Treasurer

Date:

Prepared as required by *Financial Information Regulation*, Schedule 1, section 9

Audited Financial Statements of

School District No. 69 (Qualicum)

And Independent Auditors' Report thereon

June 30, 2024

School District No. 69 (Qualicum)

June 30, 2024

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School District No. 69 (Qualicum)

MANAGEMENT REPORT

Version: 8351-7606-5623

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 69 (Qualicum) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

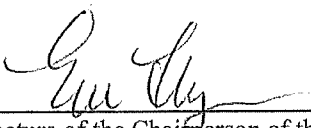
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

The Board of Education of School District No. 69 (Qualicum) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, MPS Chartered Professional Accountants, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 69 (Qualicum) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

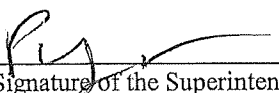
On behalf of School District No. 69 (Qualicum)



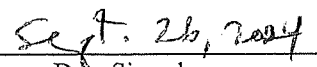
Signature of the Chairperson of the Board of Education




Date Signed



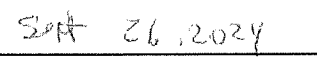
Signature of the Superintendent



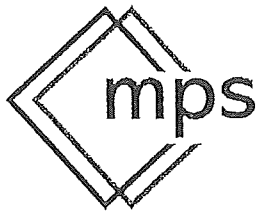
Date Signed



Signature of the Secretary Treasurer



Date Signed



MacLean Pazicka Souchuck
Chartered Professional Accountants

Campbell B. MacLean, Ltd.
Stana Pazicka, Inc.
Leanne M. Souchuck, Ltd.

INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 69 (Qualicum), and
To the Minister of Education, Province of British Columbia

Opinion

We have audited the accompanying consolidated financial statements of School District No. 69 (Qualicum), which comprise the statement of financial position as at June 30, 2024, the statements of operations, changes in net financial 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 School District No. 69 (Qualicum) as at June 30, 2024, and the results of its operations, changes in net financial debt and cash flows for the year then ended in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the School 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

Auditors' 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 auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School 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 auditors' 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 auditors' report. However, future events or conditions may cause the School 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 statements 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.

MPS

CHARTERED PROFESSIONAL ACCOUNTANTS

Parksville, Canada
September 24, 2024

School District No. 69 (Qualicum)

Statement 1

Statement of Financial Position

As at June 30, 2024

	2024 Actual \$	2023 Actual \$
Financial Assets		
Cash and Cash Equivalents	15,273,784	15,283,965
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	1,240,226	893,469
Other (Note 3)	432,320	270,770
Total Financial Assets	16,946,330	16,448,204
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	5,277,673	4,522,972
Unearned Revenue (Note 5)	2,199,328	2,002,491
Deferred Revenue (Note 6)	971,594	878,670
Deferred Capital Revenue (Note 7)	44,316,226	43,484,830
Employee Future Benefits (Note 8)	6,467,464	6,439,537
Asset Retirement Obligation (Note 18)	2,817,927	2,817,927
Total Liabilities	62,050,212	60,146,427
Net Debt	(45,103,882)	(43,698,223)
Non-Financial Assets		
Tangible Capital Assets (Note 9)	60,148,020	59,288,636
Prepaid Expenses	164,640	226,119
Total Non-Financial Assets	60,312,660	59,514,755
Accumulated Surplus (Deficit) (Note 13)	15,208,778	15,816,532

Contractual Rights (Note 14)

Contingent Liabilities (Note 10)

Approved by the Board

Signature of the Chairperson of the Board of Education

Date Signed

Signature of the Superintendent

Date Signed

Signature of the Secretary Treasurer

Date Signed

School District No. 69 (Qualicum)

Statement 2

Statement of Operations
Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	60,606,613	62,164,588	56,917,905
Other	150,000	159,560	140,016
Tuition	3,900,000	3,654,088	3,917,837
Other Revenue	1,675,000	2,105,166	1,701,230
Rentals and Leases	700,000	745,368	726,127
Investment Income	600,000	603,017	467,424
Amortization of Deferred Capital Revenue	2,605,016	2,620,603	2,594,166
Total Revenue	<u>70,236,629</u>	<u>72,052,390</u>	<u>66,464,705</u>
Expenses			
Instruction	53,915,688	54,878,276	50,206,901
District Administration	2,904,700	2,978,142	2,755,835
Operations and Maintenance	10,512,485	11,997,332	11,163,131
Transportation and Housing	2,741,794	2,806,394	2,411,662
Total Expense	<u>70,074,667</u>	<u>72,660,144</u>	<u>66,537,529</u>
Surplus (Deficit) for the year	<u>161,962</u>	<u>(607,754)</u>	<u>(72,824)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		15,816,532	15,889,356
Accumulated Surplus (Deficit) from Operations, end of year		<u>15,208,778</u>	<u>15,816,532</u>

School District No. 69 (Qualicum)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2024

	2024 Budget \$	2024 Actual \$	2023 Actual \$
Surplus (Deficit) for the year	161,962	(607,754)	(72,824)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(500,000)	(3,821,442)	(1,767,726)
Amortization of Tangible Capital Assets	2,943,054	2,962,058	2,944,976
Total Effect of change in Tangible Capital Assets	2,443,054	(859,384)	1,177,250
Acquisition of Prepaid Expenses		(164,640)	(226,119)
Use of Prepaid Expenses		226,119	163,668
Total Effect of change in Other Non-Financial Assets	-	61,479	(62,451)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	2,605,016	(1,405,659)	1,041,975
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(1,405,659)	1,041,975
Net Debt, beginning of year		(43,698,223)	(44,740,198)
Net Debt, end of year		(45,103,882)	(43,698,223)

School District No. 69 (Qualicum)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2024

	2024 Actual	2023 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(607,754)	(72,824)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(508,307)	(94,608)
Prepaid Expenses	61,479	(62,451)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	754,701	189,784
Unearned Revenue	196,837	(333,284)
Deferred Revenue	92,924	144,718
Employee Future Benefits	27,927	81,380
Amortization of Tangible Capital Assets	2,962,058	2,944,976
Amortization of Deferred Capital Revenue	(2,620,603)	(2,594,166)
Services and Supplies purchased with Bylaw Capital	(1,932,671)	(1,194,275)
Total Operating Transactions	(1,573,409)	(990,750)
Capital Transactions		
Tangible Capital Assets Purchased	(2,981,191)	(1,767,726)
Tangible Capital Assets -WIP Purchased	(840,251)	
Total Capital Transactions	(3,821,442)	(1,767,726)
Financing Transactions		
Capital Revenue Received	5,384,670	2,998,558
Total Financing Transactions	5,384,670	2,998,558
Net Increase (Decrease) in Cash and Cash Equivalents	(10,181)	240,082
Cash and Cash Equivalents, beginning of year	15,283,965	15,043,883
Cash and Cash Equivalents, end of year	15,273,784	15,283,965
Cash and Cash Equivalents, end of year, is made up of:		
Cash	15,273,784	15,283,965
	15,273,784	15,283,965

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 1 AUTHORITY AND PURPOSE

The School District, established in 1946, operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 69 (Qualicum)" and operates as "School District No. 69 (Qualicum)." 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. 69 (Qualicum) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the School District are as follows:

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(k).

In November 2011, the 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(k), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense.

As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require 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 impacts of this difference on the financial statements of the School District are as follows:

Year ended June 30, 2023 - decrease in annual surplus by \$857,026

June 30, 2023 - increase in accumulated surplus and decrease in deferred contributions by \$42,554,412

Year ended June 30, 2024 - increase in annual surplus by \$725,447

June 30, 2024 - increase in accumulated surplus and decrease in deferred contributions by \$43,279,859

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods and receipt of proceeds for services or products to be delivered in a future period. Revenue will be recognized in that future period when the courses, services, or products are provided.

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 the 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(k).

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 impacts 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 (EARS�) of active employees covered under the plan.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Employee Future Benefits (continued)

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.

g) Asset Retirement Obligations

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

- 1) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- 2) The past transaction or event giving rise to the liability has occurred;
- 3) It is expected that future economic benefits will be given up; and
- 4) 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(h)). Assumptions used in the calculations are reviewed annually.

h) 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 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.
- 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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Tangible Capital Assets (continued)

- 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 and Equipment	10 years
Vehicles	10 years
Computer Hardware	5 years

i) Prepaid Expenses

Amounts for maintenance contracts and other services are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

j) 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 Note 13 - Accumulated Surplus).

k) 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.
- Contributions restricted for tangible capital asset 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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Revenue Recognition (continued)

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 impacts of this policy on these financial statements.

Revenue from transactions with performance obligations is recognized when (or as) the performance obligation is satisfied (by providing the promised goods or services to a payor).

Revenue from transactions with no performance obligations is recognized when the district:

- 1) Has the authority to claim or retain an inflow of economic resources; and
- 2) Identifies a past transaction or event that gives rise to an asset.

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.

l) 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 Director of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Associate Superintendents, 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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m) 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.

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 instruments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

All financial assets, except derivatives, are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

n) 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, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

NOTE 3 ACCOUNTS RECEIVABLE - OTHER RECEIVABLES

	2024	2023
Due from Federal Government	\$ 105,214	\$ 80,196
Mount Arrowsmith Teachers Association	56,125	21,161
Little Gnomes Childcare	37,087	37,087
Smith Performance Basketball	11,571	-
Parksville Civic & Technology Centre	30,093	-
CUPE Local 3570	20,012	-
Telus Communications	-	44,485
Other	172,219	87,841
	<u>\$ 432,320</u>	<u>\$ 270,770</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2024	2023
Trades payable	\$ 1,210,222	\$ 716,548
Salaries and benefits payable	3,267,464	2,985,024
Accrued vacation pay	252,213	257,154
Employer health tax payable	299,632	275,581
Other	248,142	288,665
	<u>\$ 5,277,673</u>	<u>\$ 4,522,972</u>

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 5 UNEARNED REVENUE

	2024	2023
Tuition fees	\$ 2,189,803	\$ 1,969,578
Rentals	9,525	32,913
	<u>\$ 2,199,328</u>	<u>\$ 2,002,491</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 the Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled. Detailed information about the changes in deferred revenue is included in Schedule 3A.

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 the Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired. Detailed information about the changes in deferred capital revenue is included in Schedule 4C and 4D.

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.

	2024	2023
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 6,100,692	\$ 6,250,099
Service Cost	447,830	458,117
Interest Cost	247,824	205,333
Benefit Payments	(609,046)	(574,725)
Increase in Obligation due to Plan Amendment	-	-
Actuarial Gain	(203,571)	(238,132)
Accrued Benefit Obligation – March 31	<u>\$ 5,983,729</u>	<u>\$ 6,100,692</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 5,983,729	\$ 6,100,692
Market Value of Plan Assets – March 31	-	-
Funded Status – Deficit	(5,983,729)	(6,100,692)
Employer Contributions After Measurement Date	213,575	168,594
Benefits Expense After Measurement Date	(174,805)	(173,914)
Unamortized Net Actuarial Gain	(522,505)	(333,525)
Accrued Benefit Liability – June 30	<u>\$ (6,467,464)</u>	<u>\$ (6,439,537)</u>

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 8 EMPLOYEE FUTURE BENEFITS (continued)

Reconciliation of Change in Accrued Benefit Liability

Accrued Benefit Liability – July 1	\$ 6,439,537	\$ 6,358,157
Net expense for fiscal year	681,954	686,507
Employer Contributions	(654,027)	(605,127)
Accrued Benefit Liability – June 30	\$ 6,467,464	\$ 6,439,537

Components of Net Benefit Expense

Service Cost	\$ 446,010	\$ 455,545
Interest Cost	250,535	215,956
Immediate Recognition of Plan Amendment	-	-
Amortization of Net Actuarial Loss	(14,591)	15,006
Net Benefit Expense	\$ 681,954	\$ 686,507

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

	2024	2023
Discount Rate – April 1	4.00%	3.25%
Discount Rate – March 31	4.25%	4.00%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARS� – March 31	10.9	10.9

NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value:

	June 30, 2024	June 30, 2023
Sites	\$ 11,929,778	\$ 11,929,778
Buildings	44,399,641	44,698,225
Buildings – Work in Progress	840,251	-
Furniture and Equipment	739,552	623,150
Vehicles	2,213,398	2,010,776
Computer Hardware	25,400	26,707
Total	\$ 60,148,020	\$ 59,288,636

June 30, 2024

Cost:	Opening Balance	Additions	Disposals	Transfers (WIP)	Total 2024
Sites	\$ 11,929,778	\$ -	\$ -	\$ -	\$ 11,929,778
Buildings	113,916,433	2,081,801	-	-	115,998,234
Buildings – Work in Progress	-	840,251	-	-	840,251
Furniture and Equipment	1,213,812	241,717	163,047	-	1,292,482
Vehicles	4,491,426	647,254	737,457	-	4,401,223
Computer Hardware	53,420	10,419	-	-	63,839
Total	\$ 131,604,869	\$ 3,821,442	\$ 900,504	\$ -	\$ 134,525,807

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 9 TANGIBLE CAPITAL ASSETS (continued)

Accumulated Amortization:	Opening Balance	Additions	Disposals	Total 2024
Buildings	\$ 69,218,208	\$ 2,380,385	\$ -	\$ 71,598,593
Furniture and Equipment	590,662	125,315	163,047	552,930
Vehicles	2,480,650	444,632	737,457	2,187,825
Computer Hardware	26,713	11,726	-	38,439
Total	\$ 72,316,233	\$ 2,962,058	\$ 900,504	\$ 74,377,787

Buildings – Work in Progress (WIP) having a value of \$840,251 have not been amortized. Amortization of these assets will commence when the asset is put into service.

June 30, 2023

Cost:	Opening Balance	Additions	Disposals	Transfers (WIP)	Total 2023
Sites	\$ 11,929,778	\$ -	\$ -	\$ -	\$ 11,929,778
Buildings	112,165,543	1,750,890	-	-	113,916,433
Furniture and Equipment	1,329,374	16,836	132,398	-	1,213,812
Vehicles	4,658,447	-	167,021	-	4,491,426
Computer Hardware	83,151	-	29,731	-	53,420
Total	\$ 130,166,293	\$ 1,767,726	\$ 329,150	\$ -	\$131,604,869

Accumulated Amortization:	Opening Balance	Additions	Disposals	Total 2023
Buildings	\$ 66,871,542	\$ 2,346,666	\$ -	\$ 69,218,208
Furniture and Equipment	595,901	127,159	132,398	590,662
Vehicles	2,190,177	457,494	167,021	2,480,650
Computer Hardware	42,787	13,657	29,731	26,713
Total	\$ 69,700,407	\$ 2,944,976	\$ 329,150	\$ 72,316,233

NOTE 10 CONTINGENT LIABILITIES

The School District, in conducting its usual business activities, is involved in legal claims and litigation. In the event any unsettled claims are successful, management believes that such claims are not expected to have a material effect on the School District's financial position.

NOTE 11 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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 11 EMPLOYEE PENSION PLANS (continued)

As at December 31, 2023, the Teachers' Pension Plan has about 51,000 active members and approximately 42,000 retired members. As of December 31, 2023, the Municipal Pension Plan has about 256,000 active members, including approximately 31,000 from School Districts. Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

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

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

The School District paid \$4,698,894 for employer contributions to these plans in the year ended June 30, 2024 (2023 - \$4,331,540).

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.

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 Plan.

NOTE 12 EXPENSE BY OBJECT

	2024	2023
Salaries and benefits	\$ 57,694,088	\$ 52,633,549
Services and supplies	12,003,998	10,959,004
Amortization	2,962,058	2,944,976
	<u>\$ 72,660,144</u>	<u>\$ 66,537,529</u>

NOTE 13 ACCUMULATED SURPLUS

Accumulated surplus consists of:

	2024	2023
Invested in tangible capital assets	\$ 14,003,275	\$ 13,869,338
Local capital surplus	-	313,010
Total capital surplus	14,003,275	14,182,348
Operating surplus	1,205,503	1,634,184
	<u>\$ 15,208,778</u>	<u>\$ 15,816,532</u>

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 13 ACCUMULATED SURPLUS (continued)

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2024, were as follows:

- Capital assets were purchased with Operating funds (\$153,762).

The operating surplus has been internally restricted (appropriated) for:

	2024	2023
School budgets	\$ 49,597	\$ 40,000
Capital maintenance	53,214	268,700
Software	90,234	125,000
Indigenous education	104,931	-
Appropriated for future years' operating budget	907,527	1,200,484
Internally restricted	1,205,503	1,634,184
Unrestricted operating surplus	-	-
Total operating surplus	<u>\$ 1,205,503</u>	<u>\$ 1,634,184</u>

NOTE 14 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 the rental of facilities. The following summarizes the contractual rights of the School District for future assets:

	2025	2026	2027	2028	2029	Thereafter
Future rental revenue	<u>\$ 723,536</u>	<u>\$ 225,195</u>	<u>\$ 184,490</u>	<u>\$ 105,049</u>	<u>\$ 105,049</u>	<u>\$ 315,146</u>

NOTE 15 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 16 BUDGET FIGURES

The budget figures included in the financial statements are not audited. The budget figures data presented in these financial statements is based upon the 2023/24 amended annual budget adopted by the Board on January 23, 2024. The following chart compares the original annual budget bylaw approved April 27, 2023 to the amended annual budget bylaw reported in these financial statements.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 16 BUDGET FIGURES (continued)

	2024 Amended Annual Budget	2024 Annual Budget
Revenues		
Provincial Grants		
Ministry of Education	\$ 60,606,613	\$ 58,455,125
Other Provincial Revenues	2,755,016	2,746,731
Tuition	3,900,000	3,900,000
Other Revenue	1,675,000	1,440,000
Rentals and Leases	700,000	700,000
Investment Income	600,000	520,000
Total Revenue	<u>70,236,629</u>	<u>67,761,856</u>
Expenses		
Instruction	\$ 53,915,688	\$ 52,087,808
District Administration	2,904,700	2,770,552
Operations and Maintenance	10,512,485	10,150,175
Transportation and Housing	2,741,794	2,586,623
Total Expenses	<u>70,074,667</u>	<u>67,595,158</u>
Net Revenue	161,962	166,698
Budgeted Allocation of Surplus	-	-
Budgeted Surplus for the year	<u>\$ 161,962</u>	<u>\$ 166,698</u>

NOTE 17 ECONOMIC DEPENDENCE

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

NOTE 18 ASSET RETIREMENT OBLIGATION

Legal liabilities exist for the removal and 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. 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, 2023	\$ 2,817,927
Settlements during the year	<u>-</u>
Asset Retirement Obligation, closing balance	<u>\$ 2,817,927</u>

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 19 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 cash equivalents, amounts receivable and investments.

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 and the School District invests solely in the Central Deposit Program with the Ministry of Finance.

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 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 as they invest solely in the Central Deposit Program with the Ministry of Finance.

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 2023 related to credit, market or liquidity risks.

School District No. 69 (Qualicum)
Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2024

	Operating Fund	Special Purpose Fund	Capital Fund	2024 Actual	2023 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	1,634,184		14,182,348	15,816,532	15,889,356
Changes for the year					
Surplus (Deficit) for the year	(274,919)		(332,835)	(607,754)	(72,824)
Interfund Transfers	(153,762)		153,762	-	
Tangible Capital Assets Purchased	(428,681)	-	(179,073)	(607,754)	(72,824)
Net Changes for the year	1,205,503	-	14,003,275	15,208,778	15,816,532
Accumulated Surplus (Deficit), end of year - Statement 2					

School District No. 69 (Qualicum)

Schedule 2

Schedule of Operating Operations

Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	53,242,916	53,388,833	49,628,525
Other	150,000	159,560	140,016
Tuition	3,900,000	3,654,088	3,917,837
Other Revenue	225,000	402,684	251,920
Rentals and Leases	700,000	745,368	726,127
Investment Income	600,000	594,397	453,311
Total Revenue	58,817,916	58,944,930	55,117,736
Expenses			
Instruction	46,136,699	46,655,966	42,974,161
District Administration	2,904,700	2,978,142	2,755,835
Operations and Maintenance	7,102,369	7,347,852	7,255,566
Transportation and Housing	2,174,148	2,237,889	1,841,876
Total Expense	58,317,916	59,219,849	54,827,438
Operating Surplus (Deficit) for the year	500,000	(274,919)	290,298
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(500,000)	(153,762)	(30,586)
Total Net Transfers	(500,000)	(153,762)	(30,586)
Total Operating Surplus (Deficit), for the year	-	(428,681)	259,712
Operating Surplus (Deficit), beginning of year		1,634,184	1,374,472
Operating Surplus (Deficit), end of year		1,205,503	1,634,184
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 13)		1,205,503	1,634,184
Total Operating Surplus (Deficit), end of year		1,205,503	1,634,184

School District No. 69 (Qualicum)

Schedule 2A

Schedule of Operating Revenue by Source
Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	50,999,401	50,907,621	46,342,360
Other Ministry of Education and Child Care Grants			
Pay Equity	936,176	936,176	936,176
Funding for Graduated Adults		9,290	8,488
Student Transportation Fund	426,341	426,341	426,341
FSA Scorer Grant	4,094	8,187	8,187
Child Care Funding		31,507	
Early Learning Framework (ELF) Implementation			670
Labour Settlement Funding	851,904	851,904	1,827,164
Equity Scan			2,381
Anti-Racism in Early Care and Learning			6,429
Benefits Standardization and Improvements		70,329	70,329
Integrated Child and Youth Team		147,478	
Other	25,000		
Total Provincial Grants - Ministry of Education and Child Care	53,242,916	53,388,833	49,628,525
Provincial Grants - Other	150,000	159,560	140,016
Tuition			
International and Out of Province Students	3,900,000	3,654,088	3,917,837
Total Tuition	3,900,000	3,654,088	3,917,837
Other Revenues			
Miscellaneous			
Transportation Revenue	50,000	49,000	59,792
Miscellaneous	110,000	216,802	106,821
Child Care Revenue	65,000	122,773	72,946
Pcard Dividend		14,109	12,361
Total Other Revenue	225,000	402,684	251,920
Rentals and Leases	700,000	745,368	726,127
Investment Income	600,000	594,397	453,311
Total Operating Revenue	58,817,916	58,944,930	55,117,736

School District No. 69 (Qualicum)

Schedule 2B

Schedule of Operating Expense by Object
Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Salaries			
Teachers	21,820,531	22,122,209	20,570,559
Principals and Vice Principals	3,736,662	3,928,685	3,562,573
Educational Assistants	3,966,849	3,834,299	3,495,924
Support Staff	6,151,122	6,360,590	5,880,870
Other Professionals	2,045,763	1,823,117	1,879,734
Substitutes	2,296,853	2,506,986	2,137,250
Total Salaries	40,017,780	40,575,886	37,526,910
Employee Benefits	10,665,333	10,897,287	9,637,421
Total Salaries and Benefits	50,683,113	51,473,173	47,164,331
Services and Supplies			
Services	3,261,968	3,209,035	3,162,224
Professional Development and Travel	391,500	486,093	437,405
Rentals and Leases	50,000	22,082	29,979
Dues and Fees	68,000	97,175	88,083
Insurance	195,000	197,473	180,765
Supplies	2,487,335	2,700,172	2,621,309
Utilities	1,181,000	1,034,646	1,143,342
Total Services and Supplies	7,634,803	7,746,676	7,663,107
Total Operating Expense	58,317,916	59,219,849	54,827,438

School District No. 69 (Qualicum)

Operating Expense by Function, Program and Object

Year Ended June 30, 2024

	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	17,788,178	930,329		6,276		1,524,046	20,248,829
1.03 Career Programs	88,499			46,580		9,121	144,200
1.07 Library Services	562,771	40,073		283,049		1,963	887,856
1.08 Counselling	1,065,182						1,065,182
1.10 Special Education	2,161,657	162,558	3,488,605	55,755	91,601	465,758	6,425,934
1.20 Early Learning and Child Care				68,236			68,236
1.30 English Language Learning	142,552						142,552
1.31 Indigenous Education	61,430	144,882	345,694	7,205			559,211
1.41 School Administration		2,180,197		1,189,550	4,329	17,910	3,391,986
1.62 International and Out of Province Students	251,940	300,441		124,857	211,712		888,950
1.64 Other					45,673		45,673
Total Function 1	22,122,209	3,758,480	3,834,299	1,781,508	353,315	2,018,798	33,868,609
4 District Administration							
4.11 Educational Administration		170,205		53,915	462,602		686,722
4.40 School District Governance					127,275		127,275
4.41 Business Administration				398,449	696,241		1,094,690
Total Function 4	-	170,205	-	452,364	1,286,118	-	1,908,687
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				53,599	106,071		159,670
5.50 Maintenance Operations				2,864,673		379,421	3,244,094
5.52 Maintenance of Grounds				117,890		2,249	120,139
5.56 Utilities							-
Total Function 5	-	-	-	3,036,162	106,071	381,670	3,523,903
7 Transportation and Housing							
7.41 Transportation and Housing Administration				73,803	77,613		151,416
7.70 Student Transportation				1,016,753		106,518	1,123,271
7.73 Housing							-
Total Function 7	-	-	-	1,090,556	77,613	106,518	1,274,687
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	22,122,209	3,928,685	3,834,299	6,360,590	1,823,117	2,506,986	40,575,886

School District No. 69 (Qualicum)

Operating Expense by Function, Program and Object

Year Ended June 30, 2024

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2024 Actual	2024 Budget	2023 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	20,248,829	5,389,984	25,638,813	927,215	26,566,028	26,356,060	25,162,780
1.03 Career Programs	144,200	39,323	183,523	374,763	558,286	491,502	504,498
1.07 Library Services	887,856	238,507	1,126,363	18,458	1,144,821	1,182,217	1,047,892
1.08 Counselling	1,065,182	277,638	1,342,820	1,342,820	1,342,820	1,327,828	1,190,495
1.10 Special Education	6,425,934	1,896,650	8,322,584	90,969	8,413,553	8,104,854	7,307,706
1.20 Early Learning and Child Care	68,236	15,967	84,203	84,203	84,203	143,217	153,770
1.30 English Language Learning	142,552	40,173	182,725	182,725	182,725	179,575	866,587
1.31 Indigenous Education	559,211	150,987	710,198	115,110	825,308	930,457	3,703,153
1.41 School Administration	3,391,986	878,686	4,270,672	67,227	4,337,899	4,247,446	2,983,505
1.62 International and Out of Province Students	888,950	221,430	1,110,380	2,034,303	3,144,683	3,118,044	53,775
1.64 Other	45,673	9,967	55,640	55,640	55,640	55,499	42,974,161
Total Function 1	33,868,609	9,159,312	43,027,921	3,628,045	46,655,966	46,136,699	
4 District Administration							
4.11 Educational Administration	686,722	158,608	845,330	71,815	917,145	933,528	833,714
4.40 School District Governance	127,275	9,841	137,116	99,991	237,107	252,573	281,241
4.41 Business Administration	1,094,690	259,388	1,354,078	469,812	1,823,890	1,718,599	1,640,880
Total Function 4	1,908,687	427,837	2,336,524	641,618	2,978,142	2,904,700	2,755,835
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	159,670	33,802	193,472	274,069	467,541	726,534	643,402
5.50 Maintenance Operations	3,244,094	840,785	4,084,879	1,319,627	5,404,506	4,761,961	4,855,356
5.52 Maintenance of Grounds	120,139	62,232	182,371	124,688	307,059	377,874	496,760
5.56 Utilities	-	-	-	1,168,746	1,168,746	1,236,000	1,260,048
Total Function 5	3,523,903	936,819	4,460,722	2,887,130	7,347,852	7,102,369	7,255,566
7 Transportation and Housing							
7.41 Transportation and Housing Administration	151,416	38,471	189,887	39,631	229,518	178,893	180,600
7.70 Student Transportation	1,123,271	334,848	1,458,119	488,986	1,947,105	1,955,255	1,612,822
7.73 Housing	-	-	-	61,266	61,266	40,000	48,454
Total Function 7	1,274,687	373,319	1,648,006	589,883	2,237,889	2,174,148	1,841,876
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	40,575,886	10,897,287	51,473,173	7,746,676	59,219,849	58,317,916	54,827,438

School District No. 69 (Qualicum)

Schedule 3

Schedule of Special Purpose Operations

Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	6,663,697	6,843,084	6,095,105
Other Revenue	1,450,000	1,702,482	1,449,310
Total Revenue	<u>8,113,697</u>	<u>8,545,566</u>	<u>7,544,415</u>
Expenses			
Instruction	7,778,989	8,222,310	7,232,740
Operations and Maintenance	199,383	199,383	199,383
Transportation and Housing	135,325	123,873	112,292
Total Expense	<u>8,113,697</u>	<u>8,545,566</u>	<u>7,544,415</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. 69 (Qualicum)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2024

	Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community/Link	Classroom Enhancement	
								Fund - Overhead	Fund - Staffing
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	679,104	-	-	13,900	-	-	-
Add: Restricted Grants	199,383	189,129	-	96,000	19,600	139,648	430,461	437,804	4,100,744
Provincial Grants - Ministry of Education and Child Care									
Other									
Less: Allocated to Revenue	199,383	189,129	1,754,824	96,000	19,600	139,648	430,461	437,804	4,100,744
Deferred Revenue, end of year	-	18,364	731,446	-	-	7,756	-	-	-
Revenues	199,383	170,765	1,702,482	96,000	19,600	145,792	430,461	437,804	4,100,744
Provincial Grants - Ministry of Education and Child Care									
Other Revenue	199,383	170,765	1,702,482	96,000	19,600	145,792	430,461	437,804	4,100,744
Expenses									
Salaries									
Teachers					6,359	36,334			3,235,316
Principals and Vice Principals						32,990	42,809	229,513	
Educational Assistants							294,039	115,215	
Support Staff	143,633	134,460	-	-	6,359	69,324	336,848	344,728	3,235,316
Employee Benefits	38,781	36,305			1,717	18,717	71,613	93,076	865,428
Services and Supplies	16,969		1,702,482	96,000	11,524	57,751	22,000		
	199,383	170,765	1,702,482	96,000	19,600	145,792	430,461	437,804	4,100,744
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 69 (Qualicum)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2024

	Feeding Futures Fund	Health Career Grants	TOTAL
	\$	\$	\$
Deferred Revenue, beginning of year	-	-	878,670
Add: Restricted Grants			
Provincial Grants - Ministry of Education and Child Care	519,738	40,000	6,883,666
Other			1,754,824
	519,738	40,000	8,638,490
Less: Allocated to Revenue	487,712	-	8,545,566
Deferred Revenue, end of year	32,026	40,000	971,594
Revenues			
Provincial Grants - Ministry of Education and Child Care	487,712	-	6,843,084
Other Revenue			1,702,482
	487,712	-	8,545,566
Expenses			
Salaries			
Teachers			3,436,200
Principals and Vice Principals	58,956		222,013
Educational Assistants			658,012
Support Staff	120,344		646,834
	179,300	-	4,963,059
Employee Benefits	40,186		1,257,856
Services and Supplies	268,226		2,324,651
	487,712	-	8,545,566
Net Revenue (Expense) before Interfund Transfers	-	-	-
Interfund Transfers			
	-	-	-
Net Revenue (Expense)	-	-	-

School District No. 69 (Qualicum)

Schedule 4

Schedule of Capital Operations

Year Ended June 30, 2024

	2024 Budget	2024 Actual			2023 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	700,000	1,932,671		1,932,671	1,194,275
Investment Income			8,620	8,620	14,113
Amortization of Deferred Capital Revenue	2,605,016	2,620,603		2,620,603	2,594,166
Total Revenue	3,305,016	4,553,274	8,620	4,561,894	3,802,554
Expenses					
Operations and Maintenance	700,000	1,932,671		1,932,671	1,220,700
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,510,733	2,517,426		2,517,426	2,487,482
Transportation and Housing	432,321	444,632		444,632	457,494
Total Expense	3,643,054	4,894,729	-	4,894,729	4,165,676
Capital Surplus (Deficit) for the year	(338,038)	(341,455)	8,620	(332,835)	(363,122)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	500,000	153,762		153,762	30,586
Total Net Transfers	500,000	153,762	-	153,762	30,586
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		187,997	(187,997)	-	
Tangible Capital Assets WIP Purchased from Local Capital		133,633	(133,633)	-	
Total Other Adjustments to Fund Balances		321,630	(321,630)	-	
Total Capital Surplus (Deficit) for the year	161,962	133,937	(313,010)	(179,073)	(332,536)
Capital Surplus (Deficit), beginning of year		13,869,338	313,010	14,182,348	14,514,884
Capital Surplus (Deficit), end of year		14,003,275	-	14,003,275	14,182,348

School District No. 69 (Qualicum)

Tangible Capital Assets

Year Ended June 30, 2024

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	11,929,778	113,916,433	1,213,812	4,491,426	-	53,420	131,604,869
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,049,059	226,211	353,743		10,419	2,639,432
Operating Fund		32,742	15,506	105,514			153,762
Local Capital				187,997			187,997
Decrease:							
Deemed Disposals							
	-	2,081,801	241,717	647,254	-	10,419	2,981,191
Cost, end of year							
Work in Progress, end of year							
Cost and Work in Progress, end of year							
	11,929,778	115,998,234	1,292,482	4,401,223	-	63,839	133,685,556
		840,251					840,251
	11,929,778	116,838,485	1,292,482	4,401,223	-	63,839	134,525,807
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year							
Decrease:							
Deemed Disposals							
		69,218,208	590,662	2,480,650		26,713	72,316,233
Accumulated Amortization, end of year							
		2,380,385	125,315	444,632		11,726	2,962,058
			163,047	737,457			900,504
			163,047	737,457			900,504
		71,598,593	552,930	2,187,825		38,439	74,377,787
Tangible Capital Assets - Net							
	11,929,778	45,239,892	739,552	2,213,398	-	25,400	60,148,020

School District No. 69 (Qualicum)

Schedule 4B

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2024

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year					-
Changes for the Year					
Increase:					
Deferred Capital Revenue - Other	706,618				706,618
Local Capital	133,633				133,633
	840,251	-	-	-	840,251
Net Changes for the Year	840,251	-	-	-	840,251
Work in Progress, end of year	840,251	-	-	-	840,251

School District No. 69 (Qualicum)

Schedule 4C

Deferred Capital Revenue

Year Ended June 30, 2024

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	40,129,603	2,402,935	21,874	42,554,412
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,639,432			2,639,432
	2,639,432	-	-	2,639,432
Decrease:				
Amortization of Deferred Capital Revenue	2,536,698	76,318	7,587	2,620,603
	2,536,698	76,318	7,587	2,620,603
Net Changes for the Year	102,734	(76,318)	(7,587)	18,829
Deferred Capital Revenue, end of year	40,232,337	2,326,617	14,287	42,573,241
Work in Progress, beginning of year				-
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress			706,618	706,618
	-	-	706,618	706,618
Net Changes for the Year	-	-	706,618	706,618
Work in Progress, end of year	-	-	706,618	706,618
Total Deferred Capital Revenue, end of year	40,232,337	2,326,617	720,905	43,279,859

School District No. 69 (Qualicum)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2024

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	-	15,984		219,429	695,005	930,418
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	4,572,103				761,220	4,572,103
Other				11,563	39,784	761,220
Investment Income	4,572,103	-	-	11,563	801,004	51,347
						5,384,670
Decrease:						
Transferred to DCR - Capital Additions	2,639,432					2,639,432
Transferred to DCR - Work in Progress	1,932,671				706,618	706,618
Purchase of Services and Supplies	4,572,103	-	-	-	706,618	1,932,671
						5,278,721
Net Changes for the Year	-	-	-	11,563	94,386	105,949
Balance, end of year	-	15,984	-	230,992	789,391	1,036,367

**School District
Statement of Financial Information (SOFI)**

School District No. 69 (Qualicum)

Fiscal Year Ended June 30, 2024

SCHEDULE 1 - SCHEDULE OF DEBT

Information on all long term debt is included in the School District Audited Financial Statements.

Prepared as required by *Financial Information Regulation*, Schedule 1, section 4

**School District
Statement of Financial Information (SOFI)**

School District No. 69 (Qualicum)

Fiscal Year Ended June 30, 2024

SCHEDULE 2 - SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

School District No. 69 (Qualicum) has not given any guarantee or indemnity under the Guarantees and Indemnities Regulation.

Prepared as required by *Financial Information Regulation*, Schedule 1, section 5

SCHOOL DISTRICT NO. 69 (QUALICUM)
YEAR ENDED JUNE 30, 2024

SCHEDULE 3 - SCHEDULE OF REMUNERATION AND EXPENSE

ELECTED OFFICIALS

<u>Name</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
AUSTIN, JULIE E	TRUSTEE	20,205.68	-
FLYNN, EVE M.	TRUSTEE	22,368.10	1,438.11
KELLOGG, CAROL	TRUSTEE	18,640.00	1,574.36
KURLAND, BARRY	TRUSTEE	18,640.00	587.64
YOUNG, ELAINE	TRUSTEE	18,938.66	242.26
TOTAL ELECTED OFFICIALS		98,792.44	3,842.37

SCHOOL DISTRICT NO. 69 (QUALICUM)
YEAR ENDED JUNE 30, 2024

SCHEDULE 3 - SCHEDULE OF REMUNERATION AND EXPENSE

DETAILED EMPLOYEES > 75,000

<u>Name</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
ABEL, JARET	TEACHER	108,341.30	88.74
ALDEN, BRIAN DEAN	TEACHER	96,020.09	125.29
AMOS, RONALD	SECRETARY TREASURER	203,237.76	2,812.71
ARMSTRONG, ALLEN GORDON	IT TECHNICIAN	83,762.84	446.03
ARMSTRONG, ASHLEY	TEACHER	77,760.45	329.22
AVIS, MICHAEL	TEACHER	109,233.34	267.91
AYERS, BYRON M	TEACHER	99,025.08	167.04
BAIER, SHEILA LYNN	TEACHER	107,189.74	-
BARCLAY, SARA LISA	TEACHER	105,884.17	140.12
BARTLE, MARIE AGNES-MARI	TEACHER	98,632.33	727.19
BARTON, RYNE SHAWN	TEACHER	90,210.57	-
BASTARACHE, KIMBERLY	TEACHER	108,084.02	-
BAUDER, AYNLEE ELIZABETH	TEACHER	104,615.76	270.02
BAUGH, DAVID NORMAN	TEACHER	88,085.71	546.42
BEAM, SCOTT	BLT MANAGER	94,267.46	855.00
BEASLEY, MICHELLE JO	TEACHER	99,526.26	-
BEAULIEU, MARC	TEACHER	94,910.41	261.01
BENERE, MEAGHAN REBECCA	TEACHER	78,787.82	252.38
BERNSTEIN, SHAYLAH FRANCES	TEACHER	76,536.20	-
BEVILACQUA, BARRY	TEACHER	107,491.90	540.60
BIDDLECOMBE, JOANNA CHRISLYN	TEACHER	99,271.28	744.68
BOQUIST, TRIONA A	TEACHER	84,314.63	42.63
BORTOLOTTI, ROBERT PAUL	TEACHER	84,641.32	-
BOUDROT, SARA L	TEACHER	99,024.76	-
BRITZ, DARYL	TEACHER	105,884.12	-
BROWN, JILL	TEACHER	97,507.24	2,160.19
BROWN, MICHAEL	PAINTER/GLAZIER	90,339.23	17.00
BROWN, SHERRIE LYNNE MARI	ADMIN ASSISTANT DISTRICT	79,772.10	1,614.55
BROWN-DANOIT, PAULINE WINNIFRED	TEACHER	108,482.00	161.11
BURKE, TAMMI MICHELLE	TEACHER	91,606.78	61.21
BURN, ROSALYN K	TEACHER	75,959.10	-
CALEB, ALVIN	CUSTODIAL FOREPERSON	85,299.67	-
CAMPBELL, DOUGLAS B	TEACHER	108,482.01	137.67
CAMPBELL, KAREN LEAH	TEACHER	86,673.15	-
CARMICHAEL, DARIN J.	TEACHER	114,930.04	1,112.69
CATHRINE, PATRICIA	PRINCIPAL	156,046.64	-
CHANDRA, LYDIA ROHINI	TEACHER	92,664.95	-
CHARNOCK, GAYNOR	VICE PRINCIPAL	133,576.36	464.43
COBURN, ANGELA	TEACHER	90,667.23	-
COCHLIN, KIMIE	TEACHER	84,819.11	842.73
COMER, DEBORAH ANNE	TEACHER	106,021.90	868.03
CONFORTIN, SHANNON	TEACHER	108,482.03	1,493.12
CONN, JEREMY	TEACHER	105,832.67	-
CRAVEN, DAN	TEACHER	108,480.55	-
CUPPLES, DAVID	HEAVY DUTY MECHANIC	84,797.96	503.09
CUTLER, MELISSA DAWN	TEACHER	79,219.93	484.79
DANIEL, JOY CASTRO	TEACHER	75,669.48	185.79
DAVIDSEN, BRADLEY ROBERT	TEACHER	108,482.28	-
DAVIDSON, ANGELA ZOE	TEACHER	98,632.64	-
DEERING, HEATHER	VICE PRINCIPAL	140,460.58	296.05
DIEWOLD, JEANNETTE NAOMI	TEACHER	108,341.30	628.50
DODD, GORDON A	TEACHER	108,481.85	-
DODDS, LARA MARIE	TEACHER	76,327.59	-

SCHOOL DISTRICT NO. 69 (QUALICUM)
YEAR ENDED JUNE 30, 2024

SCHEDULE 3 - SCHEDULE OF REMUNERATION AND EXPENSE

DETAILED EMPLOYEES > 75,000

<u>Name</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
DONKERS, MARK GREGORY	TEACHER	108,685.05	135.72
DORSAY, STEPHEN ALFRED	TEACHER	110,889.67	-
DRAGANI, ERICA	TEACHER	104,716.49	147.31
DYKSTRA, KYLE	TEACHER	91,141.02	681.57
ELVES, JORDAN MARGARET	TEACHER	88,146.22	50.98
FAA, KERRI	TEACHER	108,145.02	-
FENTON, JASON D	TEACHER	108,481.97	1,446.08
FERNANDEZ, LINDA TAMARA	TEACHER	108,481.82	56.54
FLEMING, BRENDA A	SIS SUPPORT ANALYST	79,218.62	909.73
FLETCHER, CARMEN	TEACHER	105,884.16	-
FLETCHER, KAREN JEANNE	TEACHER	105,884.19	-
FLYNN, DALLAS DIANA	TEACHER	99,519.53	120.73
FRIESEN, REUBEN	TEACHER	100,402.57	-
FRIESEN, YAKOV	TEACHER	109,091.87	646.83
FUHRMANN, JENNIFER RUTH	PRINCIPAL	144,128.89	3,330.58
FURNESS, VANESSA ANNE	TEACHER	76,166.55	-
GARDNER, TANYA RHEON	TEACHER	99,024.87	-
GAUVIN, CHRISTOPHER	TEACHER	106,021.69	3,495.41
GONZALEZ, MARIA ELVIRA	TEACHER	99,024.85	1,466.45
GORDON, BRAYDEN KENT	PRINCIPAL	147,050.48	906.53
GRAINGER, AMY RAE	TEACHER	106,424.11	220.69
GREGORY, SHAWN DANIEL	PLUMBER/GASFITTER	89,697.02	1,101.40
GUNN, TANDY	DISTRICT PRINCIPAL	160,435.20	2,325.46
GUY, STEVEN	PLUMBER/GASFITTER	84,250.08	738.60
HAGARTY, MARJORIE A	TEACHER	78,383.66	-
HAUEN, IAN DAVID	TEACHER	76,815.76	105.14
HAY, JOHN PAUL	SOCIAL WORKER	91,601.13	2,433.46
HEINRICHS, NORBERTA	TEACHER	110,489.91	315.51
HENDRICKS, PAISLEY KATHRYN	VICE PRINCIPAL	104,440.36	3,387.61
HERGT, KARIN	EXECUTIVE ASSISTANT	86,374.36	537.40
HICKEY, JESSICA MICHELLE	TEACHER	89,405.18	132.24
HOLDER, TERESA LORRAINE	TEACHER	99,028.66	60.83
HOLMAN, MINDY MARIE	TEACHER	107,785.86	-
HOWELL, CRYSTAL-ANNE KATHARINE	TEACHER	89,037.92	-
HUNG, RYAN	ASST SECRETARY TREASURER	131,385.79	3,227.42
HUNT, CLETIS	GROUNDSKEEPER	79,324.24	253.20
ISENOR, KRISTOFOR MILES	TEACHER	108,482.04	344.07
ISENOR, SHANNON MARY	TEACHER	99,024.88	-
JANSSEN, DEIRDRE	TEACHER	108,103.73	154.14
JEDLIK, MARTIN	TEACHER	109,562.98	644.23
JEFFERY, JONI ANN	TEACHER	89,431.37	-
JOHNSEN, CORBY DAVID	TEACHER	107,586.66	-
JORY, PETER	SUPERINTENDENT	240,850.00	2,605.49
KALBFLEISCH, CHRISTOPHER PAUL	TEACHER	77,760.42	-
KATCHUR, KAREN	TEACHER	108,089.50	-
KATZ, SHANNON LEAH	TEACHER	87,178.73	44.63
KAZEIL, AMY	SPEECH LANGUAGE PATHOLOGIST	77,224.77	950.00
KELLAS, BRENT J	TEACHER	106,513.14	1,020.25
KENNEDY, DEIRDRE AISLING	TEACHER	105,884.16	-
KENNY, MICHAEL	TEACHER	108,482.44	289.85
KINNEY, DENISE MARIE	HR ASSISTANT	94,446.99	2,502.05
KLAASSEN, SUSAN	TEACHER	77,933.18	68.24
KORTAS, HELENA M	TEACHER	98,896.12	-

SCHOOL DISTRICT NO. 69 (QUALICUM)
YEAR ENDED JUNE 30, 2024

SCHEDULE 3 - SCHEDULE OF REMUNERATION AND EXPENSE

DETAILED EMPLOYEES > 75,000

<u>Name</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
KUPFERSCHMIDT, CHLOE VICTORIA	TEACHER	81,082.07	-
L'HIRONDELLE, REBECCA	TEACHER	89,229.43	337.59
LACOUVEE, LESLEY ELLEN	PRINCIPAL	152,276.48	4,814.64
LANGENMAIER, KONRAD TORU	TEACHER	88,455.71	238.44
LANGENMAIER, VICTORIA ANNE	TEACHER	77,891.19	41.08
LAPPER, JAYNE	TEACHER	108,482.63	-
LARKIN-BOYLE, LAURIE	TEACHER	85,740.00	-
LAUER, CANDICE NICOLE	TEACHER	98,896.16	-
LAVOIE, ALLISON DAPHNE	TEACHER	108,482.48	-
LAWRENCE, KAREN	TEACHER	99,826.48	15.72
LEE, ANDREW JOHNATHON	VICE PRINCIPAL	128,297.76	4,213.75
LEE, JORDAN D	TEACHER	77,769.04	3,400.40
LEGGETT, BENJAMIN DAVID	TEACHER	87,538.80	56.07
LEWIS, GREG	TEACHER	110,004.86	470.04
LEYENAAR, ALANNAH	TEACHER	89,996.49	-
LIBBY, MARTIN	TEACHER	97,495.70	-
LING, MING-TAO	IT TECHNICIAN	80,817.54	4,254.00
LITTLE, JOCELYN	TEACHER	96,871.01	484.79
LOCHHEAD, RHONDA	TEACHER	104,329.08	312.24
LUKIANCHUK, PAUL	TEACHER	108,482.45	424.97
LUNNY, JENNIFER A	VICE PRINCIPAL	138,961.84	-
MACMILLAN, ELISABETH JOHNSTON	TEACHER	105,884.18	-
MACVICAR, DAVE EDWARD	TEACHER	79,315.95	-
MARREN, KATHLEEN ANNE	DISTRICT PRINCIPAL	132,808.49	4,157.21
MARSHALL, KAYA	TEACHER	84,817.77	908.91
MARSHALL, LORI	PRINCIPAL	160,435.20	-
MAURY, MICHAEL J.	CARPENTER	88,630.43	521.25
MCCALLUM, LESLIE	TEACHER	108,481.94	70.17
MCCLINTON, TARA LYNN	TEACHER	85,833.39	-
MCDONALD, ROBERT SAUNDERS	TEACHER	84,138.81	-
MCGUIRE, KATELYN MARION	TEACHER	83,265.04	-
MCINNES, MARK GILBERT	VICE PRINCIPAL	133,804.88	-
MCKEE, KEVIN	DISTRICT PRINCIPAL	156,035.70	7,160.89
MCKEE, SHERRI IRENE	TEACHER	182,016.90	-
MCKINNON-SANDERSON, CORLEEN CRYSTAL	PRINCIPAL	144,081.84	239.79
MCLATCHIE, WILLIAM	TEACHER	84,166.50	-
MCLEAY, DEVON	TEACHER	92,784.99	-
MCLEOD-SHANNON, ROSIE	DISTRICT PRINCIPAL	117,091.33	-
McMILLEN, KEVIN	TEACHER	99,024.70	-
MCNABB, MARY	TEACHER	99,024.91	-
MEIER, JOLIN PAGE	TEACHER	108,103.95	1,222.06
MIHOC, MARIA	TEACHER	99,024.73	81.98
MILLER, JESSICA ANN	TEACHER	91,168.03	-
MILLER, TARA LUELLE	TEACHER	98,986.22	484.79
MITCHELL, LINDSAY RAE	TEACHER	84,760.41	-
MITCHNER, BRAELENE ASHLEY	TEACHER	76,001.16	-
MOHR, KAYLA JEAN	TEACHER	89,845.06	454.24
MORRISON, MARY ANN	TEACHER	98,434.70	-
MORRISON, SHEILA	DISTRICT PRINCIPAL	154,326.99	45.95
MOSTAD, KAREN	TEACHER	108,482.22	338.74
MOUSSEAU, DENNIS	TEACHER	105,198.83	-
MUIRHEAD, GREGORY JAMES	TEACHER	115,267.28	1,868.86
MUNRO, PHILLIP RAYMOND	DIRECTOR OF OPERATIONS	155,226.44	-

SCHOOL DISTRICT NO. 69 (QUALICUM)
YEAR ENDED JUNE 30, 2024

SCHEDULE 3 - SCHEDULE OF REMUNERATION AND EXPENSE

DETAILED EMPLOYEES > 75,000

<u>Name</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
MURRAY, IAIN STUART	TEACHER	77,888.70	-
NAILOR, GRAEME	TEACHER	108,481.13	-
NDIAYE, DJIMITH	TEACHER	99,024.81	-
NEUFELD, CYNTHIA	VICE PRINCIPAL	133,576.10	26.95
NEUMEYER, ERIC SCOTT	TEACHER	106,522.56	-
NICHOLS, JENNIFER LYNN	VICE PRINCIPAL	129,687.25	3,459.03
NIKIRK, LAUREN E.	VICE PRINCIPAL	126,419.33	-
NIKULA, BRIAN	TEACHER	108,481.90	171.23
NIKULA, JESSICA	TEACHER	108,481.95	754.77
NORMAN, LAURA DOROTHY	TEACHER	78,920.78	155.73
NOWAK, TOBIAS	TEACHER	105,884.16	-
PARADISE JOHNSON, DAYNA MICHELLE	TEACHER	86,141.64	331.65
PATTERSON, ROSEMARY IRENE	SCHOOL PSYCHOLOGIST	86,673.04	757.53
PAUL, BRENDA-LEE	DIRECTOR OF HR	177,409.93	2,646.79
PEARSON, JENNY-ROSE LOUISE	TEACHER	83,554.33	-
PELLETIER, MONIQUE	TEACHER	98,896.21	-
PEPPER, DEANNA	TEACHER	99,024.75	-
PEPPER, ROSS WILLIAM	DISTRICT PRINCIPAL	156,355.84	11,198.51
PETLEY-JONES, ALEXANDRA	TEACHER	92,019.87	102.78
PHILIP, CARRIE	TEACHER	96,338.34	401.09
PHILLIPS, ANNA	HEALTH AND WELLNESS COORDINATOR	90,360.26	97.08
PICKARD, JENNIFER	TEACHER	108,341.33	1,661.85
PIKE, ADAM	TEACHER	86,704.55	-
POTYKA, GILLIAN	TEACHER	98,620.25	83.31
POWELSON, BRIAN DONALD	HEAVY DUTY MECHANIC	90,738.99	54.00
PRAD, AMBER LOUISE	TEACHER	107,688.41	799.95
PRESTON, SOPHIE	TEACHER	109,734.45	319.91
PRICE, ELIZABETH	TEACHER	108,481.94	-
PROCTOR, JANIS MARIE	TEACHER	108,481.96	1,865.89
PROVENCHER, JEAN-FRANCOIS	TEACHER	108,482.45	-
PRUNKL, BRANT	MANAGER OF OPERATIONS	120,586.89	3,961.48
QUANT, CARRIE DEANNA	TEACHER	78,091.45	-
QUINN, GARRETT MICHAEL	TEACHER	79,999.57	-
QUINN, HEATHER MARIE	TEACHER	88,124.66	688.24
RAE, LAURA	TEACHER	85,142.39	-
RASA, LILIAN	TEACHER	106,021.90	8,853.37
RAY, JENNIFER LEE	TEACHER	106,522.63	52.65
REDPATH, DAVID BOYD	TEACHER	94,063.43	-
REDPATH, KRISTIN RACHEL	TEACHER	83,593.84	-
REID, JAMES KYLE	ELECTRICIAN	90,807.88	535.55
RICHARDS, JANET MARY	TEACHER	86,785.73	93.29
RIDYARD, KATE PENELOPE	TEACHER	105,628.28	-
ROBSON, MALLORY JANE	TEACHER	79,565.16	-
ROGERS, GREG	TEACHER	99,024.62	-
ROSCOE, TARA CATHERINE	TEACHER	106,021.57	557.62
ROWAN, LESLEY	DISTRICT PRINCIPAL	152,030.71	1,124.13
RUFFELL, JOHN RICHARD PR	TEACHER	96,532.32	46.49
RUPA, SIMIN	TEACHER	79,980.70	615.89
RYCROFT, EWEN	ELECTRICIAN	89,870.87	441.90
SAVAGE, CARL	TEACHER	99,025.01	-
SAVAGE, GARY EDWARD	TEACHER	108,482.52	-
SCORER, GAVIN	TEACHER	107,129.31	1,595.15
SCOTT, DARRELL	HEAVY DUTY MECHANIC	84,313.23	405.61

SCHOOL DISTRICT NO. 69 (QUALICUM)
YEAR ENDED JUNE 30, 2024

SCHEDULE 3 - SCHEDULE OF REMUNERATION AND EXPENSE

DETAILED EMPLOYEES > 75,000

<u>Name</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
SEIDEL, EDWARD	TEACHER	108,341.42	927.97
SHERLOCK, TINA	TEACHER	96,736.01	797.03
SIEMENS, JOSHUA JAMES	TEACHER	78,713.75	149.44
SINGH, MANISHA HARINDER	TEACHER	80,654.54	399.22
SLOCOMBE, THOMAS	CARPENTER	83,728.11	-
SMITH, ANDREA	TEACHER	86,709.01	-
SMITH, JESSA BJORNSON	TEACHER	92,268.36	115.50
SMITH, TABITHA LYN	TEACHER	93,386.05	50.81
SNYDER, DARREN JOSEPH	TEACHER	97,876.00	-
SOLLORS, FRANCES ELAINE	TEACHER	87,966.82	5,162.54
SOMMERFELD, KATIE EVA	TEACHER	110,391.32	106.27
SOUCHUCK, MICHEAL	MANAGER OF OPERATIONS	108,884.94	4,095.05
SPENCE, JESSYLEE	TEACHER	76,718.88	684.00
SPENCER, KYLE	PLUMBER/GASFITTER	84,363.48	913.85
SPENCER-DAHL, DENISE C	TEACHER	108,341.35	5,870.18
SPRAY, BRYAN	TEACHER	108,482.22	-
STECY, STEVEN	ELECTRICIAN	86,382.11	550.00
STEFANEK, RUTH	TEACHER	108,482.42	4,723.94
STEFUUK, ADAM MURRAY	TEACHER	108,481.85	94.22
STEPHENS, AMANDA LYNNE	TEACHER	76,386.58	-
STODDART, NATHAN	TEACHER	97,370.08	8,465.53
SWANSON, JUSTINE	TEACHER	91,518.78	-
SWITZER, DARCY DAVID	TEACHER	108,191.83	306.84
SZOPA, ELIZABETH	TEACHER	103,273.24	-
TANNER, AMBER C	TEACHER	106,522.67	71.90
TAYLOR, AUTUMN	DISTRICT PRINCIPAL	160,435.23	467.17
TAYLOR, EKATERINE	TEACHER	108,481.96	-
TAYLOR, JOSEPH BLAKE	TEACHER	99,024.37	1,885.34
TAYLOR, LYNSEY LOUISE	TEACHER	97,746.21	-
TERPSTRA, RUDOLPH	DIRECTOR OF INSTRUCTION	170,205.11	2,187.19
TERPSTRA, SHELLEY LOUISE	TEACHER	79,220.04	-
THOMPSON, TRAVIS	CARPENTER	84,468.79	230.99
TICKELL, JESSICA LYNN	TEACHER	96,020.54	727.19
TICKELL, KATIE LYNNE	TEACHER	90,921.64	-
TOMIYAMA, KAZUO	TEACHER	108,482.03	-
TREVOR-SMITH, TANNIS SHANNON	TEACHER	108,408.91	-
TULLI, ELISA MAE	TEACHER	87,539.82	700.45
TURKINGTON, CAROLYN	TEACHER	108,477.16	-
VANDALFSEN, LISA MARIE	VICE PRINCIPAL	129,998.30	3,255.70
VIRGIN, JESSICA	TEACHER	94,890.07	128.00
WALSH, KURTIS ALEXANDRE	TEACHER	85,915.64	477.36
WANG, LING	IT TECHNICIAN	109,042.86	99.18
WEISS, REBECCA ELIZABETH	TEACHER	81,696.28	39.14
WENGER, BRETT	IT TECHNICIAN	81,577.86	2,014.27
WHITEHEAD, MICHELLE JEAN	TEACHER	98,126.13	562.01
WHITESIDE, DEANNA B	TEACHER	106,022.22	-
WHYNACHT, JULIE RACHELLE	TEACHER	106,488.53	-
WIDING, ANDREA HARMONY	TEACHER	106,522.61	-
WILLERS, BONNIE	TEACHER	99,025.57	-
WILLIAMS, ANDREA LYNN	TEACHER	96,527.74	-
WILLIAMS, JOHN	PRINCIPAL	152,276.49	-
WILLIAMS, KATHRYN	TEACHER	89,939.96	-
WILLIAMS, NICHOLA	TEACHER	98,828.16	-

SCHOOL DISTRICT NO. 69 (QUALICUM)
YEAR ENDED JUNE 30, 2024

SCHEDULE 3 - SCHEDULE OF REMUNERATION AND EXPENSE

DETAILED EMPLOYEES > 75,000

<u>Name</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
WILSON, GILLIAN DENISE	ASST SUPERINTENDENT	200,975.97	806.63
WILSON, KIMBERLEY	TEACHER	75,116.63	137.50
WILSON, REID DAVID	TEACHER	108,285.71	-
WILSON, TAYLOR SKYE	TEACHER	83,335.10	194.15
WITTE, JESSE	PRINCIPAL	154,476.57	-
WOIDEN, KIMBERLEY DAWN	TEACHER	81,127.93	-
WOLFE, TARA MEAGAN	TEACHER	84,641.22	70.03
WONG, FLORENCE BIK-YEE	VICE PRINCIPAL	129,726.49	166.36
WOODS, MATTHEW	TEACHER	108,341.30	-
WORTHEN, BRIAN D	PRINCIPAL	83,652.33	-
WORTHEN, KATI	TEACHER	108,341.35	1,087.25
WRIGHT, PAUL MATTHEW	TEACHER	97,243.08	25.00
WRIGHT, PAUL RICHARD	TEACHER	96,626.13	-
WYNNE, JULIA CLAIRE	SPEECH LANGUAGE PATHOLOGIST	77,410.74	1,613.94
YOUNG, AMANDA DEE	TEACHER	112,585.52	251.00
ZALINKO, LARA JEAN	TEACHER	108,341.39	651.21
TOTAL DETAILED EMPLOYEES > 75,000		28,860,099.13	188,243.65
TOTAL EMPLOYEES <= 75,000.00		18,458,382.45	183,876.42
TOTAL EMPLOYEES OTHER THAN ELECTED OFFICIALS		47,318,481.58	372,120.07
CONSOLIDATED TOTAL		47,417,274.02	375,962.44
CONSOLIDATED TOTAL, REMUNERATION PAID		47,793,236.46	
TOTAL EMPLOYER PREMIUM FOR CPP/EI			2,870,168.49

**School District
Statement of Financial Information (SOFI)**

School District No. 69 (Qualicum)

Fiscal Year Ended June 30, 2024

SCHEDULE 4 - STATEMENT OF SEVERANCE AGREEMENTS

There were no severance agreements made between School District No. 69 (Qualicum) and its non-unionized employees during fiscal year 2023-24.

Prepared as required by *Financial Information Regulation*, Schedule 1, subsection 6(7)

SCHOOL DISTRICT NO. 69 (QUALICUM)
YEAR ENDED JUNE 30, 2024

SCHEDULE 5 - SCHEDULE OF PAYMENTS FOR GOODS AND SERVICES

DETAILED VENDORS > 25,000.00 :

<u>Vendor Name</u>	<u>Expense</u>
1169161 BC LTD	38,357.31
AINSWORTH INC.	197,219.57
ANDREW SHERET LIMITED	65,721.55
ARI FINANCIAL SERVICES T46163	74,368.02
B.C. HYDRO & POWER AUTHORITY	418,113.25
B.C.T.F.	418,398.94
BCSTA	45,750.67
BIRKLEARNS EDUCATIONAL CONSULT	44,100.00
BOULDER EXCAVATING LTD.	45,395.04
BRADLEY SHUYA ARCHITECT INC.	97,698.63
BRANCHING OUT URBAN FORESTRY	28,094.86
BUNZL CLEANING & HYGIENE	152,507.52
CALIBER SPORT SYSTEMS	288,183.00
CHINOOK SCAFFOLD SYSTEMS LTD	42,113.72
CITY OF PARKSVILLE	126,023.13
COHO COMMUNICATIONS LTD.	32,564.94
D.B.L. DISPOSAL SERVICE LTD	33,117.77
DELL CANADA INC	221,193.89
DOUBLETHINK INC.	26,592.30
E.B. HORSMAN & SON	92,541.76
FIRST TRUCK CENTRE, INC.	374,711.67
FOOTPRINTS SECURITY PATROL INC	28,252.80
FORTISBC	305,721.77
FREDHEIM, JANNIS OR FREDHEIM,	27,550.00
GFL ENVIRONMENTAL SERVICES INC	38,490.90
GRAND & TOY LIMITED	52,498.70
HARRIS & COMPANY	28,254.40
HARRIS VICTORIA CHRYSLER DODGE	50,902.40
HEATHERBRAE BUILDERS CO. LTD.	47,180.45
HEROLD ENGINEERING LTD	26,173.88
HOUSTON SIGN 90 LTD.	28,472.50
IBM CANADA LTD.	188,989.94
ISLAND COMMUNICATIONS LTD.	33,389.91
ISLAND ENVIRONMENTAL HEALTH &	29,071.10
JONATHAN MORGAN & COMPANY LIMITED	55,308.28

SCHOOL DISTRICT NO. 69 (QUALICUM)
YEAR ENDED JUNE 30, 2024

SCHEDULE 5 - SCHEDULE OF PAYMENTS FOR GOODS AND SERVICES

DETAILED VENDORS > 25,000.00 :

<u>Vendor Name</u>	<u>Expense</u>
KEV SOFTWARE INC.	36,275.55
KLASSEN WOOD COMPANY LTD	57,656.03
KNIGHTWAY MODULAR TRANSPORTATION	31,500.00
KOERS & ASSOCIATES ENGINEERING	124,495.05
LASQUETI PROPANE INC.	34,841.46
LEIGHTON CONTRACTING (2009) LTD	601,695.91
LEWKOWICH ENGINEERING ASSOCIATES	70,569.92
LORDCO AUTO PARTS LTD	39,677.75
M.A.T.A.	62,160.00
MACK SALES & SERVICE OF NANAIMO	25,136.94
MADILL - THE OFFICE COMPANY	60,861.43
MARY K. STEWART	83,946.58
MAZZEI ELECTRIC LTD.	210,024.37
MID ISLAND CONSUMER SERV. CO-OP	420,700.95
MIGUEL PENNA-CEREZO	28,405.00
MINISTER OF FINANCE	101,938.12
MINISTER OF FINANCE - EHT	888,198.28
MODERN PURAIR NANAIMO	110,218.73
MOUNT BENSON MECHANICAL (1991)	157,356.70
MPS	27,168.75
MUNICIPAL PENSION PLAN	1,214,312.95
NANAIMO TRAILERS LTD	28,705.60
OCEAN SURF MOTORS	112,319.20
OCEANSIDE BUILDING LEARNING	137,936.00
PACIFIC BLUE CROSS	1,359,541.49
PCG CANADA ULC	27,161.75
POWERSCHOOL CANADA ULC	93,701.85
PRAIRIECOAST EQUIPMENT	112,020.68
PRO PACIFIC HAZMAT LTD.	41,579.56
PUBLIC EDUCATION BENEFITS TRUST	860,085.02
QDPVPA	53,477.02
REGIONAL DISTRICT OF NANAIMO	28,483.88
RICOH CANADA INC.	62,697.82
RIDGELINE MECHANICAL LTD.	35,000.96
ROYAL BANK OF CANADA	34,678.26

SCHOOL DISTRICT NO. 69 (QUALICUM)
YEAR ENDED JUNE 30, 2024

SCHEDULE 5 - SCHEDULE OF PAYMENTS FOR GOODS AND SERVICES

DETAILED VENDORS > 25,000.00 :

<u>Vendor Name</u>	<u>Expense</u>
SECURCO SERVICES INC	27,899.14
SISSONS, MICHAEL OR KUR-SISSON	25,750.00
SMCN CONSULTING INC.	32,413.50
SOFTCHOICE LP	56,936.53
STEEL, NICOLE OR CRISPIN	26,632.00
STEPIN GMBH	25,015.00
SUMMIT MECHANICAL SYSTEMS LTD.	610,088.84
SUNBELT RENTALS OF CANADA INC	47,317.53
SWING TIME DISTRIBUTORS	119,336.07
TEACHERS' PENSION PLAN	3,510,065.86
TELUS HEALTH (CANADA) LTD.	56,595.23
TELUS MOBILITY CELLULAR INC.	36,612.93
THE FLAG SHOP - VICTORIA	26,893.62
TLD COMPUTERS	33,708.75
TOWN OF QUALICUM BEACH	41,455.10
TRAVEL HEALTHCARE INSURANCE SOLUTIONS	66,101.50
TRI-METAL FABRICATORS	130,801.50
TROY LIFE & FIRE SAFETY LTD.	41,442.33
TYLER TECHNOLOGIES, INC.	38,327.74
UNIGLOBE SPECIALTY TRAVEL LTD.	31,223.00
UNITED FLOORS	81,339.25
VANCOUVER ISLAND UNIVERSITY	144,304.00
VICTORIA PLAYCO INSTALLATIONS	46,750.73
VIRGINIA WORCESTER	103,083.52
WASTE CONNECTIONS OF CANADA	32,870.61
WOLSELEY CANADA INC.	59,646.47
WORKSAFEBC	800,337.19
WTC	700,450.46
X10 NETWORKS	31,017.53
	<hr/>
TOTAL DETAILED VENDORS > 25,000.00	18,161,970.06
TOTAL VENDORS <= 25,000.00	<hr/> \$4,758,643.33
TOTAL PAYMENTS FOR THE GOODS AND SERVICES	<hr/> 22,920,613.39

SCHOOL DISTRICT NO. 69 (QUALICUM)
YEAR ENDED JUNE 30, 2024

COMPARISON OF SCHEDULED PAYMENTS TO AUDITED FINANCIAL STATEMENT EXPENDITURES
SCHEDULE 6

SCHEDULED PAYMENTS

Schedule of Remuneration and Expenses		
Remuneration	\$ 47,417,274	
Employee Expenses	375,962	
Employer Portion of EI and Canada Pension Plan	<u>2,870,168</u>	
Total Schedule of Remuneration and Expenses	\$ 50,663,405	
Schedule of Payments for Goods and Services	<u>22,920,613</u>	
CONSOLIDATED TOTAL OF SCHEDULED PAYMENTS		<u>\$ 73,584,018</u>

FINANCIAL STATEMENT EXPENDITURES

Operating Fund Expenditures	\$ 59,219,849	
Trust Fund Expenditures	8,545,566	
Capital Fund Expenditures	4,894,729	
CONSOLIDATED TOTAL OF FINANCIAL STATEMENT EXPENDITURES		<u>\$ 72,660,144</u>
DIFFERENCE BETWEEN SCHEDULED PAYMENTS AND FINANCIAL STATEMENT EXPENDITURES		<u>923,874</u>

EXPLANATION OF DIFFERENCE

The schedule of payments for the provision of goods and services differs from the financial statements in the following ways:

- 100% of GST paid to suppliers is included, whereas the financial statement expenditures are net of the GST rebate
- Third party recoveries of expenses from PAC and school fundraising activities may not all be adjusted for in the schedules
- Employee benefits may be duplicated in the schedule of payments where also reported in employee remuneration
- Travel expenses that are paid directly to suppliers may be duplicated in employee expenses
- Other miscellaneous cost recoveries that may not have been deducted from the scheduled payments

The financial statements are reported on an accrual basis, and include payroll liabilities that are not reflected in the schedule of remuneration and expenses, and accounts payable balances that are not reflected in the schedule of payment for the provision of goods and services. Changes in liability balances from year to year affect the financial statement expenditures but not the scheduled payments which are reported on a cash basis.

2025-2026 Budget Process Schedule

January/February			Senior Staff Compile Enrolment Projections & Staffing Needs
			Budget Survey Circulated
Tuesday, February 4, 2025	Monthly Administrators Meeting	Time: 1:30 pm	
Location:	Qualicum Commons		
Purpose:	To review Year to Date for 2024-2025, provide a general overview to 2025-2026 including projections and general staffing levels, discuss budget meeting schedule, discuss obligations and restraints, and identify two PVP to attend February 13 Budget Discussion with Stakeholders		
Compile List of Priorities/Options/Staffing Needs Due to Projections			
Tuesday, February 11, 2025	Trustees/Senior Staff Budget Working Session	Time: 2:00 to 4:00 pm	
Location:	Qualicum Commons		
Purpose:	Budget goal-setting exercise		
Thursday, February 13, 2025	Budget Discussion - Trustees/District and School Administration meet with MATA/CUPE/DPAC Representatives	Time: 1:00 to 3:00 pm	
Location:	TEAMS Video-Conferencing		
Purpose:	To review Year to Date for 2024-2025, provide a general overview to 2025-2026 which will include projections, staffing levels, obligations and restraints and will also allow for stakeholder input. Members of the public are welcome to attend and provide comments/ask questions at the end of the meeting.		
Thursday, February 13, 2025	Staff/Public Budget Information Sessions with Trustees and Senior Staff	Time 6:00 p.m.	
Location:	TEAMS Video-Conferencing		
Purpose:	Following the input received from the stakeholders meeting earlier in the day, attendees will receive the same overview and have an opportunity to provide the Board with input as to District budget priorities for 2025-2026.		
Tuesday, February 25, 2025	Regular Board Meeting	Time: 6:00 pm	
Location:	TEAMS Video-Conferencing		
March 4/2025	Departments Submit Draft Budgets to Secretary-Treasurer		
March 11/2025	Regular Board Meeting	Time: 6:00 pm	
Location:	TEAMS Video-Conferencing		
March 12, 2025	Funding Announcement (TBC)		
March 17 to March 28, 2025	Spring Break Period		
Tuesday, April 1, 2025	Monthly Administrators Meeting	Time: 1:30 pm	
Location:	Qualicum Commons		
Purpose:	All administrative staff to review revised funding and priority list		
Tuesday, April 8, 2025	Trustees/District and School Administration meet with MATA/CUPE/DPAC Representatives	Time: 1:00 to 3:00 pm	
Location	TEAMS Video-Conferencing		
Purpose:	To review draft budgets in comparison to preliminary revenues. Members of the public are welcome to attend and provide comments/ask questions at the end of the meeting.		
Additional Board/Senior Staff Budget Discussions as Required			
Tuesday, April 15, 2025	Location: Special Public Budget Meeting	Time: 6:00 pm	
Location:	TEAMS Video-Conferencing		
Purpose:	To review draft budget		
April 18 to 21, 2025	Easter Weekend		
Tuesday, April 22, 2025	Regular Board Meeting	Time: 6:00 pm	
Location:	TEAMS Video-Conferencing		
Tuesday, May 27, 2025	Regular Board Meeting	Time: 6:00 pm	
Location:	TEAMS Video-Conferencing		
Purpose:	To adopt the 2025-2026 Preliminary Annual Operating Budget		

MAKING PROGRESS TOWARD Sustainable Schools

NEXT STEPS

Recommendations on capital funding and planning:

- *school life-cycle & deferred maintenance*
- *climate change*
- *student population growth*
- *school area standards*

BCSTA 2023/24 CAPITAL WORKING GROUP | MAY 2024

A shared vision

"As president of the British Columbia School Trustees Association, I am pleased to endorse the Capital Working Group's recommendations. This report aligns with our focus on the need for infrastructure investments and effective, healthy learning environments in schools across B.C. We believe these recommendations have the potential to significantly and positively impact the quality of education and the well-being of our students and staff. BCSTA's board of directors fully supports these recommendations and looks forward to advocating for their implementation."

**Carolyn Broady, President,
BC School Trustees Association (BCSTA)**

"The work that the BCSTA Capital Working Group has done to create this comprehensive report is exemplary. Of particular interest is the work that the group did to ensure the conversation about school district assets include the impact of climate change and the mitigation actions necessary to protect those assets as much as possible. The BCSTA Climate Action Working Group believes a multi-faceted approach to the challenges presented by climate change must include increased capital funding to reduce emissions and create adaptive strategies. Aligning our work will greatly benefit both group's objectives and we look forward to working together on potential initiatives arising from the report."

**Catherine Zaitsoff (Kootenay-Columbia),
BCSTA Climate Action Working Group Chair**

"The Rural and Remote Network appreciated the opportunity to preview the Capital Working Group's draft report. The Network was able to both identify and confirm the challenges rural and remote districts face."

**Helen Gilbert (Peace River North),
BCSTA Rural and Remote Network Chair**

"This report is a thorough and well-researched analysis regarding the five broad categories and provides a comprehensive overview of the issues and offers measured recommendations to address them. The report is an important resource for understanding the challenges facing schools in the province and for developing effective strategies to address them. The BCSSA supports the recommendations"

**Rohan Arul-pragasam, President,
BC School Superintendents Association**

"This report a thorough document that provides valuable insights into capital planning and funding for schools in British Columbia. The report covers a wide range of relevant topics, including life-cycle maintenance funding, climate change, student population growth, school area standards, and more. The recommendations provided in the report are thoughtful and measured and are focused on improving the learning conditions for students in BC's public schools. BCASBO supports the recommendations and looks forward to continuing to help advance the work in these important areas."

**Ray Velestuk, President,
BC Association of School Business Officials**

"Despite an increased level of investment in 2024/25 a significant shortfall in public school capital funding continues to be evident. This shortfall is the result of decades of chronic underfunding. The evidence includes 1741 "temporary" portables currently in use for instruction in the public school system in B.C. and \$9 billion required for deferred maintenance over the next five years."

Mike Murray
Chair, BCSTA Capital Working Group



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APPENDICES

- a. BCSTA Capital Working Group Terms of Reference
- b. The Case For Increased School Life-cycle Funding (2020)
- c. School Site Land Acquisition Issues and Solutions (2020)



Introduction

In the spring of 2023, the British Columbia School Trustees Association (BCSTA) board of directors invited several trustees from member boards of education, as well as representatives of the BC School Superintendent's Association (BCSSA) and the BC Association of School Business Officials (BCASBO), to sit on the 2023/24 Capital Working Group (CWG). The work of the committee is outlined in the terms of reference (appendix A). Essentially, the committee's role is:

- to build on the work of the previous CWG which made several recommendations in 2020 and
- to address resolutions related to capital funding, which have been adopted at BCSTA annual general meetings for the past several years.

In framing the work of the committee, it was felt that a more direct dialogue with government and detailed analysis was needed to support change. The committee met with Ministry of Education and Child Care (MECC) staff to clarify current practice and discuss resolutions having to do with capital funding passed by BCSTA members. The committee's approach has been to define the funding which is currently being provided and compare that to what is actually needed. Recommendations are made on how shortfalls can be addressed and what additional research may be required to define what is needed.

The working group organized BCSTA capital resolutions and the committee's recommendations into five broad categories:

1. **Life-cycle/Deferred Maintenance Funding** (Annual Facility Grants, School Enhancement Program funding, Building Envelope Program funding)
2. **Climate Change** (Carbon Neutral Capital Program funding, greenhouse gas emission reductions, net zero construction, mitigation / adaptation, Bus Acquisition Program funding)
3. **Student Population Growth** (land acquisition, portables, new schools, pre-fabricated construction)
4. **School Area Standards** (related to growth as this applies to both the assessment of capacities in current school facilities and in the design of new facilities and additions)
5. **General** (addressing the process of reviewing capital programs and who should be involved)

Some resolutions the committee reviewed were very specific, having to do with items such as replacing lead water lines and wired safety glass or installing sprinklers. The committee has determined the best approach to address those items is to increase life-cycle funding in general, which would have a positive impact on the way districts are able to address those very specific issues, should it be increased sufficiently.

The 2020 CWG published two papers which contained more detailed recommendations for consideration by the provincial government, which are included in the appendix.

Life-cycle & deferred maintenance funding

There were several recommendations outlined in a paper from the 2020 CWG, [The Case for Increased School Life-cycle Funding](#) (appendix B), which have been partially implemented in the form of increased funding. While those increases are greatly appreciated, the amount of increased funding is not to the recommended levels, which were intended to gradually increase, in order to cover deferred maintenance in a reasonable time frame.

Despite these limitations some progress has been made. The average facility condition indicator (FCI) for the 1600 public school buildings in the province has reduced, albeit not to desired levels (.47 in 2020 to .44 in 2023). Anything over .30 is considered poor condition in an explanation of FCI contained in the [Maple Ridge - Pitt Meadows School District facilities plan](#), while anything over .60 is considered very poor. The average FCI for schools in BC was .38 in 2013/14 and .44 in 2023/24, which demonstrates that facility conditions have worsened over the last ten years. In reviewing these numbers, ministry officials have shared the following observation:

"... onsite assessments for K-12 sector in B.C. are conducted every five years which gives a very different result than ones that are conducted annually. If annual assessments were done, FCIs would be much lower and that is what

we see following onsite assessments that school districts get every 5 years - FCI for a district can easily drop by 0.2 for entire district following the assessments - it's usually because the engineer will (for example) inspect a roof and based on specs it may only last 20 years but in actuality it has been well maintained and they will get 30 years out of it. In summary, the FCI doesn't tell the story of a building - it is the details in the building condition report (roof due, boiler due, etc.)."

This report will outline the progress which has been made over the past three years later and will revisit the recommendations made in 2020 to determine if they are still valid or need to be adjusted.

Climate change

The annual investment in the Carbon Neutral Capital Program (CNCP) has risen from 5 million dollars per year in 2019/20 to \$23M in each of the past two years. It has increased further to \$26.8M in the 2024/25 budget. While this rise has come closest to meeting the recommended level of investment proposed by the 2020 CWG, it is overshadowed by the most recent annual proposals from districts for CNCP projects amounting to over \$76M. It should be noted that the School Enhancement Program (SEP) is often used to supplement the CNCP for climate mitigation projects. The annual SEP budget increased from \$65M in 2019/20 to \$70 in each of the past two years. The 2024/25 budget remains at \$70M. Requests for SEP funding totaled \$149M in 2022/23

and \$163.1M in 2023/24. The previous CWG's recommendation for increased SEP funding was for \$103M in 2023/24.

The Bus Acquisition Program (BUS) has also experienced a significant rise in funding to \$23M in the 2024/25 budget. The largest portion of that increase (\$9M) is intended for electric busses.

The 2020 life-cycle paper recommended completing a more detailed review on what it would take to meet the 2030 provincial greenhouse gas (GHG) emission targets. A recent [capstone](#) project completed by UBC School of Engineering students has identified technologies with the potential to meet the 2030 targets. The report indicates the estimated investment required to implement that technology over the next six years is \$218M (not including inflation and growth) with various sources of funding identified. Those include, but are not limited to, the MECC CNCP, SEP and the BUS. Other sources of funding, including federal grants, were mentioned and will need to be fully explored to determine how much more money will be needed beyond the amount already budgeted in ministry programs. The solutions outlined in the capstone paper need further review in a regional context, especially with the use of electric buses in extreme winter climates. Alternatives, such as hydrogen fueled or hybrid busses, may need to be explored. CWG members also identified the need to pursue solutions including solar generated electricity and onsite geothermal energy, which involve reducing reliance on the electrical power grid. This will be particularly important as growing electrical demands outpace the available supply.

During the committee's review, members identified the need for a new program dedicated to assisting districts in adapting to extreme climate events. This is essential from a climate justice perspective as some events have a significant impact on specific communities more than others. The intent would be to fund adaptation measures needed to address weather extremes such as very high or very low ambient temperatures, wildfires (and smoke), flooding and frequent power outages. These measures may include establishing schools as reception centres for evacuees with associated capital costs including emergency generators, etc.

A final comment on this relatively complex subject involves a recommendation from the CWG for the MECC to pursue a formal plan on addressing climate change in public schools in concert with technical advisors from districts. The intent would be to address both mitigation, including GHG emission reductions, and adaptation, such as (enhanced air filtration in areas prone to wildfires).

Student population growth

The [School Site Land Acquisitions: Issue and Solutions](#) (appendix C) paper from the 2020 CWG recommended either increasing the cap on school site acquisition charges (which haven't been increased for 23 years) or new enabling legislation which would allow local governments and school districts the opportunity to establish school site development cost charges in the same

fashion that the acquisition of municipal park land is funded through locally established development cost charges. The need for new schools (and school sites) is a direct result of in-migration and population growth. With that case, an argument can be made that development should pay the cost of school site acquisitions and the offsite servicing needed to accommodate the student population growth generated by new housing developments. The recommendations did not suggest that the cost of constructing schools or acquiring portables be created by developers.

Should the proposed changes be implemented, the many millions of dollars being spent by government on school site acquisitions could be redirected to underfunded deferred school maintenance or building new schools and additions. The amount identified for land acquisition over the next five years in the capital plans from the largest 25 school districts in B.C. is \$1.7 billion, and this figure provides an idea for the potential impact of this proposal. **To illustrate the influence the BCSTA proposal would have had if it were adopted several years ago, this \$1.7B of funding required for land acquisition over the next five years could have been redirected to fund the construction of as many as thirty elementary schools.**

It is the 2023/24 CWG's position that the recommendations contained in the school site land acquisition paper are still valid, but unfortunately they have yet to be implemented. In order to encourage that implementation it is felt that the BCSTA board needs to approach the Union of BC Municipalities (UBCM) and

the Ministry of Municipal Affairs (MMA) to explore the required legislative changes, and any other collaboration needed, to address population growth and the resulting requirement for more schools. A BCSTA/UBCM protocol agreement on this and other topics may be a possibility and should be explored. This is particularly important in light of recent provincial government legislation on increasing housing density and the federal government's increased immigration figures. Both of these factors will result in added pressure on existing schools, particularly in urban areas with more families opting for condominium living given the cost of housing.

The provincial government identified student enrolment at 578,797 in 2021 and is [projecting](#) 623,483 students in 2031. With districts such as Surrey experiencing growth of over 2000 new students per year, addressing capacity issues is something the MECC has prioritized. They have advanced a few critical off-cycle land acquisition priorities mid-year by using a flexible approach based on available capital funding in the fiscal year. They have utilized the same approach to order prefabricated additions which should alleviate the need for as many portables as might otherwise have been required by September 2024. The use of prefabricated construction is intended to be faster and, expectantly, less expensive than standard construction methods. The lifespan of prefabricated classrooms is much longer than portables and very close to what can be expected from standard built schools. Both strategies are welcome news and will result in reducing the impact of growth and the shortfalls noted above. Spaces for an additional 2400 students were approved in the

province over the past year and more are anticipated in the near-term.

A CBC News report published in September of 2023 identified more than 2100 portables currently in use in B.C. school districts. According to the ministry, records indicated there were 1,741 portables used for general instruction in the province in 2023/24.

The fact of 1741 “temporary” portables being used in the system is an indicator of decades of chronic underfunding of new school construction.

A provincial capital investment is needed to accommodate the projected increases in student enrolment. It is also required to correct many years of chronic underinvestment by replacing “temporary” portables, particularly those that continue to be used for instruction and have long exceeded their effective life expectancy. At \$1M to \$1.5M per prefabricated classroom, replacing all 1741 portables over the next ten years will cost approximately \$200M per year in addition to the amount needed for student enrolment growth. While the new approach will be helpful, this alone will be insufficient to resolve the problem. Without significant additional funding some districts will still need to purchase and maintain portables from their operating reserves to meet the capacity requirements of their growing student populations. Until funding for new schools and additions (including prefabricated construction) can catch up to the need, it is felt that government should provide funding to these districts for portables. This action would be in accordance with a recent recommendation found in the 2024 [Report on the Budget 2024 Consultation](#) from the Select Standing

Committee on Finance and Government Services (SSCFGS).

It must be noted that government has announced a significant increase in capital funding for the next three years to address student population growth. The annual funding for new schools, additions and school site acquisitions has increased from \$195M in 2023 to approximately \$566M in 2024/25 and will continue at \$550M per year for 2025/26 and 2026/27. Unfortunately, that is insufficient to meet the requirements identified by the largest 25 schools districts in the province in their five year capital plans.

While the provincial funding available over each of the next three years for additions, new schools and site acquisitions has increased substantially over prior years, it still doesn’t match the roughly \$1.5B per year needed to address school district five year major capital plans for growing student enrolment and replacing what were originally intended to be temporary portable classrooms.

School area standards

There have been several BCSTA resolutions adopted requesting a review of school area standards. The rationale for a 2018 BCSTA resolution referred to a school replacement project approved with a 30 per cent smaller footprint than the original school built for the same student population. While considerations for efficiency should be made given the increasing cost of construction, efficiency needs to be paired with effectiveness and functionality.

Compounding this, there have been several additional responsibilities added to schools in recent years which require more space and will be outlined within this report. Unfortunately, without additional space allocations, the only way to address these needs is to reduce classroom footprints during the school design process. While some suggest the Neighbourhood Learning Centre (NLC) allocation provides flex space for these additions, that argument ignores the original intent to use this in support of community use, for enhanced gymnasium and performing arts spaces as well as Strong Start classrooms.

The CWG believes a more detailed review of area standards is required to ensure standards meet the current space requirements of today's effective learning environments. Such a review should include discussions with those tasked with administering facility allocations within districts and should identify regional differences while providing comparisons to similar jurisdictions in western Canada.

General

Another area of review for the 2023/24 CWG is that of how capital programs for public schools in B.C. are determined and monitored and what level of ongoing consultation should be completed in the process of those determinations. Since this work is largely technical in nature the group is recommending a standing advisory committee be established by the MECC which would include ministry staff, key school district personnel and design professionals.

Regional equity in capital funding

In the course of its review the CWG acknowledged that capital investments in schools are not equitable throughout the province. Much of this has to do with addressing increased student enrolment and safety concerns related to [seismic activity](#). While capital funding equity is desirable, it is not entirely possible given the variables which need to be taken into consideration.

The report identifies recommendations for increased capital investments in rural and remote communities. Specifically, the CWG has indicated greater investments are needed in the annual facilities grant (AFG), the SEP and other capital programs, including the CNCP. Increases in these programs should have a positive impact on all school districts in the province. Greater technical support was also identified as being required given the limited staff resources in smaller districts. Increasingly important to rural and remote communities is the need for a new climate adaptation program to address extreme climate events like floods and wildfires, which are having a disproportionate impact on rural and remote school districts. Significant investments may be required in this program where, for example, some schools may need to be relocated away from flood plains or require significant flood and fire protection. Major mechanical upgrades dealing with air filtration may also be needed along with renovations to ensure schools can provide a smoke-free learning environment for students and staff during the fire season and potentially

provide a centre for emergency social services during extreme climate events.

The subject of school replacements also needs to be considered. There are many aging facilities located in the province which continue to be used well beyond their anticipated life expectancy. Careful consideration must be given to replacing schools over completing major upgrades when the Facility Condition Index (FCI) score for the building reaches critical levels. This notion also acknowledges that the schools built 60 or 70 years ago are not usually best configured to meet the needs of today's students, the education system, student and staff safety and current zoning requirements.

The CWG believes it is appropriate to keep regional disparities in mind when considering prioritization. Of course, the overall goal is to have sufficient funding available to address all of the identified capital requirements whenever and wherever they exist.

Summary of recommendations

(note: the agency and/or organization the advice is intended for is listed at the end of each recommendation)



Life-cycle maintenance funding

1. That the allocations for the AFG be increased each year by 3 per cent for new buildings added to the system and that the allocations for both AFG and the SEP be increased by an additional 3 per cent for inflation plus 15 per cent beyond inflation. The intent is to catch up over time to address immediate deferred maintenance. That would amount to \$179M in 2024/25 and \$218M in 2025/26 for the AFG program and \$85M in 2024/25 and \$101M in 2025/26 for the SEP program. (MECC)
2. That life-cycle maintenance funding be available to complete upgrades on older portables if it is determined that replacement with prefabricated classrooms will be delayed for a period of years. (MECC)



Climate change

1. That the MECC, in concert with the Ministry of the Environment and Climate Change Strategy (MECCS), provide technical leadership in the area of climate change to:
 - a. continue providing support for climate change planning particularly in districts who lack the technical expertise needed for that work
 - b. develop and fund a multi-year provincial public school climate change plan addressing GHG emission mitigation and climate adaptation strategies, taking the UBC capstone project into consideration. (MECC and MECCS)
 - c. create emission standards/guidelines in consultation with school districts that recognize regional variations that can be applied through the process of reviewing all capital submissions. (MECC and MECCS).
2. That the MECC and MECCS review the UBC report with the report's authors and complete a more detailed review (based on recommendations to do so in the report) in concert with school district facilities managers and energy managers. (MECC and the Technical Advisory Committee (TAC))
3. That the ministry explore the potential of the outside funding sources listed in the UBC report to determine what outside funding may be available to implement the plan. (MECC, local school districts)
4. That the recommendations contained in the UBC report be implemented following validation from the further review noted above with adjustments incorporating alternatives to electric busses where appropriate and other strategies like solar and geo-thermal energy sources. (MECC, school districts)
5. That the additional funding required to implement the UBC plan, after outside sources of funding are either confirmed or determined not to be available, be incorporated into the ministry's CNCP and BUS program. (MECC)
6. That the carbon offsets collected from all school districts be added to the CNCP program. (MECCS and MECC)
7. That the additional funding required to address the need for air cooling in schools not being converted to heat pumps and facing extreme temperatures as a result of climate change be provided. (MECC)
8. That new schools be constructed as close as possible to a net zero emissions standard. (MECC and school districts)
9. That the MECC approach the GHG emission target as a provincial objective meaning that investments in some districts (like those with significant school bussing) may be greater than other districts based on their greater potential to reduce emissions. (MECC and MECCS)
10. That the MECC explore and fund whatever climate change adaptation measures are necessary to protect and preserve school infrastructure and healthy learning environments. (MECC)
11. That a specific capital fund be created for climate change adaptation to support the implementation of risk reduction and emergency preparedness measures. (MECC)

Student Population growth

1. That funding for the major capital program for school additions, new schools and site acquisitions be set at a level matching projected student population growth and allows for the replacement of temporary portables which have reached the end of their useful life. (Approximately \$1.5B per year) (MECC and Treasury Board)
2. That the recommendations identified in the 2020 BCSTA school site acquisition paper be reviewed with both the UBCM and the MMA (possibly including a formal protocol agreement with UBCM on this and other issues of common interest) (BCSTA)
3. That additional discussions be pursued with UBCM and the MMA on ways in which municipalities and school districts can collaborate on the requirement for new schools resulting from residential development and increased density (i.e. off-site servicing, urban area schools in high density developments adjacent to Skytrain routes, etc.). (BCSTA)
4. That the use of an off-cycle approach to acquire school sites and purchase prefabricated classrooms be continued and monitored to determine both the effectiveness of prefabricated construction and the extent to which the strategy will address current shortfalls in school capacity across the province. (MECC)
5. That the use of prefabricated classrooms be tested in a pilot in districts with more extreme climate conditions to ensure the approach will work in those areas. (MECC)
6. That funding to cover the cost of portables be provided to districts who are growing and will not be covered with new prefabricated classrooms or other capital funding provided by the ministry. (MECC)
7. That funding to cover the cost of detailed school planning (project definition reports) be covered up front by the MECC rather than being reimbursed as projects proceed. (MECC)
8. That districts maintain as much flexibility as possible to maximize the use of space including the use of school shifts (as a last resort where necessary), and further, that collective agreement language be pursued through BCPSEA which is consistent across all districts to allow school day schedules to be adjusted to permit alternate schedule offerings and alternate program delivery solutions to accommodate more students at a single site. (BCPSEA)



School area standards

1. That a technical review of school area standards be undertaken by BCSTA involving BCSSA, BCASBO, the Education Facilities Manager Association of BC (EFMABC) and MECC staff to establish an appropriate standard going forward. The new standard should recognize changes in the education system as well as accessibility issues, regional differences and climate adaptation priorities. (BCSTA)



General

1. That a technical advisory committee on capital be formed by the MECC to:

- monitor progress on a continuing basis on all aspects of capital programs and funding
- make further recommendations to the MECC on the strategies required to address growth, life-cycle and climate change issues as well as school area standards.

The advisory group should include representatives from BCASBO, BCSSA and EFMABC who are directly involved in implementing capital programs within districts. It may also include representation from the Ministry of Emergency Management and Climate Readiness (MEMCR) and/or MECCS. (MECC)



Life-cycle/deferred maintenance funding

The following data is offered as an update to the 2020 paper on this subject. All data is provided by the MECC. Historical fiscal year budgets for the routine capital programs versus deferred maintenance versus average provincial FCI (as assessed by VFA Canada Corporation) are as per the following table:

Fiscal year	Routine capital program budget (afg, bep, cncp, sep) n.i.c. Afg operating	Immediate deferred maintenance (cost of repairs and upgrades required within 1 year) n.i.c. closed schools	Total deferred maintenance (cost of repairs and upgrades required within 5 years) n.i.c. closed schools	Average provincial FCI for total asset inventory
2023/24	\$224.6M	\$422M	\$8.97B	0.44
2022/23	\$202M	\$363M	\$7.77B	0.44
2021/22	\$191.5M	\$437M	\$7.67B	0.47
2020/21	\$181.2M	\$441M	\$7.05B	0.47
2019/20	\$170M	\$491M	\$6.95B	0.44
2018/19	\$170M	\$343M	\$6.70B	0.43
2017/18	\$155M	\$396M	\$6.28B	0.43
2016/17	\$172.3M	\$332M	\$6.26B	0.42
2015/16	\$152M	\$305M	\$6.09B	0.42
2014/15	\$98M	\$296M	\$5.98B	0.41
2013/14	\$98M	\$254M	\$5.41B	0.38

Historical Minor Capital Program project requests versus projects funded are as following:

2023/24

- AFG 2416 projects submitted in district spending plans, \$147.1M allocated.
- BUS 100 project requests valued at \$20M, 71 projects approved within \$13M budget.
- CNCP 166 project requests valued at \$76.4M, 82 projects approved within \$23M budget.
- Playground Equipment Program (PEP) 109 project requests valued at \$21.3M, 25 projects approved within \$5M budget.
- SEP 235 project requests valued at \$163.1M, 111 projects approved within \$70M budget.

2022/23

- AFG 2407 projects submitted in district spending plans, \$120.5M allocated.
- BUS 117 project requests valued at \$19.6M, 84 projects approved within \$15M budget.
- CNCP 169 project requests valued at \$67M, 84 projects approved within \$23M budget.
- PEP 111 project requests valued at \$18.3M, 30 projects approved within \$5M budget.
- SEP 244 project requests valued at \$149M, 137 projects approved within \$70M budget.

2021/22

- AFG 2632 projects submitted in district spending plans, \$120.5M allocated.
- BUS 142 project requests valued at \$21.5M, 84 projects approved within \$15M budget.
- CNCP 206 project requests valued at \$77.7M, 96 projects approved within \$23M budget.
- PEP 91 project requests valued at \$15M, 60 projects approved within \$10M budget.
- SEP 346 project requests valued at \$179.6M, 127 projects approved within \$59M budget.

2020/21

- AFG 2993 projects submitted in district spending plans, \$115.5M allocated.
- BUS 165 project requests valued at \$24.2M, 101 projects approved within \$13M budget.
- CNCP 124 project requests valued at \$40M, 67 projects approved within \$17.2M budget.
- PEP 137 projects requests valued at \$12M, 40 projects approved within \$5M budget.
- SEP 413 project requests valued at \$207.8M, 164 projects approved within \$64M budget.

2019/20

- AFG 2768 projects submitted in district spending plans, \$115.5M allocated.
- BUS 148 project requests valued at \$21.8M, 87 projects approved within \$13M budget.
- CNCP 112 project requests valued at \$36.3M, 19 projects approved within \$5M budget.
- PEP 146 requests valued at \$14M, 50 projects approved within \$5M budget.
- SEP 431 requests valued at \$219.5M, 138 projects approved within \$65M budget.

2018/19

- AFG 2605 projects submitted in district spending plans, \$115.5M allocated.
- BUS 123 project requests valued at \$16M, 93 projects approved within \$13M budget.
- CNCP 90 project requests valued at \$26.5M, 19 projects approved within \$5M budget.
- PEP 158 project requests valued at \$15M, 51 projects approved within \$5M budget.
- SEP 415 project requests valued at \$145M, 175 projects approved within \$65M budget."

The 2024/25 budget anticipates annual expenditures of \$150.1M for AFG funding, \$70M for the SEP and \$26.8M for the CNCP. The total annual amount invested in school maintenance through the AFG (both from capital and operating), the CNCP, the Building Envelope Program (BEP) and the SEP totaled \$248.1M in 2023/24 and is budgeted at \$255M in 2024/25. While this represents a significant increase from prior years, this level of investment should be compared to the \$422M in immediate deferred maintenance recommended to be completed in one year by the engineering firm engaged to assess school buildings in the province. This amount is reinforced by the requests for funding submitted in 2023/24 by school districts in each of these capital programs (over \$410M).

The BUS will also benefit from a significant increase from \$13M to \$23M in 2024/25. \$9M of that amount is intended for electric busses.

In 2020 the previous CWG recommended AFG investments of \$203.6M in 2023/24, BEP investments of \$8M in 2023/24, CNCP investments of \$32.1M in 2023/24 and SEP investments of \$103.2M in 2023/24 for a total of \$346M. This is \$98.8M more than the amount actually allocated.

While we appreciate the increases which have been made it is apparent the \$50.6M per year added since 2020 is insufficient to achieve what the 2020 CWG had hoped for. While the increase has covered inflation it has done little to slow down increases in deferred maintenance which now total \$8.97B required within five years. Thankfully the increased investment has resulted in a reduction in the average provincial FCI from .47 in 2020/21 to .44 in 2023/24. Unfortunately, that rating still falls in the “poor condition” category.

With this the case the 2023/24 CWG wishes to make the following recommendations on life-cycle funding:

1. **That the allocations for the AFG be increased each year by 3 per cent for new buildings added to the system and that the allocations for both AFG and the SEP be increased by an additional 3 per cent for inflation plus 15 per cent beyond inflation. The intent is to catch up over time to address immediate deferred maintenance. That would amount to \$179M in 2024/25 and \$218M in 2025/26 for the AFG program and \$85M in 2024/25 and \$101M in 2025/26 for the SEP program. (MECC)**
2. **That life-cycle maintenance funding be available to complete upgrades on older portables if it is determined that replacement with prefabricated classrooms will be delayed for a period of years. (MECC)**

The second recommendation is needed given the age and deteriorating condition of older portables in the province and recognizing that replacing older portables with new prefabricated classrooms will take some time to complete.

Two other investments will have an impact on the FCI over time. The first is the seismic upgrading program while the other has to do with school replacements. A recent recommendation during the 2024 budget consultation from the Select Standing Committee on Finance and Government Services (SSCFGS) encouraged increased funding to enable a faster pace for seismic upgrades than has been the case in the past.

“Allocate necessary capital funding for the seismic mitigation program.”

The provincial expenditures for seismic upgrades over the past several years follow. They are expected to continue into the future until all necessary upgrades have been completed.

2018	\$119M
2019	\$221M
2020	\$310M
2021	\$369M
2022	\$326M
2023	\$245M

School replacements, which often occur at some point after a building reaches 60 years of service, will also have a significant impact on deferred maintenance since all the deferred maintenance attached to a school which is to be replaced, including seismic issues, will be eliminated by replacement. The province has funded the following amounts for school replacements (partial and full including seismic work in partial replacement projects) over the past several years.

2018	\$118M
2019	\$209M
2020	\$215M
2021	\$226M
2022	\$228M
2023	\$196M

Climate change

Investments in the CNCP have increased significantly in recent years, which signals the importance that government has attached to GHG emission reductions.

2020/21	\$5M
2021/22	\$17.2M
2022/23	\$23M
2023/24	\$23M

The program will increase further in 2024/25 to a total of \$26.2M. The 2020 CWG recommendation was that the CNCP program be increased to \$32.6M in 2023/24 based largely on the number and value of requests for funding under the program. The proposals received from school districts throughout the province totaled \$74.6M in 2023/24. The SEP provides another source of funding for GHG reduction projects, and recommended increases to the funding are included in this report.

Currently, school districts are required to purchase carbon offsets as part of the carbon neutral government policy. The CWG believes adding the collected amount from all districts to the CNCP program would be beneficial and make a direct connection between the amount districts are required to pay and the strategies necessary to reduce emissions. An article from policynote.ca makes the same case.

What is needed to achieve the GHG emission targets for 2030? The previous CWG report recommended a detailed technical review of this question. Subsequently, UBC engineering students were invited to conduct such a review which they have now completed.

The report can be found on BCSTA's Portal and provides the following recommendations to BCSTA and through BCSTA to the MECC and school districts. It should be noted that further study is identified as being required for the draft recommendations to be proven effective.

"11. Recommendations for BCSTA

This study shows that the total GHG emissions from all B.C. public schools in 2021 only dropped by 9 per cent of GHG emissions when compared with the baseline GHG emissions in 2010. It is far behind the 2030 target of a 43 per cent reduction from 2010. A further reduction of 68,077 tCO₂e is required. To achieve the target, the following recommendations are proposed for BCSTA:

- a. Introducing 450 electric school buses can bring a reduction of around 8,100 tCO₂e by 2030.*
- b. Replacing less-efficient boilers with heat pumps for 485 elementary schools, replacing boilers with condensing boilers for 80 elementary schools, and replacing boilers with condensing boilers for 230 secondary schools can bring another reduction of 60,000 tCO₂e by 2030. Thus, a total of 68,100 tCO₂e can be reduced.*
- c. To support these projects, BCSTA needs to advocate the B.C. government for extra funding of \$37.5 million for electric school bus adoption. Besides, BCSTA also needs to continuously communicate with the B.C. government to ensure that all the current available funding would not be cut or reduced in the future.*

- d. Also, BCSTA may need to lobby with the B.C. government to ensure the funding is approved in a timely manner.
- e. With reference to the demographic data, GHG emission measures should be prioritized to adopt in the school sectors that have a greater size in student numbers, such as School District 36 Surrey and School District 39 Vancouver. Early results in GHG reduction would be seen and work as a reference to expanding the measures to other school districts with specific modifications.
- f. Further study and considerations are suggested to be made during the planning stage of measure implementation, to ensure the retrofitted operations are able to provide support to the special needs students. For example, the accessibility design and equipment on the electric school bus.
- g. Due to the limited information available, the estimates in this study are very preliminary. To have a more comprehensive study, BCSTA is suggested to collect the indoor footage and the age of all school buildings and conduct a detailed analysis by clustering all B.C. schools according to their locations, the indoor footage, and the age of the buildings. These three variables are important variables for determining the requirement of a heating system.
- h. BCSTA is also recommended to work closely with the energy managers/specialists of school districts since the energy managers/specialists know very well about the conditions of all equipment. With an understanding of the current conditions of the equipment, BCSTA can have a better picture for prioritizing the retrofit projects across different school districts. Besides, energy managers/specialists can share their success stories in reducing GHG emissions with BCSTA.
- i. Promoting behavioral change in energy consumption also helps in reducing GHG emissions. There are many behavioral change programs run in School District 51 Boundary and School District 37 Delta such as the paper-cut program, the recycling program, the Unplug Appliances program, the Green Awareness program, etc. By promoting these behavioral change programs, energy consumption can be reduced without having a significant amount of capital investment. BCSTA can share these success stories through the website and newsletters "

The report also provided the following tables for consideration and rough costing:

"Table 7

Cost and Funding Estimates on Boilers Replacement Items - Project cost Funding

Cost of heat pumps for southern elementary schools (\$96,000 per school x 485 schools) \$47 million

Cost of condensing boilers for northern elementary schools (\$83,000 per school x 80 schools) \$7 million

Cost of condensing boilers for secondary schools (\$125,000 per school x 230 schools) \$29 million

CleanBC Custom Program capital incentives for proposed heat pumps in southern elementary schools (\$60/tCO₂e of lifetime GHG savings) \$37 million

CNCP for boiler upgrades projects (\$3 million per year x 5 years) \$15 million

SEP for boiler upgrades projects (\$16 million per year x 5 years) \$80 million "

"Table 6

Cost and Funding Estimates on Electric School Buses Items Project Cost

Funding Cost of 450 school buses (\$300,000 x 450) \$135 million

Electric school buses funded by the B.C. government (\$150,000 x 450) \$67.5 million

Electric school buses funded by the Canada Infrastructure Bank \$30 million

Cost of Level 2 EV chargers \$8,000-\$9,000 / charger EV chargers funded by CleanBC Go Electric Fleets Program Full funding

Additional funding required: \$37.5 million

By switching 450 school buses to electric school buses, around 8,100 tCO₂e can be reduced. However, the funding for

electric school buses currently available is insufficient for switching 450 gasoline/ diesel school buses to electric school buses. Extra funding of \$37.5 million is required."

The MECC notes the average cost of a full-size electric school bus was \$500K in 2023/24, considerably more than the amount noted above.

Another quotation is derived from the recommendations contained in the report of the SSCFGS on the 2024 budget consultations. In that report it is recommended that government:

"Increase funding for zero-emission school buses so that all new school buses are zero-emission."

One of the other benefits of converting as many schools as possible to heat pump technology is that of providing cooling at times of year when schools are increasingly experiencing extreme temperatures resulting from climate change. A means of addressing this in schools not being serviced with heat pumps needs to be pursued and funded to maintain healthy learning environments.

There are some issues that will need further discussion with respect to the proposed technologies. First, while electric buses are working well in some locations, it is the experience of some school districts that they are not necessarily the best solution in areas of extreme cold in winter and where they are serving longer routes. Further exploration is needed to determine if hybrid and/or hydrogen powered buses might be a better solution to fully electric buses in some areas.

Another issue cannot be ignored while considering electric school buses and other GHG emission reduction strategies like heat pumps. In the longer term the

province's capacity to generate electricity may be stretched beyond powering the proposed emission reduction strategies which are based on electrical power being readily available. This is especially true with government considering the phasing out of natural gas. What that discussion leads to is placing some level of priority on creating schools that generate their own energy, whether through solar panels or geo thermal systems, which would also help schools achieve net zero status.

There is a further concern which has been expressed by those involved in the design and construction of new schools. This topic was the subject of a BCSTA resolution submitted by Greater Victoria in 2021, albeit for all schools and not just new facilities. Those involved in the design of new schools have advised that ministry guidelines insist new facilities be "net zero ready," meaning they should be easily converted to a net zero operation over time and result in a minimum 50 per cent reduction in emissions compared to a building constructed to lead gold standard heated with natural gas. The CWG believes that every new school should be as close to a net zero standard in terms of GHG emissions as possible.

As noted in the introduction to this report further discussion is required with respect to the need for adaptation related to climate change. This is particularly important in areas prone to extreme temperatures and regular climate disasters like wildfires (smoke) and floods. Schools need to benefit from the most robust protection possible in terms of flood proofing and wildfire protection. They also need to consider their role in some areas as reception centres, which require equipment that includes emergency generators. Air

quality issues can arise from wildfires and higher levels of filtration are required to ensure healthy learning environments.

The message in this discussion is that while meeting GHG reduction targets is important as a climate mitigation strategy, adaptation is also required, which will vary from region to region in the province. An additional fund is required to focus on adaptation strategies beyond the current CNCP program.

Given the complexity of this subject it is the view of the CWG that the MECC (in concert with MECCS) should be encouraged to provide more technical leadership in the area of climate change and that a climate change plan should be developed for public schools that addresses both GHG emission reductions and climate adaptation strategies, while also recognizing regional differences throughout the province. It is noted that the MECC has already provided consultant services to assist 10 school districts by doing energy audits and providing advice on future submissions for the CNCP, SEP and AFG programs.

During the pandemic, air quality was addressed in schools with enhanced filtration and more frequent air changes. Air quality in the face of wildfires and smoke pollution is another challenge that will need to be addressed in whatever mechanical systems are utilized, particularly in areas where wildfires are more prevalent.

Given this report the 2023/24 CWG wishes to make the following recommendations on climate change:

1. That the MECC, in concert with the Ministry of the Environment and Climate Change Strategy (MECCS), provide technical leadership in the area of climate change to:
 - a. continue providing support for climate change planning particularly in districts who lack the technical expertise needed for that work
 - b. develop and fund a multi-year provincial public school climate change plan addressing GHG emission mitigation and climate adaptation strategies, taking the UBC capstone project into consideration. (MECC and MECCS)
 - c. create emission standards / guidelines in consultation with school districts that recognize regional variations that can be applied through the process of reviewing all capital submissions. (MECC and MECCS).
2. That the MECC and MECCS review the UBC report with the report's authors and complete a more detailed review (based on recommendations to do so in the report) in concert with school district facilities managers and energy managers. (MECC and the Technical Advisory Committee (TAC))
3. That the ministry explore the potential of the outside funding sources listed in the UBC report to determine what outside funding may be available to implement the plan. (MECC, school districts)
4. That the recommendations contained in the UBC report be implemented following validation from the further review noted above with adjustments incorporating alternatives to electric busses where appropriate and other strategies like solar and geo-thermal energy sources. (MECC, districts)
5. That the additional funding required to implement the UBC plan, after outside sources of funding are either confirmed or determined not to be available, be incorporated into the ministry's CNCP and BUS program. (MECC)
6. That the carbon offsets collected from all school districts be added to the CNCP program. (MECCS and MECC)
7. That the additional funding required to address the need for air cooling in schools not being converted to heat pumps and facing extreme temperatures as a result of climate change be provided. (MECC)
8. That new schools be constructed as close as possible to a net zero emissions standard. (MECC and school districts)
9. That the MECC approach the GHG emission target as a provincial objective meaning that investments in some districts (like those with significant school bussing) may be greater than other districts based on their greater potential to reduce emissions. (MECC and MECCS)
10. That the MECC explore and fund whatever climate change adaptation measures are necessary to protect and preserve school infrastructure and healthy learning environments. (MECC)
11. That a specific capital fund be created for climate change adaptation to support the implementation of risk reduction and emergency preparedness measures. (MECC)

Student population growth

ENROLMENT INCREASES

The provincial government identified student enrolment at 578,797 in 2021 and is [projecting](#) 623,483 students in 2031. Recent federal projections anticipate an additional 485,000 immigrants arriving in the country in 2024. We are not aware of whether the MECC contemplated these numbers in their projections. Regardless, an increase of 44,686 students over 10 years is substantial. A portion of that number may be absorbed into current capacities although that is significantly offset by students who are currently housed in temporary (portable) classrooms. A significant percentage of the growth is landing in the lower mainland, on southern Vancouver Island and in the Okanagan. The districts in these areas already lack capacity so the issue of overcrowding will be exacerbated.

Based on these enrolment projections 1900 new classrooms will need to be constructed by 2031 (translating to approximately 90 elementary schools each accommodating 500 students). Of course, none of this anticipates the current shortfall with thousands of B.C. students currently being housed in 1,741 temporary portables in the province. These are the result of chronic underfunding of major capital over many years. Replacing temporary portables over time (with new schools and additions) is another requirement, especially those that have

exceeded their useful life expectancy. To illustrate the shortfall even further the largest 25 school districts in the province submitted their five year capital plans in June 2023 based on their student enrolment projections. The required investment to meet the needs of those districts over the next five years follows:

New schools	\$3.01B
Additions	\$2.918B
Land acquisitions	\$1.69B
Replacements	\$1.468B
Seismic repairs	\$3.168B

Given these figures the annual investment required for new schools, additions and land acquisition alone is approximately \$1.5B. This compares to the current and previous annual investments for the entire province on expansions, new schools and school site acquisitions which follow:

2018	\$76M
2019	\$190M
2020	\$174M
2021	\$236M
2022	\$174M
2023	\$195M

The 2024/25 provincial budget has recognized the significance of the shortfall with an increased annual investment of roughly \$550M included for new schools, additions and land acquisition in each of the next three years. Although two and three years into the future is a little

more challenging to predict, ministry staff anticipate a total expenditure in 2024/25 of \$566M for new schools, additions and land acquisition based on their review of projects currently moving forward. A further \$65M is anticipated for replacements on top of \$176M for seismic work (some of which is partially funding school replacements). While that is not sufficient to address the noted requirements it represents a significant improvement from the amount of funding previously available.

Government more than doubled the capital funding available for new school construction, additions and land acquisition from 2023/24 to 2024/25. We are very appreciative of that increase, however, a preliminary analysis of school district major capital plans suggests the amount budgeted in 2024/25 is just over one third of the annual investment required to address the identified needs of school districts in the province.

The CWG believes more detailed analysis is required and that the major capital program for school additions, new schools and site acquisitions should be set at a level that matches projected student population growth plus the replacement of temporary portables moving forward. That amount will likely be in the order of \$1.5B per year.

PORTABLES

There is perhaps no greater frustration for boards of education, district staff and parents than the need to place students in portables when the capacity of existing schools is insufficient to accommodate growing student populations. Adding to this frustration is that the cost of purchasing, servicing and maintaining

portables is held by school districts, with no contribution from the provincial government, and that the need for portables is driven by the lack of sufficient provincial capital funding for new schools and additions. This practice causes millions of dollars, used for this purpose, to be unavailable for direct student services and learning. We are hopeful the need for portables will be considerably reduced with the additional investments promised for the next three years and, hopefully, beyond.

Government has acknowledged this situation in the recent provincial government report on the 2024 budget consultations published by the SSCGSF. The report includes the following recommendation to government related to portables.

“Provide targeted funding for the purchase, maintenance and relocation costs of portables and establish clearly defined timelines to ensure their use is temporary.”

As noted in the introduction to this paper, there are over 2000 portables currently in place in the province, 1741 of which are being used for instruction. The number of portables in the province is an indicator of the chronic underfunding for new schools, school additions and land acquisition, which has been evident over many years. Since the current cost of a basic portable can be as much as \$350,000 (Kelowna) the investment of local school districts has been substantial. The cost of fully serviced ‘wet’ portables (with washrooms) can be considerably more. In fairness there are some exceptions where additional funding was provided by the provincial government for childcare facilities and extra classrooms needed as a result of the teacher labour settlement several years

ago. Unfortunately, that has resulted in increased pressure on the system since there was no plan developed at the time to eventually replace the temporary portables acquired to meet the immediate needs of the system with new schools or additions. The vast majority of the 1,741 units currently being used for instruction were paid for directly by local school districts. Many of these are reaching the end of their useful life and need to be replaced.

Population projections for the province suggest continuing growth in a number of districts for several years. Of course, the answer is to build new schools in a timely fashion so that portables are not needed. Doing so is easier said than done given the costs involved.

OFF-CYCLE APPROACH AND PREFABRICATED CLASSROOMS

Recently the ministry has launched an initiative to use a flexible approach based on available capital funding in the fiscal year to acquire school sites and order prefabricated classrooms which have a lifespan more in line with regular school buildings. The prefabricated units are proposed not only to replace portables but also to reduce the cost and timing of construction of traditionally built schools. We understand three urgently required school sites were purchased in this fashion and 12 prefabricated projects in seven school districts were also approved (and fully funded by the province). The 12 projects include 104 classrooms and more are anticipated in the near-term. The initiative to use prefabricated construction is based on a similar approach used extensively in other western provinces. The CWG suggests BCSTA monitor the use of prefabricated classrooms to

adjudicate the success of the program and to consider endorsing their use recognizing that prefabricated classrooms alone may be insufficient and will need to be supplemented by ancillary spaces. Growth doesn't just mean there is a need for classroom space. At a certain point additional gymnasium and other spaces are also required.

It is understood by everyone that this off-cycle approach alone will not be sufficient to accommodate growing student populations. We must also acknowledge that the increased investment identified in the 2024/25 to 2026/27 three year budget will not be sufficient to address the student population growth illustrated by the five year capital submissions of the largest twenty five school districts in the province. The amount required will also be dependent upon such things as the value of land to be acquired for new schools, construction costs and the level of population growth. Where sufficient major capital is not available interim funding for portables to accommodate growth should be provided. Funding should also be prioritized to replace existing portables where their age and condition has long exceeded their planned life expectancy. Capital maintenance funding may also be required to extend the life of existing portables if they cannot be replaced in a timely fashion.

PLANNING FUNDS

There is another item of irritation for boards of education struggling to fund their operating budgets and that is the timing of detailed school planning following initial approvals to complete a project definition report (PDR). The problem is that the ministry does not provide up front funding for PDRs although it does reimburse districts for

those expenses once a project proceeds. Since these reports can cost up to several hundred thousand dollars, it is felt to be an unreasonable burden for districts to carry for a significant amount of time, especially if their capital reserves are already reduced to minimum levels.

SCHOOL SITE ACQUISITION CHARGES

A second paper prepared by the previous CWG and referenced in the introduction was titled School Site Land Acquisitions: Issues and Solutions. The paper recommended either a significant increase to the cap on school site acquisition charges or new enabling legislation which would allow local governments and school districts the opportunity to establish school site development cost charges, in the same fashion that the acquisition of municipal park land is funded through locally established development cost charges. Roughly 90 per cent of school site acquisition costs are currently covered by the provincial government, with minimal amounts covered by inadequate school site acquisition charges which have not been increased for 23 years. The notion is that the need for new schools (and school sites) is a direct result of in-migration and development and that the many millions of dollars being spent by government on school site acquisitions could better be spent on underfunded deferred school maintenance or on building new schools or additions. It is the current CWG's position that the recommendations contained in that paper are still valid since the recommendations it contains have yet to be implemented. Even more compelling is the fact that land values have increased significantly over the past several years, especially in areas of significant growth. Development cost charges used for this

purpose need to be adjusted regularly to reflect current land values.

The following table identifies the funding provided by government for the acquisition of new school sites since 2020.

2020	\$64M
2021	\$63M
2022	\$2M
2023	\$62M

All of this represents funding which could be available to address other needs if not required for land acquisition. The amount identified for land acquisition in the capital plans of the largest 25 school districts in the province over the next five years is \$1.7B. That amount could be utilized for deferred maintenance or building many new schools if not required to purchase school sites.

Some have indicated that making this shift in funding for site acquisition (from government to development) will result in increased housing costs at a time when government wishes to do just the opposite. Others suggest that housing prices are set by the marketplace and that an increase in school site acquisition charges or the implementation of a development cost charge for this purpose would not necessarily result in increased prices. With that said, school districts are at an inflection point in terms of the need for new schools and cannot wait any longer to match the funding required for new schools to government's own enrolment projections. Government needs to increase funding for new schools and additions and make a choice between the proposed legislative changes for school site acquisitions or increasing the amount they budget for new schools and additions even more than they would have without the proposed adjustment for school site

acquisition charges.

EXTENDED SCHOOL DAYS

Although not ideal, if increasing space cannot be achieved, consideration may need to be given to using extended school days in secondary schools to increase school capacity. The down side to this approach is the impact on extracurricular sports and arts activities which already take place before or after school. Bus schedules can also be disrupted by using shifts in schools. Extended days are currently possible in many but not all districts due to their collective agreement language. This would need to be changed to allow all districts that option. The BC Public Schools Employer Association (BCPSEA) will need to be involved to achieve that end.

Given this information, the working group offers the following recommendations on student enrolment growth:

1. That funding for the major capital program for school additions, new schools and site acquisitions be set at a level matching projected student population growth and allows for the replacement of temporary portables which have reached the end of their useful life. (approximately \$1.5B per year) (MECC and Treasury Board)
2. That the recommendations identified in the 2020 BCSTA school site acquisition paper be reviewed with both the UBCM and the MMA (possibly including a formal protocol agreement with UBCM on this and other issues of common interest) (BCSTA)
3. That additional discussions be pursued with UBCM and the MMA on ways in which municipalities and school districts can collaborate on the requirement for new schools resulting from residential development and increased density (i.e. off-site servicing, urban area schools in high density developments adjacent to Skytrain routes, etc.). (BCSTA)
4. That the use of an off-cycle approach to acquire school sites and purchase prefabricated classrooms be continued and monitored to determine both the effectiveness of prefabricated construction and the extent to which the strategy will address current shortfalls in school capacity across the province. (MECC)
5. That the use of prefabricated classrooms be tested in a pilot in districts with more extreme climate conditions to ensure the approach will work in those areas. (MECC)
6. That funding to cover the cost of portables be provided to districts who are growing and will not be covered with new prefabricated classrooms or other capital funding provided by the ministry. (MECC)
7. That funding to cover the cost of detailed school planning (project definition reports) be covered up front by the MECC rather than being reimbursed as projects proceed. (MECC)
8. That districts maintain as much flexibility as possible to maximize the use of space including the use of extended school days (as a last resort where necessary), and further, that collective agreement language be pursued through the BC Public Schools Employer Association (BCPSEA) which is consistent across all districts to allow school day schedules to be adjusted to permit shifts and the ability to accommodate more students at a single site. (BCPSEA)

School area standards

There have been several BCSTA resolutions adopted requesting a review of school area standards, which does have an impact on the “growth issues” currently being experienced. One resolution’s rationale referred to a school replacement project approved with a 30 per cent smaller footprint than the original school built for the same student population. While one can and should argue for efficiency given the increasing cost of construction, creating inadequate learning spaces will not serve our students well. On top of this there have been several additional responsibilities added to schools over the past few years. All of the following are adding to the requirement for more space:

1. More robust food security programs,
2. Child care,
3. Integrated Child and Youth (ICY) Teams in schools (involving other ministries),
4. The need for calming spaces
5. The need for spaces for small group and one on one instruction (for growing numbers of students with diverse needs)
6. The need for some level of dedicated safe space for indigenous learners.

Recommendations contained in ministry requested equity scans related to truth and reconciliation identified the need for dedicated space for Indigenous education. With the trauma inflicted upon survivors of residential schools whose families are part of current day school communities, it is paramount that we maintain space design consultation with Indigenous rights-holders. Adequate consultation will ensure we are creating welcoming and safe spaces while actioning the United Nations Declaration on the Rights of Indigenous Peoples to *“retain shared responsibility for the upbringing, training, education and well-being of their children, consistent with the rights of the child.”*

Unfortunately, without additional space allocations, the only way to address these identified needs is to reduce classroom footprints during the school design process. While some point to NLCS as providing the flex space for these additions, that argument ignores the original intent to use these for enhanced gymnasium and performing arts spaces as well as Strong Start classrooms. Moreover, these spaces are generally planned in response to community consultation which is a requirement for school planning. A more detailed technical review of area standards needs to be completed to identify what the standards ought to be given new education requirements.

The review should include consultations with those tasked with administering facility allocations within districts and a review of area standards from similar jurisdictions in western Canada. Particular attention must also be given to regional differences within the province since what works in the Lower Mainland will likely not be suitable in Prince George. Given this report the 2023/24 CWG wishes to offer the following recommendations on school area standards:

- 1. That a technical review of school area standards be undertaken by BCSTA involving BCSSA, BCASBO, the Education Facilities Manager Association of BC (EFMABC) and MECC staff to establish an appropriate standard going forward. The new standard should recognize changes in the education system as well as accessibility issues, regional differences and climate adaptation priorities. (BCSTA)**

General

Finally, while there are no BCSTA resolutions to this effect, the current CWG wishes to recommend the formation of a standing technical advisory committee to the MECC involving those who are managing facilities in school districts. The purpose of such a group would be to monitor:

- the adequacy of school lifecycle maintenance programs
- the degree to which recommendations from the UBC GHG emission study are being implemented and to determine if adjustments are needed over time
- the extent to which modular construction and funding addresses capacity issues in growing districts
- school area standards including recommendations for change tied to the further integration of community services into school facilities.

An advisory committee could be used by ministry staff to review proposed program changes before they are finalized and should meet at least once per year to review progress and offer advice to ministry staff on priorities within the system.

Given this report and background the 2023/24 CWG wishes to offer the following recommendation on establishing a technical advisory committee.

1. That a technical advisory committee on capital be formed by the MECC to:

- **monitor progress on a continuing basis on all aspects of capital programs and funding =**
- **make further recommendations to the MECC on the strategies required to address growth, lifecycle and climate change issues as well as school area standards.**

The advisory group should include representatives from BCASBO, BCSSA and EFMABC who are directly involved in implementing capital programs within districts. It may also include representation from the Ministry of Emergency Management and Climate Readiness (MEMCR) and/or MECCS. (MECC)

Conclusion

What is obvious from this report is that there has been progress made since the previous CWG offered its recommendations in 2020. That evidence is largely provided in the increased capital funding provided by the province. We thank everyone involved for that progress.

Despite an increased level of investment in 2024/25, a significant shortfall in public school capital funding continues to be evident. This shortfall is the result of decades of chronic underfunding. The evidence includes 1741 “temporary” portables currently in use for instruction in the public school system in B.C. and \$9B in deferred maintenance required over the next five years.

The intent of this report has been to define the issues raised in BCSTA resolutions on capital funding and government policy more clearly and to offer measured recommendations to address those issues. Like most reports of this nature, it does outline additional work to be done to achieve the aspirations of the province and school districts in B.C. Positive working relationships with the MECC and with organizations such as UBCM will be key to achieving those aspirations.

In concluding this report, we acknowledge significant contributions in the form of data and answers to many questions from the MECC, notably Assistant Deputy Minister Chris Brown, Executive Director Damien Crowell and the Capital Management Branch along with their staff. We also wish to acknowledge the work of UBC engineering students Christopher Wong and Rebecca Yuen (supported by

BCSTA's Director of Education Services Gordon Li as industry partner) for their capstone project work titled Reducing Emissions in BC Public Schools. We have also benefitted from others too numerous to mention who have reviewed earlier drafts of the report and have shared their wisdom with the CWG.

Finally, we acknowledge the members of the 2023/24 BCSTA Capital Working Group for their collective efforts wrestling with the issues outlined in this paper.

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Central Okanagan

Gurveen Dhaliwal
New Westminster

Nicole Duncan
Greater Victoria

Mal Gill
BC School Superintendent's Association

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BCSTA Board of Directors, Surrey

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Terms of Reference

During the 2018 BCSTA AGM the Association adopted a number of motions related to capital construction and space utilization issues for the K-12 education system. As part of the Association's 2018/2019 Strategic Plan, the Board of Directors initiated a trustee based working group to assist with advocacy related to these resolutions. The committee established priorities within the list of motions to be addressed and published two BCSTA position papers presented by the group to the Board of Directors for use in the Association's advocacy to the Ministry.

1. School Site Land Acquisition Issues and Solutions and
2. The Case for Increased School Lifecycle Funding

Both papers are attached and have previously been presented to the Ministry of Education for consideration.

While the Ministry has expressed some support for the recommendations identified in the first paper, no legislative changes have resulted to this date. Some capital funding increases have been implemented to the various capital programs referenced in the second paper but not to the recommended levels.

PURPOSE

The purpose of the 2023 Board Ad Hoc Capital Working Group is to:

- 1) obtain an update from the Ministry on the actual progress made by government on the recommendations offered previously by the BCSTA in

the two previous position papers and determine any next steps the Association Board of Directors should consider going forward,

- 2) review motions adopted at the 2019 and later AGMs related to capital construction and space utilization,
- 3) make recommendations to the full Board of Directors as to how the Association might best achieve the desired outcomes described in those resolutions,
- 4) make any additional recommendations to the Board of Directors regarding K-12 focused initiatives on capital projects, and
- 5) produce a summary report to the Board of Directors with the Working Group's recommendations by no later than March 1, 2024 including recommendations on any further work suggested by the committee.

REPORTING

The committee reports to the board of directors. While the working group is welcome to involve or consult with external individuals, groups or other ministries for the purpose of collecting information and strengthening lines of communication, the Group shall not represent the views of the association; nor commit the association to any particular course of action or involvement.

CONSIDERATIONS

Issues for consideration by the group:

- How best might BCSTA achieve the outcomes identified in the AGM motions and the first two position papers offered by the BCSTA to government?
- What other recommendations would assist BCSTA and its member boards in addressing the issues of capital construction and space utilization within the K-12 public education system?
- How might BCSTA work with other K-12 education partner groups, the Ministry of Education, and other external groups to address the overall issue of capital projects and space utilization within the K-12 public education system?
- Are there specific resources or working relationships that would be of use to school districts or BCSTA in addressing the overall issue of capital projects and space utilization within the K-12 public education system?

MEMBERSHIP

The President, in consultation with the Board of Directors, shall appoint seven members to the Working Group including two (2) directors from the BCSTA board and five at large trustees from throughout the Province. In addition, the BC Association of School Business Officials and the BC School Superintendents Association shall each be invited to appoint a representative to the committee. The group shall be empowered to invite additional nonvoting representatives from outside organizations to participate in group meetings as needed and appropriate. Such representation may include representatives of the Ministry of Education. The chair shall be appointed by the president.

BCSTA's chief executive officer will appoint staff support to the Working Group.

EXPENSES

The Working Group is assigned a budget of \$3000 to cover meeting and travel expenses as well as all other associated costs. While most meetings will occur using an electronic platform should there be a need for an occasional in person meeting Working Group members will be reimbursed for travel expenses related to their participation on the Group in accordance with BCSTA's Expense Policy.

The appointed Chair of the Working Group shall be responsible for monitoring the budget and expenses, which may not be exceeded without the expressed prior consent of the BCSTA CEO.

It is understood that additional resources may be required as the work progresses to complete necessary research and provide consulting support. Approval for additional resources will be obtained from the Board of Directors in advance of any commitments being made.

TIMELINES AND MEETING FREQUENCY

Meetings will be at the call of the Working Group Chair and may be in person, via telephone, or on-line. The Working Group will submit its recommendations and final report to the Board of Directors no later than March 1, 2024.

The Working Group mandate will be completed upon the submission of its recommendations and final report to the Board of Directors, and shall be disbanded at that time, unless specifically renewed or extended by the Board of Directors.

These terms of reference were approved by the board of directors on June 8, 2023.



THE CASE FOR INCREASED SCHOOL LIFE CYCLE FUNDING

a report from the BC School Trustees Association | March 2021

Introduction

Life cycle maintenance refers to the work which must be completed over the “life” of a building to ensure it remains in peak operating condition. A roof may need to be replaced a few times over the typical 50 to 60 year life of a public school building, as will mechanical and electrical systems. Structural and building envelope upgrading may also be required. This is not an exhaustive list but serves to provide examples of the type of work included in life cycle maintenance.

By all accounts B.C. schools suffer from an ever-increasing level of deferred life cycle maintenance. Several measures of this situation are offered in the following pages. One critical measure suggests the shortfall in 2020 needed to address deferred maintenance in the public school system is \$237M (see Figure 1, page 3).

The intent of this paper is to define the problem and make recommendations for consideration by government to correct the shortfall.

The context of these recommendations is also worthy of consideration given the need for economic recovery following the COVID-19 pandemic and the potential for significant infrastructure investments to fuel that recovery.

Premier Horgan's November 2020 mandate letter to Minister of Education Jennifer Whiteside offers additional context. The letter directs the minister to “continue to invest in new and modernized schools, including focussing on meeting seismic requirements and climate change and energy efficiency standards as set out in our Clean BC plan.”

In 2020 the routine capital program funded by the provincial government for schools totaled \$204M. By comparison the estimated cost of repairs and maintenance recommended by building system engineers engaged by the Ministry was more than double that amount at \$441M.

Summary of Recommendations

1. That a building life cycle plan be developed for each new public school facility at the time of construction including an indication of the annual contributions necessary to fully implement the plan over time.
2. That the Annual Facilities Grant (currently \$115M) be increased by:
 - a. inflation (currently roughly 2%), plus
 - b. an amount equivalent to the annual contribution necessary to implement the detailed life cycle plan for new buildings (roughly 3%) and
 - c. a minimum of 15% for “catch up” each year amounting to a minimum of \$139.5M in 2021/22, \$168.5M in 2022/23, \$203.6M in 2023/24, \$246M in 2024/25, etc., noting that annual increases should continue until the recommended deferred maintenance costs can be covered.
3. That School Enhancement Program funding (currently \$64M) be increased by:
 - a. inflation (currently roughly 2%) and
 - b. a minimum of 15% for “catch up” each year amounting to a minimum of \$75M in 2021/22, \$88M in 2022/23, \$103.2M in 2023/24 and \$121M in 2024/25, etc., noting that annual increases should continue until the recommended immediate deferred maintenance costs can be covered and
4. That the Carbon Neutral Capital program be increased a minimum of 100% in 2021/22 and 10% per year thereafter amounting to \$33.4M in 2021/22, \$36.74M in 2022/23, \$40.41M in 2023/24 and \$44.45M in 2024/25.
5. That the provincial government carry out the required research to identify appropriate technologies and determine the funding required to achieve provincial government energy conservation objectives for existing public buildings outlined in the Clean BC program; and further, that the provincial government work with the federal government to provide the necessary funding to achieve those objectives.
6. That the need for more up-to-date learning environments to support student success and the level of accumulated deferred maintenance both be given greater consideration in the decision-making process about whether to complete major renovations or replace school buildings as they approach the end of their useful life.
7. That a review of the process to determine the Facility Condition Index be undertaken by the Ministry of Education in concert with school district Directors of Facilities and Maintenance to ensure accuracy incorporating more frequent local updates.
8. That a review of the Building Envelope Program be completed by the Ministries of Education and BC Housing in concert with school district Directors of Facilities and Maintenance to ensure adequate funding is available to finally complete all building envelope repairs that stemmed from the “leaky condo” era.
9. That all of the additional funding identified as being required in this paper be provided beyond the current Ministry of Education funding envelope.

Background

Deferred Maintenance

Figure 1 (below) identifies historic routine capital program allocations, deferred maintenance recommended within 1 year, deferred maintenance recommended within 5 years, and the change in the average provincial facility condition index (FCI) of school facility assets.

The listed capital programs in Figure 1 include the Annual Facilities Grant (AFG), the Carbon Neutral Capital Program (CNC), the School Enhancement Program (SEP) and the Building Envelope Program (BEP) all of which contribute to addressing facility life cycle maintenance requirements. It will be noted Figure 1 captures a long term trend toward poorer conditions in school buildings, along with a growing estimate of unfunded immediate deferred maintenance costs (a \$237M shortfall in 2020).

If the trend toward a worse average facility condition index were to continue at a certain point the province would experience a crisis of needing to replace many school buildings all at once. That may not occur for several years, however, the trend is definitely of concern. The FCI descriptor on page four of this paper and the current average FCI rating of 0.47 suggest many school buildings must already be in the poor or very poor rating category.

We have based all of our analysis on data obtained from the Ministry of Education. It has been identified by some districts that more detailed and frequent analysis is needed on the process of assessing school buildings and that the analysis should involve school district staff involved in facility maintenance, to ensure the FCI is accurate and up to date. As a consequence we have made a recommendation for such a review to be completed at the earliest opportunity.

Fiscal Year	EDUC Routine Capital Program Allocations (AFG, BEP, CNC, SEP) plus AFG operating	Immediate Deferred Maintenance (Cost of repairs and upgrades required within 1 year) n.i.c. closed schools	Total Deferred Maintenance (Cost of repairs and upgrades required within 5 years) n.i.c. closed schools	Average Provincial Facility Condition Index (FCI) for Total Asset Inventory
2020/21	\$204M	\$441M	\$7.05B	0.47
2019/20	\$192M	\$491M	\$6.95B	0.44
2018/19	\$193M	\$396M	\$6.70B	0.43
2017/18	\$195M	\$343M	\$6.28B	0.43
2016/17	\$174M	\$332M	\$6.26B	0.42
2015/16	\$152M	\$305M	\$6.09B	0.42
2014/15	\$98M	\$296M	\$5.98B	0.41
2013/14	\$98M	\$254M	\$5.41B	0.38
2012/13	\$96M	\$236M	\$5.38B	0.37

Figure 1 - Source: Ministry of Education

Facility Condition Index

The BC Ministry of Education has established a Capital Asset Management System (CAMS) for all schools in the province and has contracted with VFA Inc. to conduct facility condition audits.

The purpose of the facility condition audit is to determine the equivalent age and condition of each school building. The condition includes structural, architectural, mechanical, electrical, plumbing, fire protection, equipment and furnishings and life safety. An audit of site conditions is also included.

The audit determines what resources will be required over the coming years to maintain or replace aging facilities. Each school is given a rating called the Facility Condition Index (FCI). This is a comparative index that allows the Ministry to rank each school against all others in the province and is expressed as a decimal percentage of the cost to remediate maintenance deficiencies divided by the current replacement value (i.e. 0.26).

According to VFA Inc.,
FCI ratings have the following meanings:

0.00 to 0.05 - Excellent

Near new condition.
Meets present and foreseeable future requirements.

0.05 to 0.15 - Good

Good condition. Meets all present requirements.

0.15 to 0.30 - Average

Has significant deficiencies, but meets minimum requirements. Some significant building system components nearing the end of their normal life cycle.

0.30 to 0.60 - Poor

Does not meet requirements. Immediate attention required to some significant building systems. Some significant building systems at the end of their life cycle. Parts may no longer be in stock or very difficult to obtain. High risk of failure of some systems.

0.60 and above - Very Poor

Does not meet requirements. Immediate attention required to most of the significant building systems. Most building systems at the end of their life cycle. Parts may no longer be in stock or very difficult to obtain. High risk of failure of some systems.

The FCI is a significant factor the Ministry of Education uses to determine funding priorities for rejuvenation or replacement projects. Generally, a school will not be considered for replacement unless the FCI is close to 0.60 or above.

How Deferred Maintenance is Calculated

In Figure 1 immediate deferred maintenance refers to those projects which are recommended by the engineering firm engaged by MOE to complete facility condition assessments each year. While the projects included in those recommendations do not necessarily involve building systems that will fail in the next year, preventive maintenance is always better than reactive or crisis maintenance. Building systems need to be properly maintained before they fail.

Building condition assessments are completed by engineers who are specialists in this field. They rely upon their knowledge of building systems to know where the sweet spot is.....that place where an ounce of prevention avoids a pound of cure and where replacement is more cost effective than constant repairs. Deferred maintenance reflects the work these specialists indicate should be done which has not been done as a result of inadequate funding. It is appropriately a requirement of government that building condition assessments are completed so government can direct limited funding to the areas of greatest need. We commend government for that, however, identifying and not addressing other maintenance requirements must still be considered a shortfall.

Capital Maintenance Project Requests/ Allocations

Figure 2 (below) documents shortfalls in each of several capital programs over the past five years.

The number of projects and funding for requests beyond the actual number of projects and funding provided by the ministry are reported for

- the Carbon Neutral Capital Program (CNCP),
- the School Enhancement Program (SEP),
- the Bus Acquisition Program (BUS) and
- the Playground Equipment Program (PEP).

All of these programs indicate the inadequacy of current levels of funding. Full program descriptions are available [here](#).

Unlike other programs listed in Figure 2, the Annual Facilities Grant is based on what is provided to districts by formula. Districts seek approval from the ministry on how they intend to use their AFG allocation. The best indication of an AFG shortfall is that provided in Figure 1. Figure 3 (page 5) provides another indication of less than adequate AFG funding.

The Building Envelope Program (BEP) identified in Figure 1 is not listed in Figure 2. We are advised the annual funding provided for this program amounts to approximately \$10M each year and is intended to address building envelope issues arising during the “leaky condo” years and will be phased out over time as they are addressed. Some additional funding for this purpose has been provided through litigation. We are advised by some districts relying on this funding that it is inadequate and, therefore, we are making a recommendation that the program be reviewed by the Ministry of Education and BC Housing Authority in concert with affected school districts and appropriately funded to address outstanding projects.

Figure 2 - Source: Ministry of Education

2020/21

AFG	2993 projects submitted in district spending plans, \$113.5M total allocated
BUS	165 project requests valued at \$24.2M. 101 projects approved for \$14.6M.
CNCP	124 project requests valued at \$40M. 67 projects approved for \$16.7M.
PEP	137 projects requests valued at \$12M. 40 projects approved for \$5M.
SEP	413 project requests valued at \$207.8M, 164 projects approved for \$64M

2019/20

AFG	2768 projects submitted in district spending plans, \$113.5M total allocated
BUS	148 project requests valued at \$21.8M. 87 projects approved for \$12.8M.
CNCP	112 project requests valued at \$36.3M. 19 projects approved for \$5M.
PEP	146 requests valued at \$14M. 50 projects approved for \$5M.
SEP	431 requests valued at \$219.5M. 138 projects approved for \$65M.

2018/19

AFG	2605 projects submitted in district spending plans, \$113.5M total allocate
BUS	123 project requests valued at \$16.M. 93 projects approved for \$13M.
CNCP	90 project requests valued at \$26.5M. 19 projects approved for \$5M.
PEP	158 project requests valued at \$15M. 51 projects approved for \$5M.
SEP	415 project requests valued at \$145M. 175 projects approved for \$65M.

2017/18

AFG	2704 projects submitted in district spending plans, \$108.5M total allocated
BUS	134 project requests valued at \$16.2M. 73 projects approved for \$10M.
CNCP	91 project requests valued at \$30.6M. 15 projects approved for \$5M.
SEP	346 project requests valued at \$167M. 130 projects approved for \$55M.

2016/17

AFG	2123 projects submitted in district spending plans, \$108.5M total allocated
BUS	126 project requests valued at \$16M. 73 projects approved for \$10.8M.
CNCP	85 project requests valued at \$22.2M. 25 projects approved for \$5M.
SEP	462 project requests valued at \$277.3M. 146 projects approved for \$70M.

Annual Facility Grant

Figure 3 tracks changes in the Annual Facilities Grant since 2002 indicating increases in that specific area of funding have risen by far less than inflation even though capital costs have risen significantly during that same period.

Given the shortfalls noted earlier we have recommended increases to the AFG program which are considerably greater than inflation beyond 2021/22. These increases and those recommended to other education routine capital programs are required to address the growing levels of deferred maintenance identified in Figure 1.

The result of underfunding public school life cycle funding is that many BC schools suffer from poor life cycle maintenance, looking and feeling tired, and creating less than ideal learning conditions.

As important, they cost more to operate than they should, taking money away from student educational resources. Fairly straight forward energy efficiency upgrades can redirect hundreds of thousands of dollars back into education operating budgets in addition to helping achieve the climate change targets established by the province.

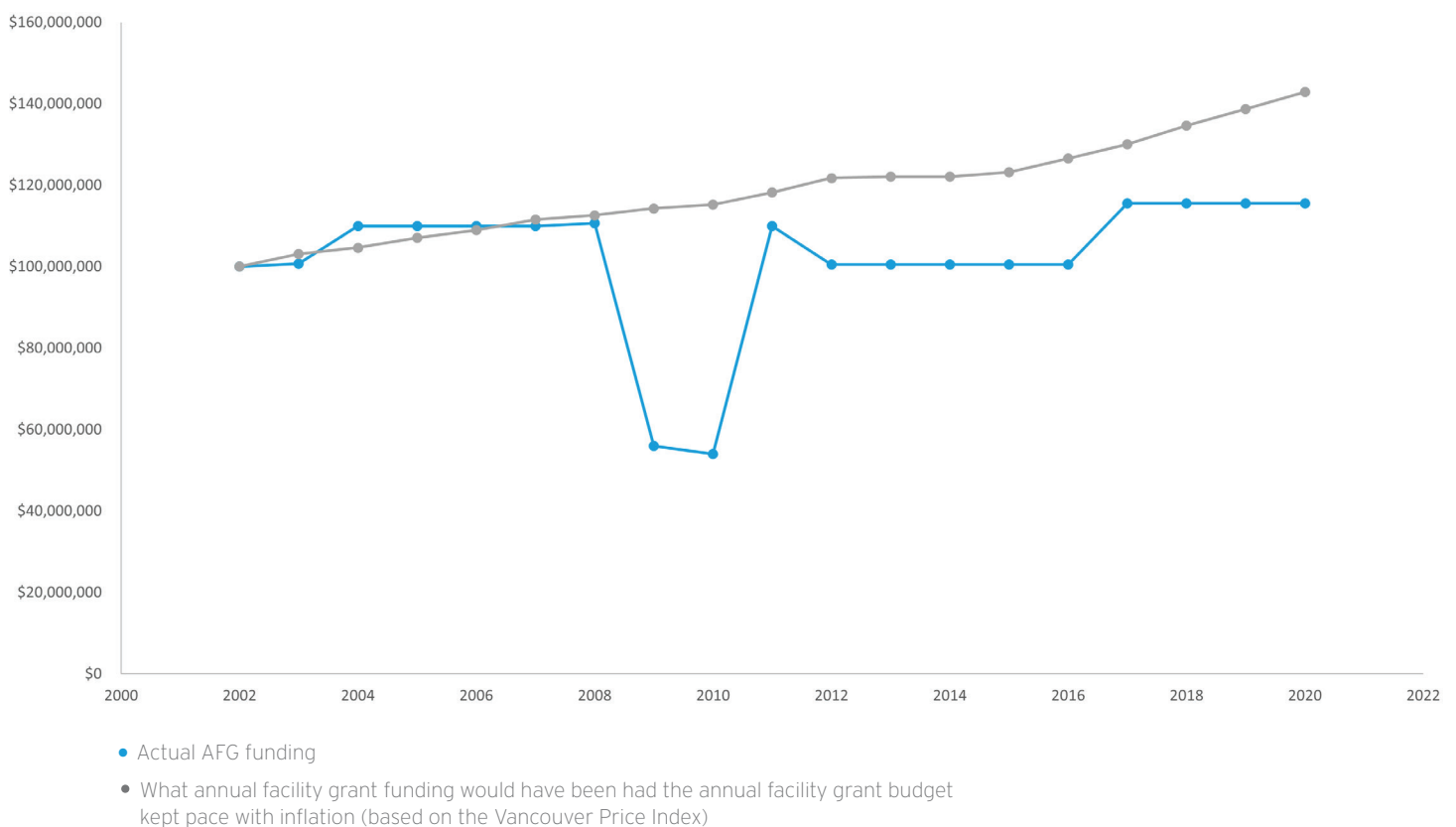


Figure 3 - data sourced from the Ministry of Education. The graph identifies the value of the Annual Facilities Grants (AFGs) awarded for each year beginning in 2002 compared to the amount which should have been budgeted given inflation (based on the Vancouver Consumer Price Index).

Investments in New Schools,
Seismic Upgrading and School Replacements

It can be said districts and government do a reasonable job of ensuring schools are safe which is a clear priority. The only exception may be those schools for which recommended seismic upgrading has not yet been completed. To their credit government has identified seismic retrofitting as a priority. Unfortunately, government and the boards of education involved in addressing this situation seem to be having some difficulty catching up to the problem, especially since seismic survivability standards appear to be increasing. Keeping up to the need for capital funding for new schools and additions on top of the seismic upgrade program has been extremely challenging. Despite this Government has made substantial attempts to address these issues with increased funding as noted in Figure 4.

	B2018	B2019	B2020
SEISMIC	126M	220M	310M
NEW & ADDITION	102M	166M	332M

Figure 4 - Source: Ministry of Education

A few school replacements are also being funded which will have an impact on the facility condition index as very old schools are fully replaced. The amounts provided over the past three years for full building replacements are \$9.8M in 2018, \$31.4M in 2019 and \$56M in 2020.

All three of these areas of funding (for new schools, additions and seismic upgrading) are important and, although they are not the subject of this discussion paper, we must assume plans have been developed which define the level of funding required to complete seismic upgrades and construct new schools to keep pace with growth in the system.

While these needs are being more appropriately addressed we cannot forget the amount of funding required to address deferred maintenance in existing buildings. New schools and seismic upgrading are both needed. They tend to enjoy a higher profile than maintenance projects in existing schools. However, the latter are equally important if we are to fulfill our responsibility as trustees of important public assets.

Data obtained from the Ministry of Education illustrates a growing level of deferred maintenance and the degree to which we are failing in this responsibility.

Regional Differences and Equity

During the process of writing this paper the capital working group heard from many school districts both verbally and in writing. A few quotations are shared from the written input on the following page. Apart from validating the need for additional life cycle funding to address deferred maintenance some also raised the need to consider regional differences and matters of equity.

There is no question that growth and seismic survivability are demanding the bulk of limited capital funding. As reported earlier, allocations for 2020 for these two categories of work amounted to \$642 million. This can be compared to education routine capital funding (including AFG from operating) in the same year of \$204M which, as we've noted, is \$237M less than the amount recommended by building system engineers..

Needed upgrades and renovations (deferred maintenance) are often addressed when seismic work or additions are completed. It only makes sense that those upgrades should occur at the same time as major structural work is being undertaken. Of course the addition of upgrades, seismic work and the need for school expansions can also factor into the decision on whether or not to replace an older school. There comes a point in the calculation when complete replacement makes more sense from a purely fiscal analysis.

There really cannot be any arguments as to why \$642M (or more) is needed on an annual basis to address the critical issues of growth and seismic survivability,

especially given the number of portables growing districts are having to purchase from operating funding to ensure there is enough space to accommodate their students. Reducing the number of portables being used in this fashion is a stated goal of government. In the report we've suggested that more detailed analysis and planning may be required to ensure adequate resources in these areas.

However, if funding is limited and seismic mitigation, new schools and school expansions are identified as priorities it means that the replacement of older schools and deferred maintenance (which is the subject of this paper) are severely underfunded. Since the majority of growth and seismic work are occurring in urban areas it is understandable why many of our more rural districts believe they are receiving an inadequate level of attention from government.

On top of that many of them exist in areas that experience more extreme climates, with disproportionate heating and maintenance costs during the winter months. Underfunding programs like the Carbon Neutral Capital Program, which could have an even more significant impact in areas experiencing extreme climates, adds to this sense of regional disparity.

There is another point some districts shared which bears repeating and it is embodied in the following phrase offered by one of our committee members, "your environment fosters your culture". To illustrate, one of the schools referenced by District 72, Campbell River, is 57 years old with an FCI of .69 which is very poor or critical on some FCI scales. Putting any significant amount of money into



deferred maintenance doesn't make a lot of sense at this stage given the strong case for replacement, and yet there is no funding for replacement despite several years of the project topping the district's capital request. It happens that the school is situated in an area of the community experiencing a disproportionate amount of poverty and a vulnerable student population. The result is a community within the district that is perceived to be under-served, with the consequent perception that the need of students for an appropriate and positive physical learning environment is somehow less of a priority in this school than in other SD72 school communities.

This is not a situation we can collectively ignore if we are to create positive learning environments for all of the children of our province....if we are to ensure equity within our education system. The only thing that will address this is increased funding for education routine capital programs and school replacements, and not at the expense of seismic upgrading or addressing growth. All of these needs must be addressed.

Rules and Standards Have Changed Over the Last Fifty Years.

Standards for health and safety have changed considerably over time with ever increasing and appropriate measures to address such issues as the use of asbestos many years ago, lead content in the water more recently and seismic survivability. The cost of energy has gone up considerably as well, demanding measures to become more efficient, not only to keep costs down but also to reduce green house gas emissions and, literally, save the planet. Government is now requiring that school buildings meet reasonable standards for energy efficiency reducing emissions by 50% from 2007 levels by 2030 and achieving net zero targets for new buildings by 2032. That is very appropriate and to be applauded as we consider the design of new schools, but what about our existing building infrastructure? It is not unusual for schools to be in service for over fifty years. How do we reduce the carbon footprint of buildings constructed that many years ago and ensure they are safe and efficient, not to mention providing positive learning environments for children?

".....it costs more to operate buildings that are in poor repair which takes away from student educational resources.....the quality of our buildings, especially in rural/remote locations is a factor in staff recruitment and retention."

SD60 North Peace

"Thirteen of our twenty buildings are in the poor or very poor FCI category. Thus we utilize every dollar of our annual facilities grant just trying to triage our most urgent maintenance needs. The district submits an annual plan for the spending then always adjusts based on a roof that sprouts a leak or a boiler that fails. There are never enough funds to address all of the needs thus building deferred maintenance requirements and costs continue to grow."

SD71 Comox Valley

"One wonders what our future selves might wish that we had done today to succeed in managing this challenging problem in the long run...In our experience a majority of projects that are a good fit for CNCP funding tend to be more expensive projects, including HVAC rooftop units, heating, water and electrical systems. The gap between existing equipment and the much lower Clean BC targets (to be achieved with enhanced systems and equipment) would possibly justifya doubling in the current amount (of available funding)."

SD 37, Delta

"As a district with most of our buildings more than 30 years old funding to do exterior upgrades to schools would greatly improve student, staff, parent and community morale in our public education system."

SD 28, Quesnel

"Since much of the provincial funding for the Building Envelope Program flows through the BC Housing Authority it creates some further complexity. That the fund is only \$10M annually is a significant detriment to addressing more costly maintenance. The funding is simply insufficient. For example, we have two schools each of which require more than the annual fund provided. As a result these projects never get approved, the buildings are deteriorating more rapidly than others which significantly increases operating costs and (reduces) building life.....the leaky condo era was 1981-98 and 22 years later the building envelope is still a significant issue"

SD43, Coquitlam

".....we are particularly concerned about the specific challenges facing many rural and remote communities in northern BC. The window of time that districts are able to perform cost effective building and maintenance is smaller and northern districts can face significantly higher building and maintenance costs during colder months than other districts might."

SD57, Prince George

How Can We Address the Problem?

Boards of education have long expressed the concern that the annual allocation of capital funding to address deferred maintenance is inadequate. Figure 1 provides a relatively clear substantiation of that claim.

Many municipal governments have addressed this problem for their own facility infrastructure by developing life cycle plans at the point of constructing new buildings, identifying each building's life cycle costs well into the future and putting sufficient funding into a reserve each year to ensure the identified work can be addressed as it comes up in the plan. Roofs, mechanical and electrical systems all need to be replaced several times over the life of a building. Given the extremes of our climate regular reviews and repair/replacement of building envelopes is another aspect of the ongoing work which needs to be addressed more than once during the life of a building.

Strata councils are required in legislation to have lifecycle plans which they are wise to implement to avoid surprise assessments as major issues arise. It is a preferred approach to set monthly strata fees at a level sufficient to accommodate everything in the plan rather than wait until something breaks down and requires an emergency repair or replacement and a somewhat unexpected assessment. An unanticipated \$10,000 bill, or greater, can be a significant blow to a family's budget, not to mention the disruption if replacement is left until something like a water line breaks.

Many commercial buildings operate this way as well with a portion of every lease payment for common costs allocated to life cycle projects.

The cost to address the reported shortfalls for school facility life cycle maintenance is significant (\$237M per year) and couldn't possibly be addressed all at once. We have suggested other sources of funding that could be tapped in another paper of the BCSTA Capital Working Group ([School Site Acquisition Charges - Issues and Solutions](#)). Implementing the recommendations offered in that paper would free up more capital funding over the long term. This is a long term problem and, we submit, requires a steady and considered long term approach to address the issue. If the recommended changes had been made in the years prior government could have saved \$42M in land acquisition costs in 2018 and similar amounts going forward. However, nothing we can suggest short of additional government funding will be sufficient to bring the entirety of public K-12 education infrastructure up to the desired level very quickly.

Life Cycle Plan Recommendations

To begin we are suggesting that the ministry require a standardized life cycle plan be developed for every new school building that is constructed into the future.....and further....that an adequate annual contribution be added to the Annual Facilities Grant of the school district in which the facility is located to address the lifecycle needs of that building over time.

Ideally school districts would work backwards and create such plans for all their existing buildings and apply to the ministry for the annual funding required to sustain the overall building life cycle plan. That is likely unrealistic given the increased amount of funding required as indicated by the high number of requests made and relatively few which are approved. In 2019/20 the amount allocated by the province to lifecycle maintenance (the combination of AFG, SEP, CNCP and BEP) was \$205M against a recommended amount of \$441M. As noted earlier the recommended amount is derived from the work of building system engineers engaged by MOE to complete the facility condition assessment each year.

Ideally the annual allocation from the ministry would address the annual deficit (\$237M). Since that is unrealistic in the short term we are suggesting a gradual "catch up" to eventually achieve enough annual funding to meet existing building life cycle needs, concurrent with a new system of lifecycle planning and funding for new buildings as they come on board.

In summary we are recommending annual increases in the Annual Facilities Grant, the School Enhancement Program and the Carbon Neutral Capital Program until the total recommended level of funding required to complete recommended immediate deferred maintenance can be achieved.

Annual Facilities Grant Recommendations

The current AFG allocation in 2020/21 is \$115.5M. We are recommending that amount be increased each year with the addition of:

- the annual contribution identified as being required in new facility life cycle plans plus
- inflation (currently roughly 2%) plus
- a minimum of 15% beyond inflation intended to reduce the shortfall for existing buildings over time.

The investment made in constructing new schools and additions in 2020 was \$332M. In order to provide a rough estimate of the annual life cycle contribution required for new facilities we have anticipated that cost to be the initial capital cost divided by a fifty year life or \$6.6M. That can be roughly translated to 3% of the current combined investment in AFG and SEP. The actual amount added to the system each year should be based on the specific lifecycle plans prepared for each building in the prior year. However, for the purposes of this paper and its recommendations we have simplified the calculation.

This formula would amount to AFG funding of approximately \$139.5 in 2021/22, \$168.5M in 2022/23, \$203.6M in 2023/24 and \$246M in 2024/25.

School Enhancement Program Recommendations

We are also recommending an annual increase in the School Enhancement Program (SEP). The SEP funding provided for 2020/21 is \$64M. We are recommending that amount be increased each year with the addition of:

- inflation (currently roughly 2%) plus
- a minimum of 15% beyond inflation intended to reduce the shortfall for existing buildings over time

This would amount to SEP funding of \$75M in 2021/22, \$88M in 2022/23, 103.2M in 2023/24 and \$121M in 2024/25.

Both of these programs would continue to increase using these formulas beyond 2025 until the amount being budgeted is sufficient to address the deferred maintenance shortfall.

We have selected a 15% factor in our formula for “catch up” recognizing it will still take several years to do so. If the “catch up” provision was increased to 20% over \$500M would be available in 2025. A smaller “catch up” amount would extend the time needed to achieve the required level of funding and complete the required work.

Carbon Neutral Capital Program Recommendations

We must also consider the Carbon Neutral Capital Program. Expenditures in this program are often used to replace electrical, mechanical or other systems which need to be replaced in the regular course of completing life cycle maintenance. It only makes sense that completing upgrades to systems to make them more energy efficient would be completed at the same time.

There is another significant argument to be made for increased funding beyond the amount already provided in the Carbon Neutral Capital Program. Reduced consumption generally means reduced operating costs, which can then be redirected to student achievement.

We are hoping the total amount of funding required to achieve the net zero targets established by the province for new buildings and improved efficiency for existing buildings (50% reduced consumption by 2030) will be the subject of further investigation and recommendations by government and is beyond the scope of this paper. However, we do feel it is appropriate in the context of this discussion to suggest a minimal ramping up of the Carbon Neutral Capital Program. It can be seen in Figure 2 that funding requests for this work totalled 2.5 times the available funding in 2020. Total requests amounted to \$40M in 2020/21 while the available funding amounted to only \$16.7M.

We are concerned the amount of annual funding currently available in the Carbon Neutral Capital Program for public schools is significantly less than the amount required to achieve Clean BC objectives. We are recommending the annual allocation to the Carbon Neutral Capital Program be doubled in the next year and increased by 10% per year thereafter. At this point we do not know if that level of investment will be sufficient to achieve the goals of the Clean BC program. We do know that most districts have already completed the easiest upgrades beginning with lighting systems followed by more efficient Boiler and HVAC equipment as mechanical systems reach the end of their life expectancy. What remains are projects which will be needed to achieve the Clean BC goals by 2030. They are very likely to be more complex and expensive as conversions from traditional to more innovative systems using alternative clean energy sources are contemplated. We are recommending CNCP allocations over the next four years should be \$33.4M in 2021/22, \$36.74M in 2022/23, \$40.41M in 2023/24 and \$44.45M in 2024/25. These increases are considered to be the minimum required. A more detailed analysis on what it will take to achieve Clean BC goals by 2030 may indicate the need for even greater resources. We are also recommending that analysis be undertaken by the provincial government as soon as possible.

Of course Initial capital funding for new buildings should be based on achieving as close to net zero emission targets as possible going forward, leading to new buildings fully achieving the net zero target by 2032.

Access the Clean BC program details [here](#).

Renovate or Replace?

Many districts and the Ministry of Education face difficult decisions as schools approach the end of their useful life (fifty to sixty years of service) and encounter the need to complete relatively costly seismic upgrades and building system upgrades if they are to continue safely accommodating students in those facilities.

The dilemma is that schools built so many years ago often do not include the kind of learning environments we want to offer to students. For example most older secondary schools do not include the kind of trades and technical training facilities which are commonplace in modern secondary schools. Most older elementary schools do not provide the kind of break out space needed for Education Assistants to work one on one with students who have specialized needs, resulting in hallways filled with EAs and their assigned students when working in regular classrooms is not appropriate.

Unfortunately in the process of making capital submissions for older facilities to the Ministry of Education many school districts have experienced a direction from government to plan for the least expensive solution which will ensure student safety and meet basic building system requirements. This is often occurring without adequately addressing the needs of students. With that the case we are recommending that decisions concerning whether or not to complete major upgrades or replace older buildings which have effectively reached the end of their useful life (50 to 60 years) include greater consideration of the changing learning needs of students. Full replacement may cost more than renovations in the short term but will often be more educationally effective and justifiable given a longer term perspective.

Moreover, all of the deferred maintenance of an older facility being considered for renovation must be considered in the calculation to determine the comparable costs of renovation vs replacement.

Conclusion

Building new schools and additions as our student population grows is important as is completing seismic upgrades to ensure our buildings are survivable in the event of an earthquake. With that said ensuring regular, appropriately timed life cycle maintenance on all school facilities is equally necessary to fully achieve our goal of providing safe and efficient school facilities which provide excellent learning environments for children. Accomplishing that can only be achieved with adequate annual funding provided by government. We have offered several recommendations along with a formula which should be used to catch the system up to address the ever increasing levels of deferred maintenance currently being experienced by school districts in British Columbia, and urge consideration of those recommendations and the proposed formula by government. Maintaining our schools is not a luxury that can wait until the economy is better. We need to act now to avoid serious problems in the future.

Acknowledgements

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SCHOOL SITE LAND ACQUISITIONS ISSUES AND SOLUTIONS

a report from the BC School Trustees Association

Context

The BCSTA formed a Capital Working Group (CWG) in September of 2018 to review various BCSTA resolutions adopted by the membership on government policy related to capital work in the sector. The review resulted in a recommendation to BCSTA's board to pursue various policy changes within government. That recommendation was subsequently adopted. This brief paper is intended to provide some background and recommendations on one of the issues discussed by the CWG; school site acquisition.

Recommendations

1. That the required legislative and regulatory changes be introduced eliminating the current cap on School Site Acquisition Charges (SSACs) and requiring school districts to set SSACs using a formula similar to that used for municipal parkland Development Cost Charges (DCCs). The formula would allow for an amount to be established based on the market value of the land to be acquired for a school site, (less the amount already collected for the purchase) divided by the number of remaining development units set by the Municipal Government serving the same geographic area as the school district. The calculation should be reviewed regularly to ensure the amount being collected reflects increasing land values over time.
2. That SSACs be updated regularly to reflect current land values.
3. That the required legislative and regulatory changes be introduced requiring municipal governments who charge development cost charges to include the cost of off site servicing of new schools in their municipal development cost charges. It is recognized some municipal governments do not have sufficient development to warrant establishing development cost charges at all. In those cases required off site servicing would necessarily continue to be attributed to new or replacement school construction costs.
4. That legislative changes be introduced to require that Municipal governments collect SSACs set by a school district.
5. That over the next ten years the percentage of provincial funding to be provided in addition to SSACs to facilitate school site acquisitions noted in the current regulations be gradually reduced from 65% of the total cost to as little as possible of the total cost recognizing the proposed increases in SSAC payments anticipated in recommendation one will take time to be collected.
6. That school site acquisitions continue to be approved and funded by the provincial government even if the locally collected SSACs are insufficient to acquire the necessary land, given the urgent need to proceed with new school construction in growing areas.
7. That school site acquisitions be authorized and encouraged to take place within five years of an Official Community Plan being adopted which identifies designated school sites or at the earliest reasonable opportunity upon request of a property owner, first utilizing available SSACs and additional funding as required from the Ministry of Education .
8. That developers continue to be provided with the option of dedicating designated school sites to the school district in return for the payment of SSACs being forgiven.
9. That Municipal governments and school districts be encouraged to enter into a purchase agreement wherein the local government front ends the acquisition of a school site designated in an Official Community Plan (OCP) utilizing available SSACs and additional funding from the local government which is to be paid back with interest through a combination of the collection of future SSACs and provincial government payments once approved in the school district's capital plan.

Background/ Issues to be Resolved

Official Community Plans

Municipal governments are given the authority to adopt Official Community Plans (OCPs). The relevant legislation is found in the Local Government Act (Part 14, Division 4). OCPs identify acceptable land uses (among other policy matters) and the relationship between various land uses (residential, commercial, industrial, transportation and utility corridors, public amenities including parks and schools, etc.). Land use designations are also influenced by Agricultural Land Reserve boundaries, by defined environmentally sensitive areas and by environmental protection policies (i.e. stream setbacks etc.). Land use decision making is fine tuned at the point of development applications being considered through more detailed planning. However, once privately owned lands are designated for a particular use within an OCP there can be a reasonable expectation that it will eventually be used for that purpose subject only to the detailed planning mentioned above.

Municipalities are required to consult with school districts on the requirement for school sites within an OCP based on residential growth anticipated in the plan. The purpose of designating school sites at this point is to ensure the land being set aside for this purpose is suitable for its intended use. If Municipal Governments did not designate school sites at the point of adopting their OCPs there is a significant risk that appropriate sites will either not be available when needed or will be less desirable (i.e. hillside land which is more difficult and expensive to develop).

Timing

In order to secure the sites required to accommodate the school facilities needed to respond to anticipated residential growth they need to be acquired in a reasonable period of time following their designation within an OCP. Once land is designated as a school site in the OCP the owners are precluded from using it for another purpose (other than what it's current zoning permits) unless the OCP and zoning are amended. It has been suggested that government should require school sites be rezoned by municipal governments for school purposes once an OCP is amended to ensure development under current zoning does not further frustrate the use of the land for school purposes.

This does lead to the private owners of designated school sites asking school districts to either purchase the designated site at fair market value, based on highest and best use, or give it up so they can develop it for other uses (often residential development). There is legal precedent established to suggest governments must demonstrate

their intent to purchase sites designated in an OCP for a public purpose within a reasonable period of time following such designation or give up the designation (Hall vs Maple Ridge 1993). Many school site acquisitions have been delayed in the past until a decision is imminent to move ahead with school construction. Under these circumstances residential development can come close to surrounding designated school sites which have still not been authorized in capital plans to be purchased.

There are some circumstances where the scope of a single development is so large (i.e. a few thousand residential units) that the developer can be required to dedicate the school and park sites needed to serve the neighbourhood they are developing as a condition of that development. This is usually part of a servicing agreement in which DCCs and SSACs are forgiven equivalent in value to the value of the land being dedicated. Although this has happened in communities like Coquitlam it is actually quite rare that a single development proposal is so large that it can accommodate that type of school site and park dedication.

“Residential development can come close to surrounding designated school sites which have still not been authorized in capital plans to be purchased.”

Rationale for delays in purchasing

Delays in purchasing school sites have been justified in the past by suggesting that a new school may or may not be required in the area in the future and the cost to the province to proceed with the purchase is significant if insufficient SSACs are available. With this rationale school site acquisitions are not authorized to proceed until the school district and Ministry of Education are relatively close to making a decision to build a new school.

The problem with this approach is:

- Pressure from land owners of designated sites who want to sell their land often begins far in advance of government being prepared to acquire the property and build a school.
- Courts can order removal of the OCP designation if requested to do so by the land owners if governments are not prepared to follow through with acquisitions.
- The price of the land to be acquired can increase exponentially over time and could be subject to lengthy and costly expropriation proceedings.

Inadequacy of current SSACS

Part of the delay in moving ahead with acquisitions has at least in part to do with the inadequacy of funding for the purchase. SSACs have not kept up to increasing land values having been capped at no more than \$1,000 per single family residential unit when they were first introduced in 2000 (BC REG 17/00) and actually reflect no relationship to land values in different geographical areas of the province. The inadequacy of SSACs has resulted in more and more capital funding needing to be provided by the provincial government for land acquisitions for schools, which has contributed to even more justification for the delay in acquiring needed lands. In fact, the ratio between the amount of funding being provided by SSACs and direct provincial funding is heavily weighted to the provincial funding side of the equation. Although it can vary depending upon specific circumstances the current formula embedded in the regulation addressing this subject suggests 65% of the cost will be covered by government while SSACs collected for that purpose account for the remaining 35%. In fact, the ratio over the last year has meant provincial funding of over 90% of the total cost.

In our view development should be covering close to if not 100% of the cost of land acquisition for the public services needed to support that development through much increased SSACs which are more frequently reviewed and adjusted to reflect current land values. We do not believe merely increasing the cap on SSACs in the current regulations will address the long-term problem.

The cost of off-site servicing required by municipal governments is another cost that should be a simple cost of development. We are suggesting that such servicing be required to be provided by municipal governments and funded through their own Development Cost Charges. We

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appreciate that is not possible in communities where the level of development is insufficient to warrant the collection of DCCS. In those cases the cost of off site servicing will necessarily continue to be a cost attributable to the construction of a new school.

Some would suggest additional contributions should be made for school building development as well, similar to municipal government amenity charges which are used to build fire halls and recreation centres. We are not suggesting the introduction of school amenity charges at this point but increasing the amount that development pays toward school site acquisition and off-site servicing makes sense. Setting SSACs based on a calculation similar to that used by municipalities in establishing park land acquisition DCCs and similarly timed is one way to ensure regular reviews of the charges so they reflect current local land values. Taking this approach would increase the percentage of school site acquisition costs being covered by development. We believe that, eventually, the additional funding this would add to the system would allow for earlier, more sensible, acquisition timing and the redirection of money currently being spent on land acquisition to other areas of need within the public school system.

Inflation/increased land values

More recently, over the last decade or so, another downside to delaying the purchase of school sites has become apparent. Inflationary and speculative pressures tied to rapid growth have increased land values significantly. Delays in purchasing land which will eventually be needed have resulted in millions of dollars of increased costs, some sites more than doubling in value in less than two or three years. We know the pace and scope of the increases reflected in this recent trend will likely not continue but some significant increases in cost are still likely over the long term. There are limits to the developable land area in the south coast area in particular which boasts the most desirable climate in the Country. With this the case purchasing land for school sites is at least a good investment even if they are eventually not needed for schools. We're not suggesting land acquisition as an investment policy but we are suggesting that land acquisitions are a relatively low risk long term investment for government, especially in rapidly developing areas of the province.

“Delays in purchasing land which will eventually be needed have resulted in millions of dollars of increased costs.”

All of this suggests the need to acquire designated school sites in a more timely fashion and to generate sufficiently increased revenue through increased SSACs to make that possible.

What about the increased cost of housing?

One of the arguments against this change which may be advanced by those in the development community is that any increase in charges like SSACs will result in increased housing costs at a time when governments are trying to keep the cost of housing down. In our view it is the competitive market that dictates pricing and the relatively small increase to the overall price that would be represented by increasing SSACs would be minimal albeit reflected in the bottom line of the development community.

It does seem to us to be inconsistent that the bulk of the cost of some public amenities and services required to support development are being passed along by municipal governments in the form of DCCs and amenity charges but not by the provincial government with respect to schools in the form of appropriate SSACs.

Transition

The implementation of increased SSACs will not have an immediate impact on land acquisitions which need to be addressed in the near term. However, making the changes now will have a longer term impact. Government fronting of current costs could possibly be tied to some kind of reimbursement to the province for up front acquisition costs from increased SSACs collected at a later date to a predetermined threshold. We've suggested government change the percentage to be covered by SSACs ultimately to 100% where continuing residential development is occurring and SSACs can be collected. This would represent a significant change to the current regulation of a 65/35 split (per BC REG 17/00).

We are aware of at least one local government willing to address the delay in the acquisition of designated school sites by fronting acquisitions if the school district and the provincial government do not currently have the resources to move ahead. This would require the Municipality to enter into a purchase agreement with the school district which identifies repayment with interest over time as SSACs and additional provincial funding become available. Naturally this would require Minister approval but should not be precluded if it makes sense.

Savings

A further argument for increasing SSACs to a level more reflective of actual land values is that of reducing the amount needing to be funded by the provincial government. The amount of money spent by the province as its share of land acquisitions in 2018 was \$42.1M. Interestingly the total added to that amount from SSACs was only \$1.6M, meaning the 65/35 formula was not followed due to the specific circumstances encountered and the urgent need for the land in order to proceed with new school construction. In that instance provincial funding actually covered 96% of the cost.

"Although it will take some time to make the change and collect higher SSACs we are recommending the savings which are achieved through this change be redirected to address other capital needs like the growing level of deferred maintenance in our public schools."

If SSACs had been collected over the years in the fashion we are suggesting sufficient to cover even 65% of the total cost of land acquisition the savings in provincial funding for the last year would have been in the order of \$26.8M. Of course, funding of 100% through SSACs would mean a saving of the entire \$42.1M. Although it will take some time to make the change and collect higher SSACs we are recommending the savings which are achieved through this change be redirected to address other capital needs like the growing level of deferred maintenance in our public schools. That doesn't mean additional funding isn't also required to adequately address deferred maintenance needs but acknowledges any savings achieved as suggested could be part of the solution.

Conclusion

It has been suggested by some that the current cap on the amount of school site acquisition charges that can be collected should be raised since it hasn't been increased for many years. While BCSTA views that as a positive step we believe a longer term solution is required that passes the largest part of school site acquisition costs and 100% of off site servicing along as an appropriate cost of land subdivision, development and housing densification. The alternative is to continue paying what amounts to 65% (according to the regulation) or over 90% (in reality) of the cost of land acquisitions plus the cost of off site servicing to accommodate growth in certain areas by using provincial tax revenues provided by all of the taxpayers of the province. In the current system taxpayers are subsidizing development quite considerably. As noted above there are other capital needs in the public school system which could be addressed if savings resulting from an appropriate change in the formula for school site land acquisitions and off site servicing can be achieved. ■

BCSTA wishes to acknowledge the work of the following members of BCSTA's Capital Working Group in preparing this discussion paper.

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