

FINANCIAL STATEMENT DISCUSSION & ANALYSIS

For the year ended June 30, 2024

School District
No. 59 Peace
River South



Table of Contents

Introduction	2
The School District	2
Our Mission	2
Key Audited Statements	3
Schedule 2 – Operating Fund	3
Schedule 3 – Special Purpose Funds	3
Schedule 4 – Capital Fund	3
District Enrolment	4
Employees	5
Statement of Financial Position	6
Assets	7
Liabilities	7
Non-Financial Assets	8
Operating Fund – Schedule 2	9
Revenues	9
Expenses	11
Surplus	15
Accumulated Operating Reserves	16
School Funds	17
Special Purpose Fund – Schedule 3	18
Capital Fund – Schedule 4	20
Other Significant Matters	21
Contact Management	25



Introduction

The following is a discussion and analysis of the School District's financial performance for the fiscal year ended June 30, 2024. It is based on currently known facts, decisions, and conditions. This report should be read in conjunction with the District's financial statements for the same period.

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

The School District

School District No. 59 (Peace River South) has approximately 3,700 students and serves the communities of Chetwynd, Dawson Creek, Pouce Coupe, Tumbler Ridge and the surrounding rural area. We acknowledge the South Peace region is located within Treaty 8 Territory, a traditional travelling route for the Cree, Dunne-Za and Métis. The district has 15 elementary schools, 3 high schools and offers a distributed learning program.

The governing body of the School District is the Board of Education comprised of 7 trustees who are each elected for a four-year term 2022-2026. The day-to-day operations are managed by the administrative staff of the School District, lead by the Superintendent of Schools.

Our Mission

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

Strategic Plan

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

1. Equity
2. Foundational Skills and Core Competencies
3. Sustainable Use of Our Resources

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





Composition of Financial Statements

The financial statements are prepared using fund accounting and are a consolidation of 3 separate funds: operating, special purpose and capital. Financial performance is difficult to ascertain in the audited statements as the three funds are combined. Financial details of each fund are reported in the supplementary schedules that follow the notes to the financial statements.

Key Audited Statements

1. Statement of Financial Position (Statement 1) summarizes financial assets, liabilities and accumulated surplus as at June 30, 2024.
2. Statement of Operations (Statement 2) summarizes revenues received and expenses incurred between July 1, 2023 and June 30, 2024.

Schedule 2 – Operating Fund

The Operating Fund accounts for the district's daily operating transactions. Annual and accumulated surpluses within the Operating Fund are an important indication of financial health. School districts are unable to incur an accumulated deficit position. When the district has an available accumulated surplus balance, those funds are available to use for future expenses and to reduce the financial risk of unforeseen circumstances. Accumulated surplus balances are subject to the Board's Accumulated Operating Surplus Policy 5010.

Schedule 3 – Special Purpose Funds

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

Schedule 4 – Capital Fund

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



District Enrolment

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

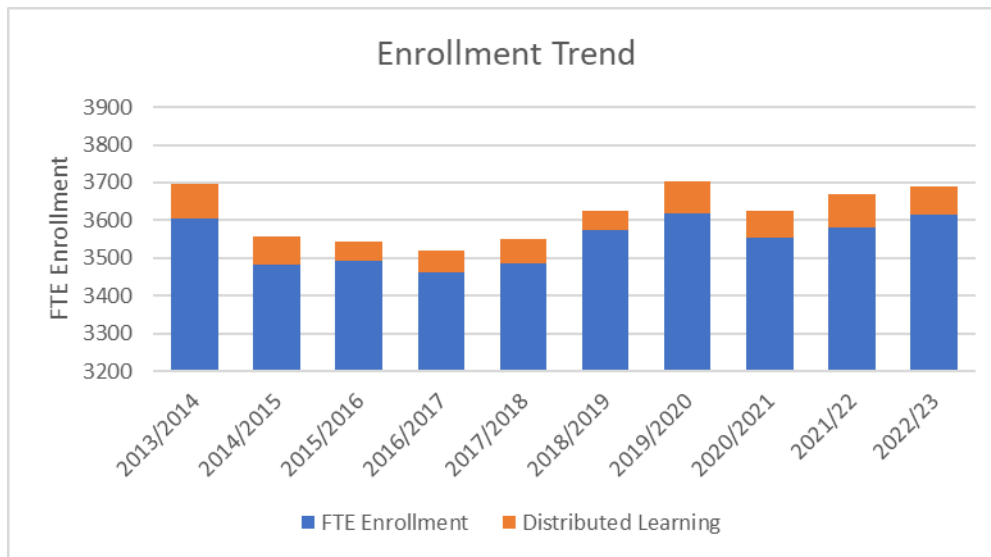
	2023/24 Actual	2023/24 Prelim Budget	2022/23 Actual	Variance to Budget	% Change to Budget	Variance to Prior Year	% Change to Prior Year
Standard School	3,650.94	3,605.00	3,615.75	45.94	1.27%	35.19	0.97%
DL	92.63	80.00	72.56	12.63	15.78%	20.06	27.65%
Total FTE	3,743.56	3,685.00	3,688.31	58.56	1.59%	55.25	1.50%

Variance to Budget

The 2023/24 Preliminary Budget Enrolment estimates were submitted in February 2023. The variance between preliminary and actual enrolment is 58.56 FTE (1.59%) and shows enrolment growth since projections in February 2023. An elementary Distributed Learning (DL) program was created for the 2020/21 school year to accommodate a non-face-to-face option during the COVID-19 pandemic. Enrolment fluctuations in this newly developed program are expected.

Variance to 2022/23

The variance of 2023/24 actual enrolment to 2022/23 actual enrolment is 55.25 (1.5%) and indicates growth.





Employees

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

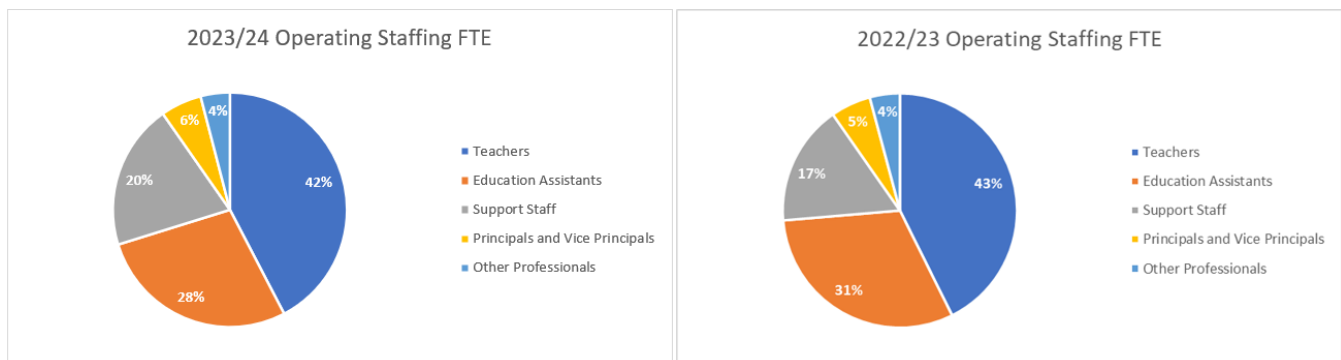
	2023/24	2022/23	Variance	% Change
Teachers	229.067	222.588	6.479	2.91%
Education Assistants	150.776	161.760	-10.984	-6.79%
Support Staff	108.596	86.900	21.696	24.97%
Principals and Vice Principals	30.750	29.000	1.750	6.04%
Other Professionals	21.830	21.630	0.200	0.92%
Total Staffing	541.019	521.878	19.141	3.67%

Teachers increased by 6.479 FTE when enrolment increased by 58.56 FTE, the overall percentage change is 2.91%. Each year, the school’s employee per student FTE can vary depending on each school’s composition and configuration.

There were 292 students claimed for funding under a unique needs category in the 2023/24 school year, this is compared to 286 in 2022/23, an increase of 2%. The district claimed 497 students with Ministry designations which all receive services from staff in the district.

One additional Vice-Principal position was added to the district office to assume the new Feeding Futures funding as well as recruitment and careers support.

The District always strives to be fully staffed but there are also periods of time in the school year where teaching, education assistant, and other positions are unfilled and covered by casual substitute employees not reflected in the above employee FTE. A reminder that the numbers above relate to the operating fund including ‘classroom enhancement fund’ classroom teachers. Staffing in some classifications is also paid from special purpose funds.





Statement of Financial Position

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

Net Financial Asset (Debt)

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

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

Accumulated Surplus (Deficit)

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

The District was in an Accumulated Surplus position as at June 30, 2024.



	June 30, 2024	June 30, 2023	Increase	Increase
	Actual	Actual	(Decrease)	(Decrease)
	\$	\$	\$	%
Financial Assets				
Cash & Cash Equivalents	22,765,353	15,131,835	7,633,518	50%
Accounts Receivable				
Due from Province - Ministry of Education	-	26,062	(26,062)	-100%
Due from First Nations	218,315	220,706	(2,391)	-1%
Other	411,627	354,101	57,526	16%
Total Financial Assets	23,395,295	15,732,704	7,662,591	49%
Liabilities				
Accounts Payable and Accrued Liabilities				
Other	2,637,618	3,224,183	(586,565)	-18%
Unearned Revenue	91,092	106,767	(15,675)	-15%
Deferred Revenue	1,644,710	1,548,720	95,990	6%
Deferred Capital Revenue	37,836,348	28,545,102	9,291,246	33%
Employee Future Benefits	1,106,173	1,052,413	53,760	5%
Asset Retirement Obligation	6,151,717	6,151,717	-	
Total Liabilities	49,467,658	40,628,902	8,838,756	22%
Net Financial Assets (Debt)	(26,072,363)	(24,896,198)	(1,176,165)	5%
Non - Financial Assets				
Tangible Capital Assets	40,461,350	39,890,030	571,320	1%
Prepaid Expenses	175,442	96,183	79,259	82%
Total Non-Financial Assets	40,636,792	39,986,213	650,579	2%
Accumulated Surplus (Deficit)	14,564,429	15,090,015	(525,586)	-3%

Assets

Cash & Cash Equivalents have increased. This is due to the draw of major capital project funding for the Crescent Park Expansion project and the Dawson Creek and Tumbler Ridge New Spaces Child Care centres, in advance of the expenses being incurred. These funds will be committed in the capital fund throughout the 2024-2025 and 2025-2026 fiscal years. As of June 30, 2024 the district was owed net \$218,315 from First Nations. This amount payable was aged less than 30 days and was paid soon after year-end on July 23, 2024. A credit note to First Nations will be settled as an offset to the first 2024/25 billing. Other Accounts Receivable are amounts owed to the District and primarily consist of a GST rebate and other receivables, both of which increased from the prior year.

Liabilities

Other Accounts Payable is comprised of amounts the District owes and primarily consist of salaries and benefits payable and accrued vacation payable. The decrease 2023/24 is mainly due to the timing of



source deduction remittances in alignment with June 30, 2024. Deferred Revenue refers to unused funds from the Special Purpose Funds. The majority of this balance consists of school generated funds and Feeding Futures funding. Deferred Capital Revenue relates to funding provided by the Ministry of Education and Child Care for capital projects and is usually decreased as the tangible capital assets are amortized. For the year ended June 30, 2024 Deferred Capital Revenue increased due to the draw of major capital project funding for the Crescent Park Expansion project and the Dawson Creek and Tumbler Ridge New Spaces Child Care centres, in advance of the expenses being incurred. Accrued Employee Future Benefits (liabilities) is actuarially calculated annually and includes vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits resulting from employment contract provisions.

Non-Financial Assets

Tangible Capital Assets reflect the unamortized cost of land, buildings, furniture, vehicles, computers and equipment. Prepaid Expenses are a result of making advance payments for a good or service that will be received in the future. At June 30, 2024, the prepaid balance is made up primarily of software licenses and other subscription renewals, membership fees and school supply and agenda orders in advance of the new fiscal year.

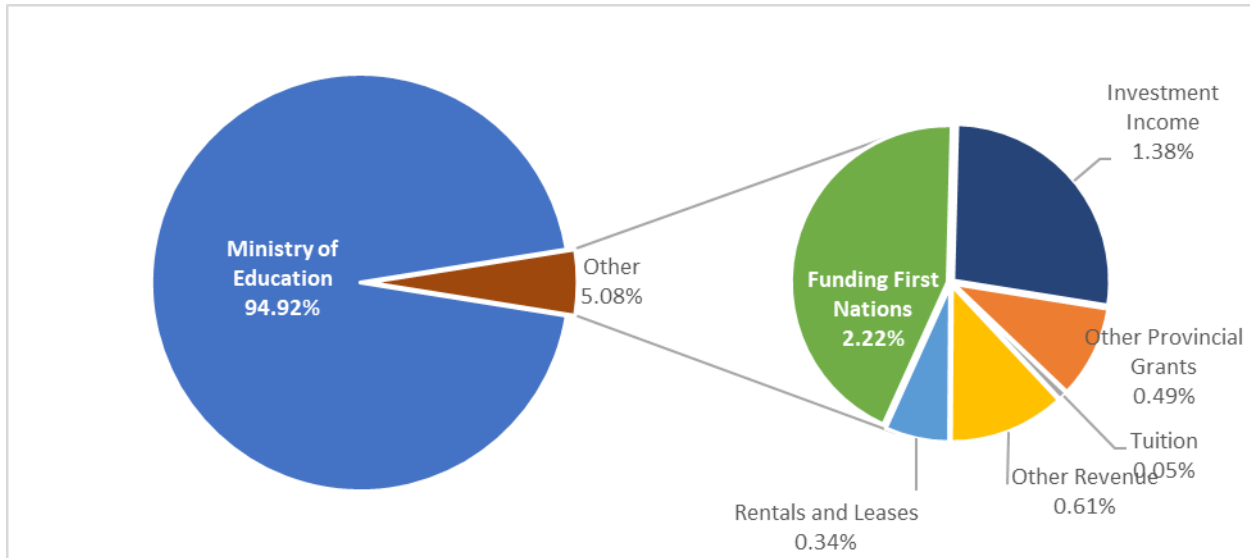


Operating Fund – Schedule 2

	2023/2024	2023/2024	Variance to	2022/2023	Variance to
	Actual	Budget	Budget	Actual	Prior Year
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education	51,939,673	51,615,333	324,340	48,165,511	3,774,162
Other	266,815	200,000	66,815	264,948	1,867
Tuition	25,594	16,250	9,344	24,735	859
Other Revenue	1,549,571	1,774,523	(224,952)	1,629,126	(79,555)
Rentals and Leases	184,854	213,000	(28,146)	162,594	22,260
Investment Income	754,714	675,000	79,714	578,560	176,154
Total Revenue	54,721,221	54,494,106	227,115	50,825,474	3,895,747
Expenses					
Instruction	41,532,012	42,333,871	(801,859)	37,543,650	3,988,362
District Administration	2,375,482	2,440,146	(64,664)	2,383,562	(8,080)
Operations and Maintenance	7,297,946	7,604,982	(307,036)	7,054,295	243,651
Transportation and Housing	3,895,454	4,041,995	(146,541)	3,642,886	252,568
Total Expense	55,100,894	56,420,994	(1,320,100)	50,624,393	4,476,501
Operating Surplus (Deficit)	(379,673)	(1,926,888)	1,547,215	201,081	(580,754)
Budget Appropriation of Surplus		2,305,371			
Net Transfers from other funds					
Tangible Capital Assets Purchased	(307,901)	(378,483)	70,582	(792,761)	484,860
Total Operating Surplus	(687,574)	-	1,617,797	(591,680)	(95,894)

Revenues

Total operating revenues for the District were \$54.7 million for the 2023/24 school year. The Ministry of Education and Child Care funding makes up 95% of total operating revenue for the school district. This means the District is heavily reliant on the Base Operating Grant, which is calculated primarily on student enrolments.



Revenues - Variance to Budget

Total Variance to Budget was an increase of \$227,115. The positive variance can be broken down to the following.

Base Operating Grant	69,080	0.1%
FSA Scorer Training	4,093	100.0%
Support Staff Benefits Grant	16,677	
MCFD	66,815	33.4%
Career Connections	50,000	NEW
Integrated Child Youth Care Grant	146,318	NEW
Recruitment Incentives Grant	32,303	NEW
Just B4 Supplemental Grant	5,869	
ACEIT Grants	(2,192)	-2.9%
Funding First Nations	(63,649)	-5.0%
Non-resident Tuition	9,344	57.5%
Seconded Staff Recoveries	(117,127)	-49.4%
Substitute Staff Recoveries	32,996	38.8%
Misc Revenue	(74,980)	-75.4%
Rentals and Leases	(28,146)	-13.2%
Investment Income	79,714	11.8%
	<u>227,115</u>	<u>0.4%</u>

Operating Grant had negligible variance from budget. New grants received during the 2023-2024 year are Integrated Child and Youth Clinical Counsellor and Youth Peer Support Worker to provide services from July 1, 2024 – March 31, 2025, Pre-Employment Hiring Incentives comprising four tier one incentives for recruitment of teaching positions in Chetwynd and Tumbler Ridge, and a Work Experience Enhancement



one-time grant to build and strengthen relationships with employers in the Early Childhood Education (ECE), Health, and Technology sectors that will increase student participation in Work Experience (WEX) 12A and 12B courses.

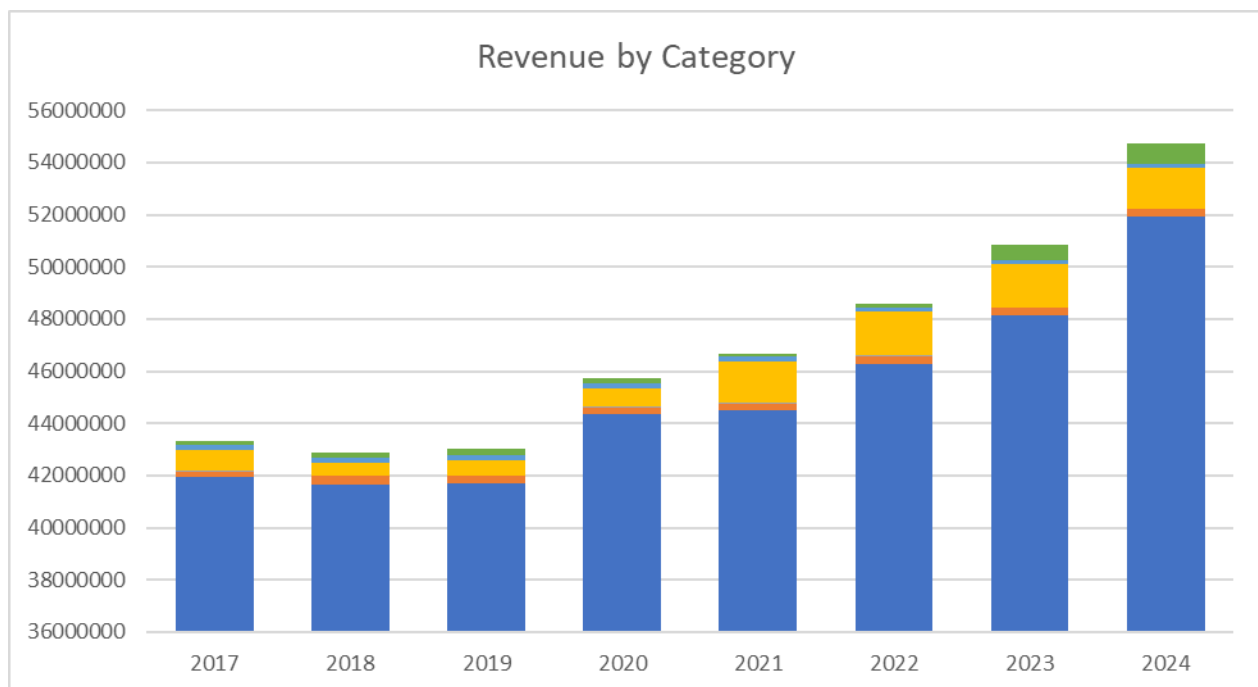
Seconded Staff Recoveries were changed from a revenue account to a credit to an expense account mid-year to better reflect the recovery of an expense.

Miscellaneous revenue is a year-to-year estimate and is estimated in a general way that may or may not meet its target in any given year.

Interest rates increased in July 2023 and remained in place until June 2024 where the rates returned to June 2023 levels. Higher interest rates for the majority of the fiscal year resulted in an Investment Income positive variance of \$79,714.

Revenues - Variance to Prior Year

Total Variance to Prior Year was an increase of \$227,115 representing 0.4%.



The consistent funding in Other Revenue is a result of the new LEA agreements in 2020/2021. Tuition for First Nations students living on reserve flows from the Federal Government through the First Nations as opposed to from the Ministry of Education and Child Care.

Expenses

Of the School District's expenses 84.6% (83.7% 2022/23) are related to salaries and benefits with most salaries (49%) paid to teachers. The remaining 15.4% of operating expenses are related to supplies and services including professional development, student transportation, utilities, and insurance.



In 2022 child care was moved into the Ministry of Education and became the Ministry of Education and Child Care.

Expenses - Variance to Budget

Operating expenses as compared to budget were \$1.3m less than the amended budget.

Instruction was underbudget by \$801,859

School budgets are decentralized. Allowable carry forwards from one year to the next are calculated as actual or 2.5% of the school budget, whichever is less, and are represented by the \$709,326 school surpluses above.

Both professional staff (\$309,337) and support staff (\$334,379) were underbudget while substitutes (\$165,006) were overbudget. Given the difficulty recruiting positions for the 2023/24 school year, the positive variance in staffing is expected. Some of the positions were covered by casual substitute employees which explains the overage in that category. It is always the District's goal to be fully staffed, but when facing recruitment challenges, underspending is often a result.

	Budget	Actual	Surplus	%
Teachers and Principals/Vice-Principals	20,328,521	20,019,184	309,337	1.5%
Education Assistants and Support Staff	5,677,939	5,343,560	334,379	5.9%
Substitutes	256,430	421,436 -	165,006	-64.3%
Benefits	6,425,665	5,913,445	512,220	8.0%
Services & Supplies	1,523,723	1,432,419	91,304	6.0%
Total	34,212,278	33,130,045	1,082,233	3.2%

Of the \$1,082,233 surplus above, a total of \$709,326 was allowable to be carried forward by schools to the 2024/25 school year. The remaining surplus in excess of actual to a maximum of 2.5% contributed \$372,907 to the district total surplus.

Overall District accounts were also underbudget. There are over thirty-five instruction cost centres at the District level. Required carry forwards at the district level are:

Indigenous Education	67,822
Service Improvement Allocation	17,031
Arts Starts	12,000
Total	96,853

Administration was underbudget by \$64,664

Variances were experienced across the seven district administration departments. Notable variances include an overage in business administration of \$74,200 due to benefits increases, fully accruing the audit fee and the IBM Technology Optimization Review, savings in education administration due to the availability of new special purpose funding for some salaries and benefits. Legal is underspent by \$37,000 as well as advertising resulting from migrating from one recruitment platform to another



during the year. Governance and legislative services were overspent in the areas of legal and travel. The overall variance to budget is a positive position of 2.7%.

Operation and Maintenance was underbudget by \$307,036

Total salaries and benefits were underbudget by \$90,437 while supplies and services were overbudget by \$34,705. Recruitment of trades during the year presented a challenge resulting in the district not fully staffed in the department. The increase in supplies and services was mainly due to insurance. Utilities were underbudget by \$228,014 as a result of the very mild winter. The overall variance to budget is 4%.

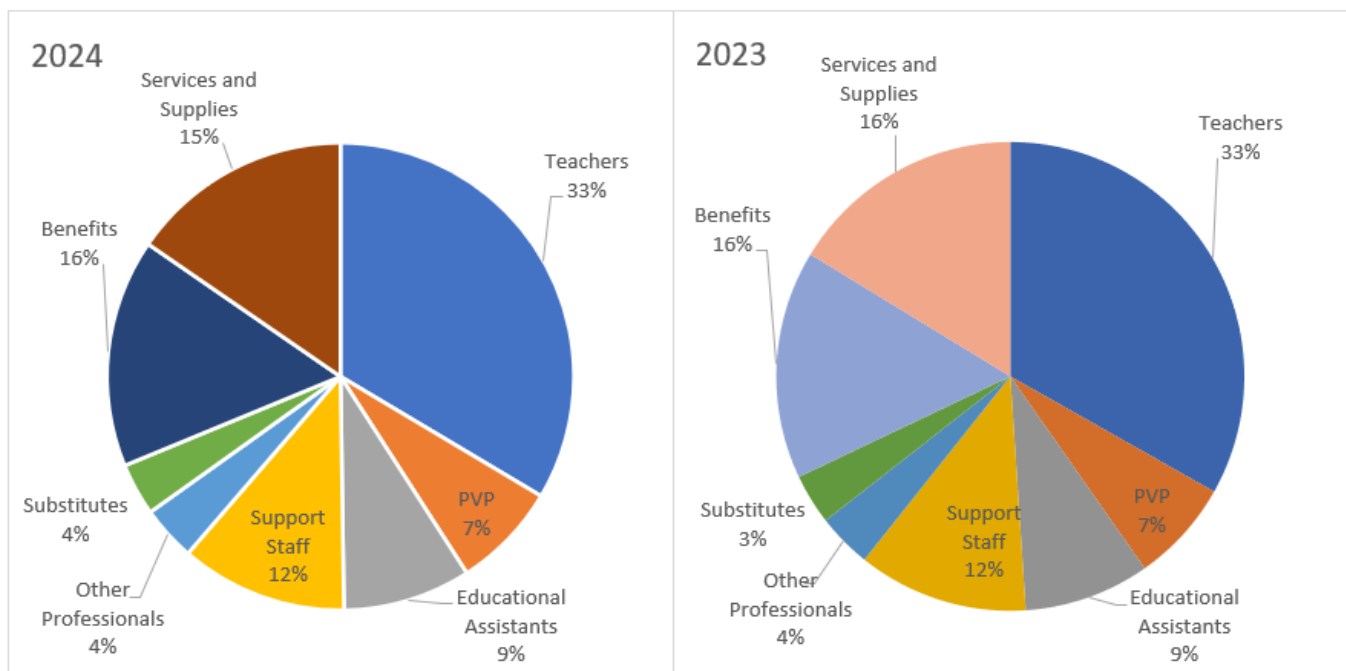
Transportation was underbudget by \$146,541

Total salaries and benefits were underbudget by \$160,000 due to the shortage of spare bus drivers and the continued occurrence of some cancelled runs. Again, with regularly staffed but vacant driver positions filled with casual drivers, casual wages are over budget, contributing to the regular wages being underbudget. Much of the remaining variance is from overbudget supplies of \$30,800 in the areas of vehicle fuel and bus contracts.

Expenses - Variance to Prior Year

Overall operating expenses are up 9% as compared to the previous year. This is in alignment with the 7.66% increase in revenue as compared to the previous year as well as the Board’s commitment of reserves to invest in the strategic plan. Additionally overall inflation from July 2023 to July 2024 was 2.5%.

Expenses by Object

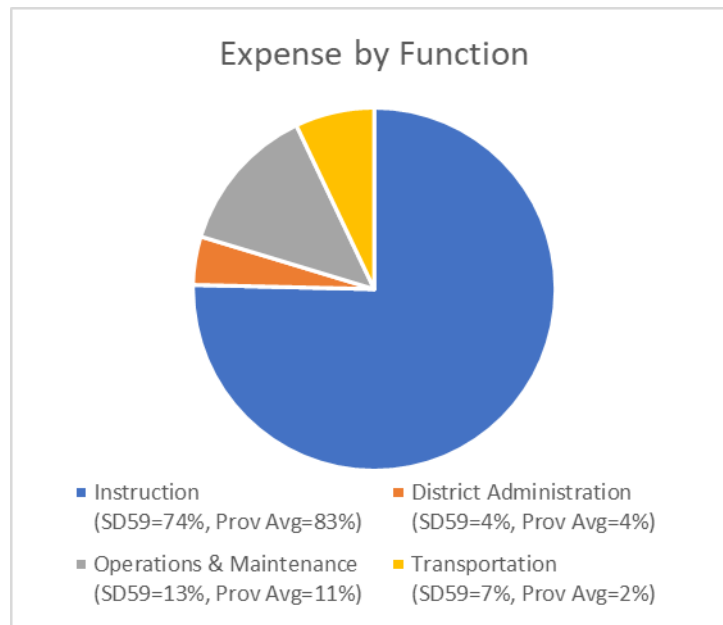




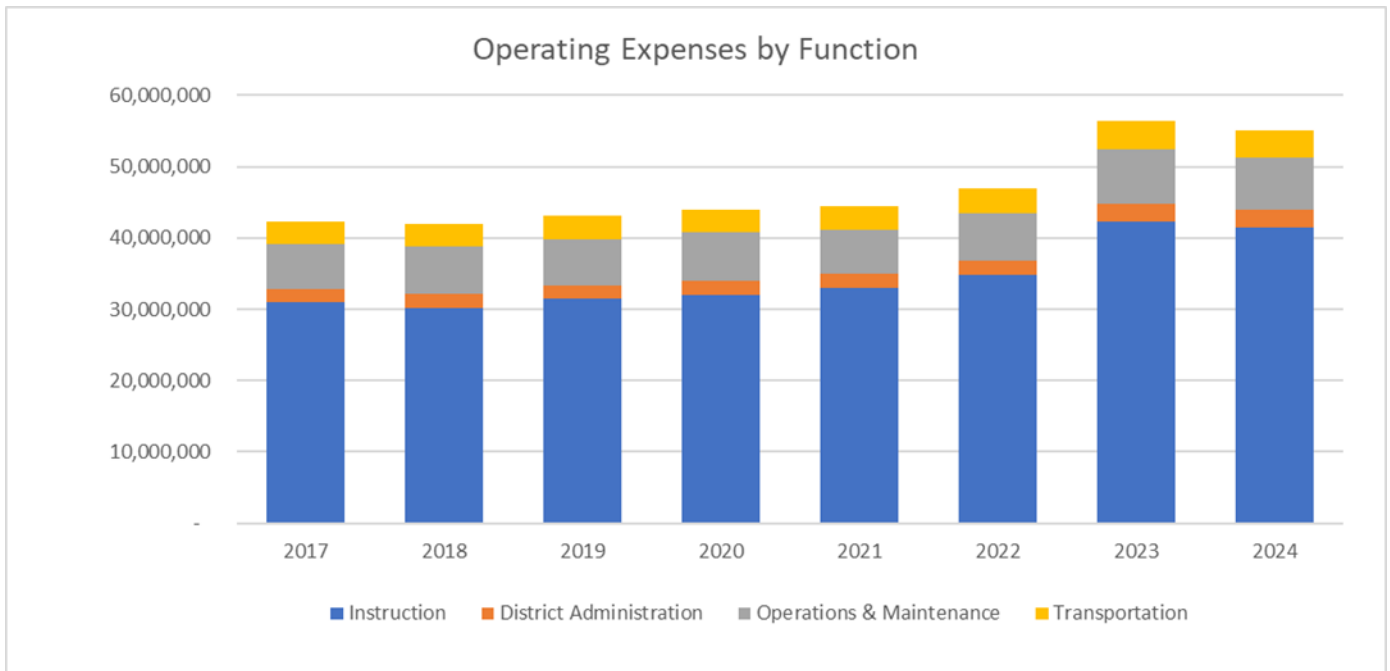
Expenses by Function

The four functions are described below:

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



The percentages per function have remained steady within the district over many years, with a 1% increase in substitutes and corresponding decrease in services and supplies in the 2023/24 fiscal year compared to 2022/23.



Surplus

The school district ended the 2023/24 fiscal year with an operating deficit of \$687,574. The Amended 2023/24 Budget committed planned operating reserves of \$2,305,371. The deficit is a planned reduction of reserves to support board approved initiatives, with the actual use of reserves less than planned.

There are certain balances within 2023/24 Total Operating Deficit that are restricted for a specific use. It is therefore important to isolate those balances to consider what surplus is as a result of the day-to-day operations. After isolating restricted funds and school carry forwards from the Total Operating Deficit, the district-based portion was \$1,493,753.

Indigenous Education	67,822
School-based Surpluses	709,326
Service Improvement Allocation	17,031
Arts Starts	12,000
Total	806,179



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

Surplus Appropriation 2023-2024	Budget	Actual
MyEd Training - Student Information System	15,000	8,113
Technology	250,000	248,000
Indigenous Education Surplus	79,573	11,751
Diversabilities - Universal Design for Learning	86,000	51,567
Primary Literacy	15,000	19,683
Digital Citizen	25,000	8,804
Reporting Order	45,000	8,500
Student Voice	25,550	10,360
Recruitment & Retention	40,000	40,000
Social Emotional Learning	20,000	Sp Purp & UDL
Middle Years Development Instrument	25,000	14,880
Numeracy	30,000	16,176
Succession Planning - VP's in Schools	212,265	212,265
Exempt & PVP Increases	114,240	114,240
Risk Management - Fireproof Room	193,000	145,949
Schools	550,000	709,326
Capital Assets	378,483	307,901
Other	201,260	
District Based Portion of Operating Surplus	\$ 2,305,371	\$ 1,927,515

The Board of Education approved the allocation of \$2,305,371 from unrestricted reserves to support the above projects. Of the amount budgeted, \$1,927,515 was spent. These initiatives contributed to the current year operating deficit and therefore the actual district surplus would be considered to be \$433,762.

Although school surpluses are treated as a restricted surplus, there is no guarantee that schools would continue to carry-forward 100% of these funds. The Secretary Treasurer` has authority to monitor and limit these balances when necessary. For the 2023/24 year end, schools carried forward up to 2.5% of their 2022/23 budgets, not including 2022/23 carry forwards.

Accumulated Operating Reserves

Policy 5010 Accumulated Operating Surplus states that the Board of Education is responsible for ensuring the District is protected financially from financial forecasting risk and unforeseen circumstances which could negatively impact the education of students and service delivery. The accumulated operating surplus serves as a contingency reserve for the risk associated with unexpected increases in expenses and or decreases in revenues related to major emergent operating issues, one-time costs and intermittent projects. Regulation 5010 states the Board of Education will attempt to maintain an unrestricted operating fund balance of 5% of annual operating expenses or \$2,755,045 in the case of the 2023/24 fiscal year.



As at June 30, 2024 the district has \$8,806,098 in operating surplus, of which \$3,506,179 is restricted for specific purposes and \$5,299,919 is unrestricted. Restricted reserve funds are held for an intended purpose. The unrestricted operating surplus represents 9.6% of the 2023/24 annual operating expenses and is well within the Board’s Policy 5010 requirement.

In February 2024, the Board carried a resolution to leverage the Ministry funding for the Crescent Park Expansion project with \$1,700,000 from reserves to incorporate the library currently being housed in a detached annex, in the school building, as well as relocating the office to a more central location in the school across from the new library.

The breakdown of the restricted operating surplus is as follows:

School-based Surpluses	709,326
Indigenous Education Surplus	67,822
Crescent Park Expansion Project	1,700,000
Service Improvement Allocation	17,031
Art Starts Grant Unspent 2023/2024	12,000
2024/2025 Budget Allocation	1,000,000
	<u>\$ 3,506,179</u>

	2019	2020	2021	2022	2023	2024
Internally Restricted	2,570,088	1,256,241	2,058,880	3,643,721	2,305,371	3,506,179
Unrestricted	3,826,524	5,882,422	6,530,601	6,441,631	7,188,301	5,299,919
Total Operating Surplus	<u>\$ 6,396,612</u>	<u>\$ 7,138,663</u>	<u>\$ 8,589,481</u>	<u>\$ 10,085,352</u>	<u>\$ 9,493,672</u>	<u>\$ 8,806,098</u>

Unrestricted Surplus as a % of annual operating expenses	9%	13%	15%	14%	14%	10%
--	----	-----	-----	-----	-----	-----

In the District’s recruitment and retention context, surpluses will likely continue. The district’s goal is always to remain fully staffed and will budget accordingly. The district will continue to prioritize efforts to allocate and spend the funding received for the education of students within the school district.

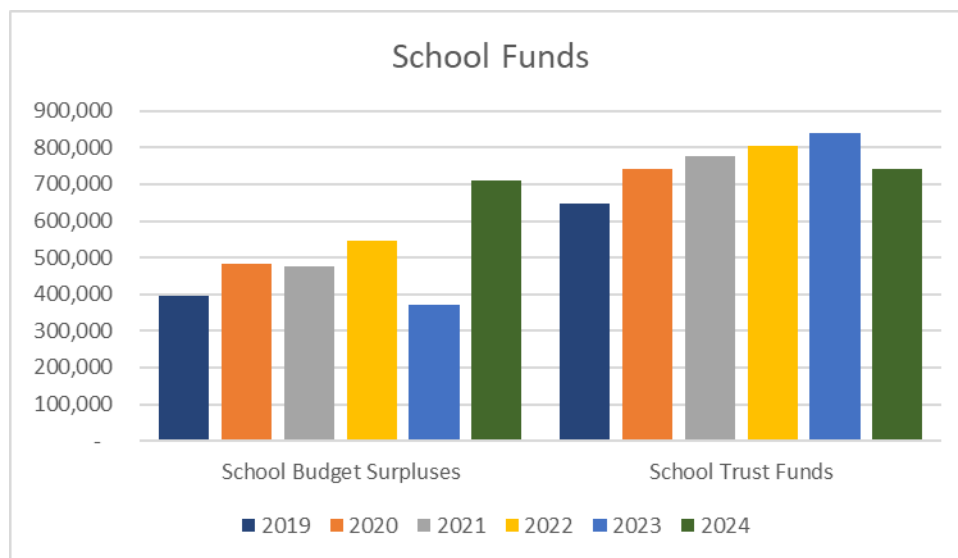
School Funds

The District practices school-based budgeting which allows schools that end the year in a surplus or deficit position to carry forward balances. These balances are restricted at year-end and then pulled out of reserves at the beginning of each school year for the schools to apply to their new budget. For the last four years, school surpluses greater than 2.5-3% of budget were restricted. This was done to stop the trend of increasing surpluses that was occurring.

	2019	2020	2021	2022	2023	2024
School Budget Surpluses	395,250	483,810	477,553	547,586	371,294	709,326
School Trust Funds	648,912	742,970	775,774	804,636	840,937	740,962
School Funds Total	<u>\$ 1,044,162</u>	<u>\$ 1,226,780</u>	<u>\$ 1,253,327</u>	<u>\$ 1,352,222</u>	<u>\$ 1,212,231</u>	<u>\$ 1,450,288</u>



The graph below includes school trust funds which are funds that are held by the schools in independent bank accounts. The school trust funds are tracked and maintained by the school administrator and secretary. Most of these funds exist for a specific purpose (field trips, graduation fundraising, hot lunch programs, yearbook sales, etc.). The school trust funds are tracked within a special purpose fund called School Generated Funds and are not part of the operating reserve. There are no restrictions on the carry forward in the school trust account although Principals are encouraged to review multi-year static category balances to determine if they can be repurposed for other school initiatives. This avoids year over year balances that are not used for students.



Special Purpose Fund – Schedule 3

The Special Purpose Funds (SPF) are designated for service delivery and capital asset purposes. The balances can often be deferred to subsequent years for their intended purpose. Some of the funds require Ministry approval to carry forward surpluses. However, carry forwards in the Classroom Enhancement Funds, comprised of remedy, classroom and overhead, will net out against funding allocated in the next fiscal year.



The following table summarizes the transactions for the year.

	Opening	Revenue	Expense	Closing June 30, 2024
Ministry of Education Grants				
Annual Facility Grant	43,616	285,789	(329,405)	-
Learning Improvement Fund	42,186	189,511	(150,880)	80,817
StrongStart	28,055	192,000	(159,153)	60,902
Ready Set Learn	5,432	36,750	(24,745)	17,437
French Language	8,502	86,872	(84,047)	11,327
Community Links	150,891	408,136	(478,271)	80,756
Mental Health in Schools	72,956	55,000	(80,133)	47,823
First Nation Student Transportation	20,012	15,897	(13,160)	22,749
Classroom Enhancement Fund	18,586	4,141,196	(4,152,373)	7,409
Early Childhood Education Dual Credit Program	116,018	77,000	(79,526)	113,492
Student & Family Affordability Fund	144,372	100,000	(108,179)	136,193
Just B4	-	25,000	(25,000)	-
Early Care & Learning Grant	-	175,000	(131,038)	43,962
Feeding Futures	-	521,677	(319,469)	202,208
Health Careers Grants	-	25,000	(1,216)	23,784
Other Special Purpose Funds				
School Generated Funds	840,937	1,263,885	(1,363,859)	740,963
Early Learning Funds	41,849	8,746	(4,266)	46,329
Career Grants	15,308	12,240	(18,989)	8,559
Total	1,548,720	7,619,699	(7,523,709)	1,644,710

One Strong Start Centre continued to be unstaffed in 2023/24 resulting in underspending.

The Student and Family Affordability Fund was supposed to be a one-time funding source to help school districts expand school meals programs, make sure students have the school supplies they need and cover any additional fees so that students in need can take part in activities. The goal was to make back-to-school more affordable for students and their families who maybe struggling with the rising costs of living due to global inflation. In late spring 2024, the District was granted an additional \$100,000 which could not be thoughtfully spent by June 30, 2024. The Ministry is expecting carry forwards in this fund across the province.

Just B4 is an early childhood education program that is specifically designed to support children the year before they enter Kindergarten. It is a half-day licensed pre-school child care program located within Tremblay Elementary for 3- to 4-year-old children that utilizes the existing StrongStart space.

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



support the completion of an environmental scan of existing early learning and child care programs that serve families in the area and to engage more deeply in the early learning child care work. 2023/24 is year two of three of the Ministry Initiative.

New in 2023/24 is the Feeding Futures Ministry funding to create or expand local food programs in school. The fund has been used for purchasing food and hiring dedicated staff to co-ordinate providing meals and snacks to students. Also new is the Health Career Dual Credit Grant to create and expand dual credit programs focused on health careers aligned with regional workforce demands.

Capital Fund – Schedule 4

Ministry of Education

Annual Facilities Grant	1,411,196
Canalta Electrical Upgrade	27,458
DCSS Central Interior Construction	84,201
Crescent Park Expansion Project	17,323
Frank Ross Window Replacement	1,808
Windrem HVAC Upgrade	73,355
Canalta Playground	197,084
Food Infrastructure Program Kitchen Equipment	47,881
Devereaux Electrical Upgrade	5,700
Buses	10,512
DCSS South Peace HVAC Upgrade	654,452
Total	\$ 2,530,970

District Operating Fund

Fireproof Vault	126,724
Replacement Trailer	6,529
Resource Centre Photocopier	10,898
Tumbler Ridge Secondary Gym Sound System	5,573
Pouce Coupe Phone Equipment	12,001
Braille Machine	5,329
Transportation Repeaters	26,064
Trades Van	69,526
Pick-up Truck	45,257
Total	\$ 307,901

The School District invested \$2.8 million in capital additions. Funding to make these additions came from the following sources: \$2,530,970 from the Ministry of Education and Child Care and \$307,901 from the District Operating Fund.



Specific balances in the Capital Fund are as follows:

Capital Fund	June 30, 2024	June 30, 2023	Change
Unspent Deferred Capital	9,111,039	231,172	8,879,867
Deferred Capital	28,725,309	28,313,930	411,379
Local Capital	174,005	171,958	2,047
Total	38,010,353	28,717,060	9,293,293

Included in the \$9,111,039 of Unspent Deferred Capital is the \$5,000,000 Crescent Park Expansion project funding not expended in 2023/24 as well as \$3,179,200 Dawson Creek and Tumbler Ridge New Spaces Child Care centre funding. Also included is \$150,000 funding not spent on the Pouce Coupe Expansion project that the ministry approved to transfer to Ministry of Education and Child Care Restricted Capital.

In 2020, the District also entered into a twenty-year capital lease with a local utility for which \$1,000 capital lease revenue is received annually.

There are two capital fund surpluses:

The **Local Capital** fund of \$174,005 represents accumulated surpluses designated to fund the purchase of Tangible Capital Assets. This balance can increase if the Board makes a motion to transfer operating surpluses to Local Capital or when the district receives the unrestricted portion (25%) on sales or property.

The **Investment in Tangible Capital Assets** fund of \$5,584,326 represents capital investments that are funded by operating funds (shows as a net transfer from other funds). As an asset is amortized (shown as an expense), the surplus will decrease. Therefore, the balance is used to fund future amortization costs and does not represent funds that are available for other purposes.

Other Significant Matters

Strategic Plan

2023/24 is the final year of the 2020-2024 strategic plan.

During the 2023/24 school year, the work on the Strategic/Operational Plan included:

Continuation of offered Universal Design for Learning (UDL) training both with district trainers and with Dr Katz - 120 staff - teachers, Educational Assistants, principals/vice-principals, Learning assistance teachers.

Full implementation of the Competency-based Individual Education Plan (ICBIEP) within MyEd.

Full implementation of the new K-12 Reporting Policy Framework.



Investing in Compassionate Systems Leadership training.

Continuation of Literacy and Numeracy PLC meetings.

The completion of another Leadership Academy cohort in June 2024.

Pilot of Mental Health Literacy Curriculum grade 4-6.

The district hosted their second Indigenous focused professional development day with the theme “Reconciliation: What is Our Role?” All SD59 staff attended and began the day with a welcome from a Saulteau First Nation member, land acknowledgment and opening remarks from the superintendent. Staff were invited to enter the day with an open heart and consider what their role can be towards Truth and Reconciliation. Jo Chrona led the staff throughout the day in thinking about their individual commitment towards Truth and Reconciliation within their role with the district. Jo Chrona also led in unpacking our biases and understanding what anti-racism is. Denise Augustine, the superintendent of Indigenous Education for Ministry and Child Care joined SD59 for the day and shared encouraging words to the staff about Truth and Reconciliation in the school system. The gym displayed student work to show their learning around Truth and Reconciliation, several resources were available to look and take and our artist in residence painted with staff members to create a beautiful art installation located in the district resource center. The day ended with groups gathering to share their personal commitments. A large gathering around a fire ended the day with drumming and final words.

Graduation data for Indigenous students was collected throughout the year to show accurate data in June 2023. Stories were collected for the students who disengages and/or did not graduate. As we looked through the stories, we were able to identify themes and determined more supports were needed for students entering grade 8 in Dawson Creek and Chetwynd and students entering grade 10 in Dawson Creek. Additional community building activities and visits to the high school were organized for students. All grade 7 students in Chetwynd spent a half day in the high school in the fall, a full day ice fishing at Moberly Lake and another full day at Gwillim Lake. Grade 7 teachers, the Coach Mentor, the family support liaison and high school students were part of these days. In Dawson Creek, the Student Council at South Peace planned an interactive information session and community building morning for grade 9’s entering South Peace and hosted the grade 9’s for a half day at the end of June.

Indigenous Education Assistants are hired to provide literacy and numeracy interventions in some elementary schools. After analyzing school data, targeted plans are created for which school receives the additional support. Recently, a full time EA has been hired for an elementary school who has taken on the role of leading literacy interventions for primary students.



The following professional development opportunities were provided for the Coach Mentors this year: FNEESC, Learning Series with Richard VanCamp and the 4 Seasons Outdoor Learning Series.

Graduation food celebration packages were given to families approx. 45 families to support families during the rising cost of food.

The JustB4 program at Tremblay Elementary completed its first full year and has been a tremendous success. The program was full and an average of 10 students were on the waitlist. The JustB4 Facilitator collaborates regularly with the kindergarten teacher to join the classes for field trips, outdoor activities and they spend time in the kindergarten room. The JustB4 also joined the school community for their Christmas concert and Christmas dinner.

SD59 was approved for two new child care spaces, one in Dawson Creek and one in Tumbler Ridge from the Child Care BC New Spaces Fund. This will open a total of 74 child care spaces.

Groups of staff continued to complete the four-day training workshop. Admin participated in a book study focused on Caring Schools to extend Compassionate Systems Leadership from a systems model into a school environment.

The Primary Literacy PLC continued monthly for Kindergarten to grade 3 teachers. Maria Walther, a well-known author/educator from Illinois, offered sessions on Zoom highlighting the importance of read aloud and interactive shared reading.

Student Voice helped gather student input for the creation of the new Strategic Plan by visiting schools and conducting S.O.A.R.S. on groups of students. The SOAR asks students to identify what strengths, opportunities, aspirations and results they feel about learning and education in SD 59. The results were gathered from each school and became part of the work of the new strategic plan.

The Leadership Academy concluded in June of 2024. The cohort participated in sessions focused on Compassionate Systems Leadership, Inclusion, Ethics, Positive Communication, Truth and Reconciliation, and the difference between leadership and management.

A partnership was started with Indeed to help with recruiting across Canada in virtual fairs that focused on School District 59. The benefit of these was not having to compete with other districts.

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



Infrastructure

The majority of the buildings within the school district were built in the 1960's, with a few that were built in the late 1950's. Given the age of our schools, there is a concern on the ability to maintain buildings that are beyond a normal life expectancy. A sizable portion of the provincial K-12 capital budget is used to support seismic upgrades, new enrolment growth, and the financial support for replacement schools is minimal. The District continues to prioritize submission of major and minor capital projects to the Ministry of Education and Child Care to support our infrastructure, supported by the Long-Range Facility Plan that was created in 2022/23.

Capacity

Capacity continues to be a concern at Crescent Park Elementary and Canalta Elementary. The board approved the purchase of an additional two portables in June 2022 to assist the two schools with instructional and meeting space. The expansion request for Crescent Park Elementary to the Ministry of Education and Child Care has been included in the major capital submission from 2020/21-2022/23 and was approved in September 2023, utilizing module construction to add 5 classrooms.

Operating Reserves

As at June 30, 2024, the unrestricted accumulated operating surplus was 9.6% of the 2023/24 annual operating expenses, this is well above the policy requirement of 5%. Senior administration continues to strive to spend budgeted funds but recognizes the challenge with increased vacancies throughout the district. Reserve balances continue to face scrutiny from the Ministry and it is important the District is using resources effectively and responsibly.

Ministry of Education and Child Care

In March 2022, The Ministry of Education changed to the Ministry of Education and Child Care. The amalgamation of the two branches of the Ministry is still in early stages. With the new role of child care under the Ministry of Education the district is exploring ways to support child care initiatives; some of the initiatives include creation of an environmental scan, partnering with the YMCA for before and after school care, and creating relationships with early learning organizations in the area. The district currently has before and after school child care programs within 4 schools, Windrem Elementary, Ecole Frank Ross Elementary, Crescent Park Elementary and Tumbler Ridge Elementary. The district aimed for an additional location at Pouce Coupe Elementary but enrolment was not high enough for it to open; however, an arrangement is in place and the facility setup if enrolment is high enough for it to open. A JustB4 program opened within Tremblay Elementary. The program is a half-day licensed pre-school that is specifically designed to support children the year before they enter Kindergarten. In 2022/23 two applications for the ChildCareBC New Spaces Fund were successful and will open new licensed child care spaces for children 0-5 at Tremblay Elementary and Tumbler Ridge Elementary in April 2026.



Contact Management

This financial report was completed with the purpose to provide a general overview of the School District's finances as at June 30, 2024 and to demonstrate the District's accountability for the funding it receives.

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