



AGENDA
Special Open Board Meeting

Tuesday, September 28, 2021

5:30 p.m.

Via Zoom

Pages

1. CALL TO ORDER
'Uy' skweyul, sii'em' nu siiye'yu. 'Uy nu shqwaluwun kwunus 'i lumnalu.
We respectfully acknowledge that we are meeting on the traditional and ancestral lands of the Coast Salish people where we live, learn and play.
2. ADOPTION OF AGENDA
 - 2.1. Motion to Adopt Agenda
"That the Board of Education of School District No. 79 (Cowichan Valley) adopts the agenda of the September 28, 2021 Special Open Board Meeting."
3. SUPERINTENDENT OF SCHOOLS
 - 3.1. Framework for Enhanced Student Learning (FESL) Report 2 - 11
"That the Board of Education of School District No. 79 (Cowichan Valley) approves the Framework for Enhancing Student Learning Report."
4. SECRETARY - TREASURER
 - 4.1. FOR INFORMATION
 1. Financial Statement Discussion and Analysis 12 - 39
 - 4.2. FOR ACTION
 1. Audited Financial Statements 2020-2021 40 - 86
"That the Board of Education of School District No. 79 (Cowichan Valley) adopts the 2020-2021 Financial Statements."
5. NEW BUSINESS
6. ADJOURNMENT
 - 6.1. Motion to Adjourn
"That there being no further business, the meeting be adjourned."

2021-2022



Framework For Enhancing Student Learning



Focusing Our Work

From the Board of Education

The Board of Education for the Cowichan Valley School District is proud to release our Framework for Enhancing Student Learning (FESL). This document is a brief summary of the detailed and thoughtful work that has been carried out, and will continue, as a result of our Strategic Plan, 'Beyond Education'.

Our District serves over 8300 learners, seven local Indigenous Communities, members of the Métis community, areas of the Cowichan Valley Regional District, Municipality of North Cowichan, the City of Duncan, and the Town of Lake Cowichan. With over 1400 employees, we are the largest employer in the region and provided exceptional learning opportunities to our students on a budget of just over \$100 million dollars.

As a Board, we ground our work in the journey towards reconciliation and equity. We are in the first operational year of 'Beyond Education' our Strategic Plan 2020-24 and have taken great steps towards aligning 'Beyond Education' to the Framework for Enhancing Student Learning. That work has created a purposeful structure of documents, including our Operational Plan, that details our work over the next four years, and our supporting documents including our Communications Plan, Information and Technology Plan, Human Resources Plan, Operations Plan and our Financial Plan.

Our progress towards the goals in 'Beyond Education' and our FESL documents is carefully measured through detailed data analysis, survey information, and street data.

This document will give an overview of this work in several key areas and speak to how we will measure and account for our results.

Huy tseep q'u (thank you all)

Board of Education for the Cowichan Valley School District

Candace Spilsbury, Board Chair

Barb de Groot - Vice Chair

Elizabeth Croft - Trustee

Randy Doman - Trustee

Rob Hutchins - Trustee

Johanne Kemmler - Trustee

Joe Thorne - Trustee

Foundational Guides

The Educated Citizen

First Peoples Principles
of Learning

Organization for
Economic Co-operation
and Development -
Future of Education
and Skills 2030

BC Tripartite Education
Agreements

United Nations
Declaration on the
Rights of Indigenous
Peoples

Truth and
Reconciliation Report

Local Context

Strategic Plan Engagement Framework

EXPLORE

Exploring our future through reflection, research, and analysis of Cowichan Valley School District's Educational Journey

ENGAGE

Engaging with our partners and communities, co-creating our vision and roadmap

EXCITE

Formalize, celebrate, and action Strategic vision and foundational plans

Developing 'Beyond Education'

Explore | Engage | Excite (see left column) was designed as a way to ground and focus the process of the Strategic Plan. Our planning started with a deep dive into the District's data. This deep dive was hosted by the Ministry's data team, and it allowed us to identify gaps in our service delivery.

That process set us up for two facilitated focus sessions with senior staff and the Board of Education where we could reflect on past practice with the knowledge of our District data. Once these sessions were concluded we started to put the framework of the plan together so we could help students, staff and the community have a roadmap during the ensuing consultations.

After seeing the framework, each student, staff member and family member was asked a version of these three visionary questions to help guide our document. (student version shown)

- What type of world do you hope to create?
- What skills and attitudes do you need to thrive in this world?
- How do we help you get there?

We then consulted with leaders in our Indigenous communities, larger communities, partner agencies, and other service providers.

The results of that engagement, especially the student voice, drastically changed the framework and paved the way for the success of 'Beyond Education'.

"When the District Strategic Plan was presented at a staff gathering, some teachers cried tears of joy as they witnessed the alignment of this Vision with their day to day work with children at Mill Bay Nature School. The Plan's future-focused vision recognizes that deep, experiential learning will cultivate the development of nimble, agile people in a world ever-more complicated and messy. We now truly listen to the voices of Indigenous people as well as honouring Hul'q'umi'num' Mustimuhw and rooting each one of us in a culture of care where we acknowledge that we are connected, we are one, and we can work together to find solutions."

- Kim Ondrik, Head Learner, Mill Bay Nature School



Learner Snapshot

What does the Data Say?

FSA - 2021

5 yr snapshot of FSA results in district

Reading Proficiency*

72% Gr 4

60% Gr 7

Numeracy Proficiency*

50% Gr 4

40% Gr 7

Participation

70% 2021

*proficient or exceeding

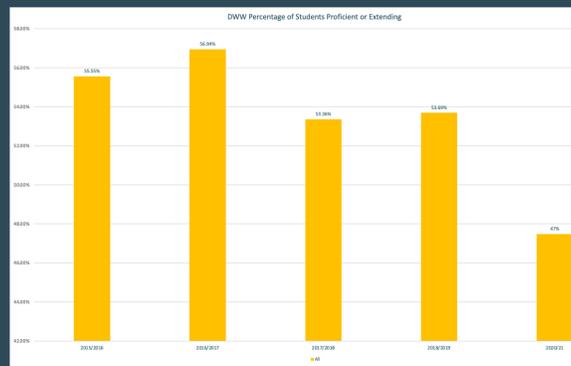
Student Development

Background

This report reflects our commitment in working together to continuously improve student learning in relation to intellectual, human and social, and career development. Our results are annually reviewed, and responses are adapted, using an evidence-informed approach to improve learning and the effectiveness of education programs overall in the district.

Intellectual Development

The five-year trend in our Foundational Skills Assessment shows a downward trend in areas of literacy and numeracy proficiency through grades 4, 7, and 10.



This data is mirrored in our District-wide assessments. Our overall District Wide Write results show that 47% of our students in grades 1 – 8 are proficient or exceeding. Our District non-fiction reading assessment (DART) shows that 53% of our students in grades 4 – 9 are proficient or exceeding.

72% *Kindergarten to gr. 3 students are proficient in Phonological Awareness, a foundational skill to both reading and writing*

First time grade 12 Graduation rate has been trending down for the last 5 years from 78% 2015-16 to 70% in 2019-20. The six-year completion rate has been steady at 81.6%.

Our Commitment

Our Strategic Plan shows our commitment to making a difference in both these areas. The following outlines a few of the key actions being taken to address this.

- We have hired a District Principal of Instruction and Innovation to focus specifically on supporting literacy and numeracy
- We are placing literacy specialist teachers in schools where further supports are needed
- We are developing a District wide K-12 Literacy plan this year and a K-12 Numeracy plan in the 2022/23 school year
- We are providing research-based staff development for effective reading instruction
- We are reviewing our district wide assessments as well as school based structures that facilitate regular monitoring of student growth

Learner Snapshot

What does the Data Say?

Human and Social Development

70% Students feel welcome and safe at their school.

50% Students feel a sense of belonging at their school

81% Staff indicate that they are confident in creating culturally responsive environments where all students and staff feel safe and welcome.

Student Development Continued

Human and Social Development

"Our student began her school journey when she was 8 years old and we have worked hard to provide her with structure and routine during her years at Alexander. She has a difficult time communicating, but we are learning how to understand her. One day, an EA was sitting with her outside the office and the student was holding the EA's hand. The student pointed to the board and clearly said, 'Alexander School Wolfpack'. The EA was shocked at the communication and connection. Tears came to the EA's eyes and she responded, 'Yes you're part of the Wolf PACK'"

One of our priorities within our strategic plan is developing a Culture of Care. In addition to the data provided in the sidebar:

66% Students report that they know 2 or more adults at their school care about them

74% Staff indicate that they believe their school or workplace creates safe and welcome environments for all students and staff

96% Staff indicate that they intentionally build healthy relationships with students

Career Development

"Our grade two class this year got so heavily involved with the importance of recycling that their teacher and her students co-created a beautiful mural art piece that combined recycled plastics with a Coast Salish nature theme. It was so well done that the Royal BC Museum in Victoria had the art piece on display. It is now proudly on display in its home at Discovery Elementary, where our environmental stewards/artists preside."

50% Graduating students transitioned to a post-secondary program in the year following graduation

60% Transition to post-secondary within 3 years of graduation

We are continuing to expand and enhance exploring career opportunities including Trades Samplers, and Dual Credit courses. We also continue to encourage and support initiatives and programs that embrace innovative practices that highlight real world experiences.

Supports for career development has been trending upwards in our school District. Eight years ago we had 100 secondary students taking Dual Credit courses now we have 237 students. Similarly eight years ago 29 students were doing Work Experience, now we have 291 students participating. It wasn't until five years ago that secondary students were participating in Youth Explore Trades Skills programs; now we have 319 students enrolled. For the last three years our district has been recognized by ITA for leading the Province for numbers of youth apprenticeships.

Indigenous Learners

What does the Data Say?

FSA - 2020

FSA results for Indigenous learners

Reading Proficiency*

On-Reserve

20% Gr 7

Off-Reserve

67% Gr 7

Non-Indigenous

68% Gr 7

Six-Year Graduation Rate

38% On-Reserve

72% Off-Reserve

90% Non-Indigenous

Supporting Indigenous Learners

Cowichan Valley School District consists of 1641 (Approx. 20%) Indigenous students with 561 living on reserve. The Cowichan Valley School District is home to seven Nations: Stz'uminus, Halalt, Lyackson, Penelakut, Quw'utsun, Ts'uubaa-asatx and Malahat Nations. We are very fortunate to have meaningful and collaborative relations with all of them, including members of the Métis Nation, with monthly individual meetings and bi-monthly All Nations meetings. They are all key rights-holders who are informed of their students' progress and provide input into planning and budgeting. This transparent partnership has helped us take the necessary steps towards improving Indigenous Student achievement.

District Data

In the 2020/21 school year the district started to collect Indigenous Student Snapshot Data twice a year. We are collecting this data on an ongoing basis. This year's data set will be our baseline moving forward and is designed on a colour coded scale:

Doing Fine

Some Challenges

Support Needed

In the fall, our data showed that 32.5% of Indigenous students were in need of support (Red), while 36% were doing fine (Green) for Academic Development. Socially/Emotionally, 23.7% of Indigenous students were in need of support (Red), while 38% were doing fine (Green).

15% *Indigenous students made positive improvement within the above scale in Academic Development*

21% *Indigenous students made positive improvement within the above scale in their Attendance at school*

27% *Indigenous students made positive improvement within the above scale in their Social Emotional Development*

As we dove deeper into our data this past year and half we identified a number of inequities of outcomes outlined above. It is this information that has informed our decision making as we refine our plan to better support our system. Recognizing the inequities we are expanding and implementing new initiatives to better support on reserve Indigenous students. Some of these initiatives are:

- Three additional Indigenous Outreach Teachers
- Expanded Ts'uwtuns (Youth and Family counsellors)
- Mobile classroom
- Indigenous Community Role Models
- New Indigenous Trades Program Worker
- Supporting an Indigenous Parent Council
- Indigenous Knowledge Sessions and Hul'q'umi'num' For Kids

Diverse Learners

What does the Data Say?

FSA - 2020

FSA results for Indigenous learners

Reading Proficiency

Diverse Abilities

40% Gr 7

Children In Care

50% Gr 7

Five-Year Graduation Rate

56% Diverse Abilities

25% Children in Care

Supporting Diverse Learners

Informed by a variety of data sources, the District strives to create inclusive, culturally safe, and trauma informed learning environments. This is achieved by supporting school teams to develop localized plans based on the voices from within their own community. The plans enhance the confidence and emotional resiliency of staff members and school administration.

Programs and Initiatives

The District is in the process of developing, or has implemented, the following programs to help in creating meaningful change for our diverse learners:

- A single model for competency-based Individual Education Plans
- A more highly sensitive trauma-informed model of non-violent crisis intervention
- A trauma-informed approach to identifying and supporting highly reactive students
- Assessment and screening processes that are more culturally aware and equity focused



"A student at one of our secondary schools has created a power point presentation to explain to her peers her personal journey as a person with Autism Spectrum disorder."

Community Partnerships

"Full tummies + warm hearts = engaged minds"

- Thomas Longridge, Associate Superintendent

Working with Nourish Cowichan and the Rotary Starfish Program we delivered:

333,850 Meals last year

6255 Hampers + 59,840 Meals + 73,850 School meals

Children in Care

What we're learning

Education and Training

CALM Curriculum
Expanded to Gr 2&3

EASE
Everyday Anxiety Strategies for Educators
Expanded to All Schools

UBI 1&2
Understanding Behaviour
Professional Development

Trauma-informed Non-violent Crisis Intervention
Taught to all staff

Supporting Children in Care

In order to best serve our students in care, we are currently:

- Building our information system to better track our students in care to better target our interventions and supports
- Committed to working more efficiently with our local representatives from MCFD, and our area's Indigenous Social Services organizations: Lalum'utul Smun'eem, and Kw'umut Lelum
- Assessing individual student outcomes to determine the effectiveness of interventions focusing on early learning
- Investigating the relationship between behaviour designations and Learning Disabilities/Diverse Abilities to inform our practices

Social Emotional Learning / Mental Wellness

"The solution center gives children the problem solving skills that help to build friendships, lower frustrations, and begin to manage anxiety. All in a fun, developmentally appropriate way." - Brenda Lee, Early Learning Coordinator

Informed by ministry and school data, Social Emotional Learning and Mental Wellness will continue to be a focus area:

- All secondary schools will continue developing a Mental Health Plan informed by survey data collected from students, parents, and staff
- All elementary and secondary schools will be creating a Social Emotional Learning Plan to coordinate and sustain the implementation of a Response to Intervention that includes level 1, 2 and 3 interventions



Review Cycle

Data-Driven Planning

Beyond Education Strategic Plan 2020-24

Operational Plan 2020-24

Supporting Plans 2020-24

- Operations
- Human Resources
- Finance
- Technology
- Communications

School Based Plans Developed Yearly

Reviewing and Adapting

We have developed a systematic review cycle that ensures our plans are alive and agile, adapting to new data and information.

Strategic Plan - Operational Plan

In addition to our aspirational Strategic Plan, we have developed a detailed action plan that lays out our specific goals and measurements that will be used to show our progress.

Aligning School Plans

Each of our school plans was developed in alignment with our action plan. This ensures that the whole system supports our students through our Strategic Plan goals.

In addition to creating these plans in a linear way, each school presents their plans to the Board of Education at the Board Education and Business Committee (BEBC). There, the Board has direct information on how these plans align to our Strategic Plan.

Evaluation, Feedback and Communication

Our plans are evaluated against the data we collect each year. This includes data from the Ministry of Education, our local data, and the stories from those who interact with students every day.

Our communities are empowered by this work. From Indigenous rights holders to District Parent Advisory Councils, and Student Advisory to the Board's Advisory Committee, we have created a cohesive group who work towards the same goals. We are well served by a dedicated and involved community.



Year at a Glance

Other Data Sources Analyzed

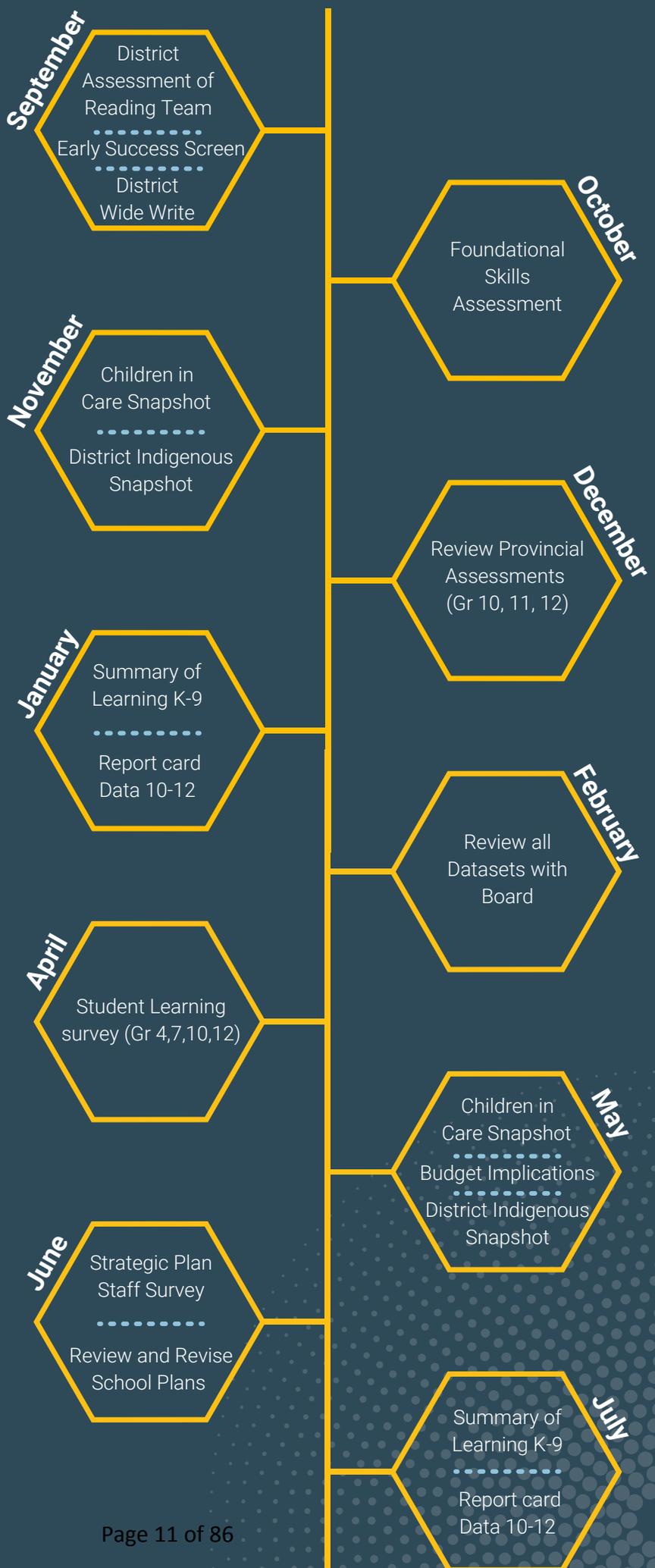
EDI

Early Development Instrument

- Physical Health and Well Being
- Language and Cognitive Development
- Social Competence
- Emotional Maturity
- Communication Skills & General Knowledge

McCreary Report

Geographic, Demographic & Socioeconomic Data





COWICHAN VALLEY
School District



FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2021

Cowichan Valley School District

2557 Beverly Street,
Duncan, BC, V9L 2X3
www.sd79.bc.ca



ABOUT THE FINANCIAL STATEMENT DISCUSSION AND ANALYSIS



A Financial Statement Discussion and Analysis paper is designed to provide the reader with an analysis of the financial performance of the Cowichan Valley School District for the fiscal year ended June 30, 2021. The report summarizes the financial connection between Board decisions and actual performance.

The results of the current year are discussed in comparison with the prior year actuals and the annual budget. This report supplements and should be read along with the School District's audited financial statements.



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FINANCIAL ANALYSIS

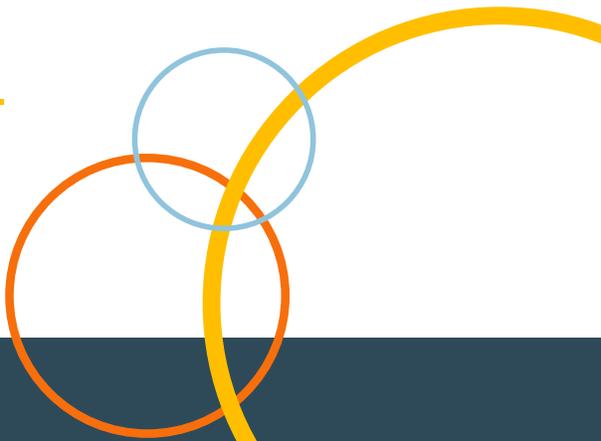
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ACKNOWLEDGEMENT

Xe'xe'smun'eem (Sacred Children)

The Cowichan Valley School District recognizes and gives thanks, that we work, live and play on the traditional lands of the Coast Salish peoples, specifically the lands of the Quw'utsun, Malahat, Ts'uubaa-asatx, Halalt, Penelakut, Stz'uminus, & Lyackson Peoples. We dedicate this work to our First Nations, Inuit and Metis, and all children in the Cowichan Valley School District.



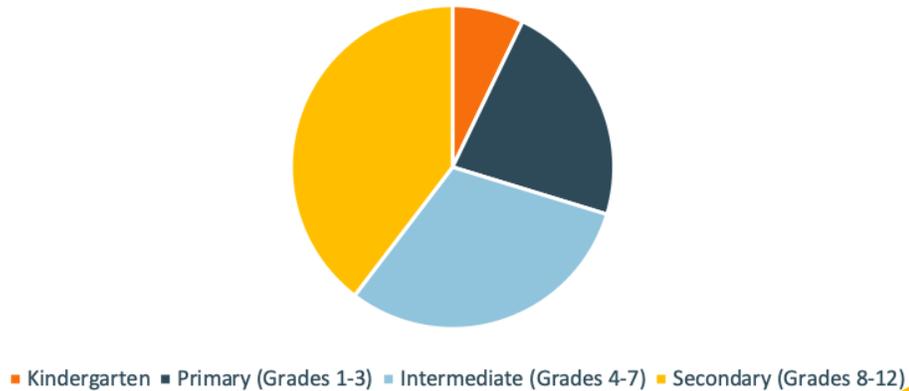
ABOUT THE DISTRICT

Situated in the beautiful Cowichan Valley on southern Vancouver Island, the Cowichan Valley School District is located between Victoria and Nanaimo. The Cowichan Valley School District extends north to Saltair, south to Spectacle Lake on the Malahat and west to the Lake Cowichan region. We are honoured to be learning on the ancestral and unceded territories of the Quw'utsun, Malahat, Stz'uminus, Penelakut, Halalt, Ts'uubaa-asatx and Lyackson peoples. The District serves a student population of over 8,300 students of which 1,600 identify as Indigenous. The School District has 22 school sites and an annual budget of over \$104 million. Further information regarding the School District can be obtained at www.sd79.bc.ca.

FUNDED FULL TIME EQUIVALENT (FTE) ENROLMENT BY GRADE

	Kindergarten	Primary (Grades 1-3)	Intermediate (Grades 4-7)	Secondary (Grades 8-12)	Total
All Students	580	1,831	2,487	3,214	8,112
Indigenous Students	81	322	520	670	1,593
Students with Special Needs	27	117	374	595	1,113

Student Full Time Equivalent (FTE)
by Grade Level 2020/21



ABOUT THE DISTRICT

Student full-time equivalents (FTEs) are used to measure enrolment:

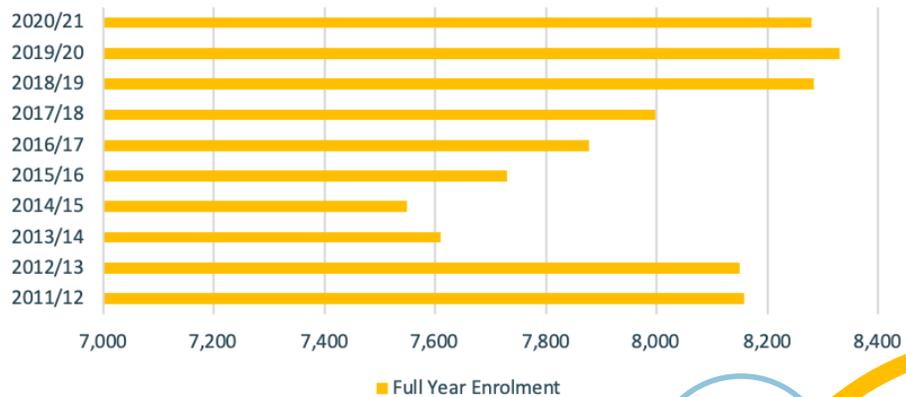
- All students in Kindergarten to Grade 9 are counted as one FTE
- In Grades 10 to 12 students are counted based on the number of courses that they are enrolled in. One course is equal to 0.125 FTE

Student FTE data is collected as part of a regular reporting cycle.

FUNDED FTE ENROLMENT AND OPERATING FUNDING

Year	September Enrolment	Full Year Enrolment	Operating Funding	Per Pupil
2011/12	8,018	8,157	\$ 70,926,065	\$ 8,695
2012/13	8,019	8,149	\$ 69,964,496	\$ 8,585
2013/14	7,417	7,609	\$ 69,082,288	\$ 9,079
2014/15	7,274	7,549	\$ 68,577,663	\$ 9,085
2015/16	7,406	7,729	\$ 69,148,280	\$ 8,946
2016/17	7,594	7,877	\$ 71,593,287	\$ 9,089
2017/18	7,798	7,998	\$ 74,006,937	\$ 9,254
2018/19	8,069	8,285	\$ 78,681,964	\$ 9,497
2019/20	8,153	8,331	\$ 81,190,435	\$ 9,746
2020/21	8,112	8,279	\$ 82,867,043	\$ 10,009

Funded FTE Enrolments



BEYOND EDUCATION

Preparing our Learners for a world they will create.

Strategic Plan 2020-24

'Beyond Education', our 2020-24 Strategic Plan was developed through the most comprehensive, future-focused, engagement exercise the District has ever undertaken. Our learners, staff, parents, and community shared their vision for the future and then told us what skills and attitudes would be needed to get there. Finally, they shared how as a community, we could help make that future become a reality. The three-year Financial Plan is core to this work and is the sole document that guides the funding of this plan. Learn more about our visionary strategic plan at www.ourstorycowichan.ca

Our Mission

Our students are agile and prepared to transition to a future of their choosing.

We Believe

- All students can learn
- In supporting the whole child
- In holding high and achievable expectations for all
- Learning experiences should be engaging, purposeful and reflective of voice and choice
- In the importance of Indigenous ways of knowing
- We all play a role in supporting student learning
- In using strength-based approaches
- Strength is found in diversity



BEYOND EDUCATION

Preparing our Learners for a world they will create.

We Value

EQUITY

Each learner receives what they need to develop to their full potential

RELATIONSHIPS

Interactions that are grounded in integrity and compassion

ENVIRONMENT

Respect and care for the natural world that honours our historical place

HARMONY

Building peaceful communities that support well-being

INCLUSIVENESS

Creating conditions that allow for a strong sense of belonging for all

"When the District Strategic Plan was presented at a staff gathering, some teachers cried tears of joy as they witnessed the alignment of this Vision with their day to day work with children at Mill Bay Nature School. They expressed how their work as a teacher for over twenty years had often felt disconnected from District and Ministry plans."

- Kim Ondrik, Head Learner, Mill Bay Nature School



BEYOND EDUCATION

Preparing our Learners for a world they will create.

Our Priorities

LEARNING

Ensuring Voice and Choice for all learners

To develop competent, agile learners who are creative, critical and social thinkers that have the capacity to be global citizens

INDIGENOUS WAYS OF KNOWING

Nuts'a' maat shqwaluwun kw tst yaayus

Working together with One heart, One mind, One thought

Connectedness and relationships to oneself, family, community and the natural world

Embrace Indigenous perspectives and knowledge as part of our history and recognize Indigenous content is integral to our learning journey

CULTURE OF CARE

Recognizing the importance of relationships

Foster healthy, safe, and resilient communities that build on the unique identities of our learners allowing them to thrive

FUTURE FOCUSED SYSTEM

Working Together as a whole system

Create nimble and dynamic environments that embrace change and foster innovation to enhance student learning



UNDERSTANDING COWICHAN VALLEY SCHOOL DISTRICT FINANCIAL STATEMENTS

The School District uses fund accounting and follows accounting standards as set out in the [Budget Transparency and Accountability Act](#) of the Province of British Columbia. The Act ensures that the financial statements are prepared in accordance with Canadian public sector accounting standards. Fund accounting is a system for recording resources whose use has been limited or restricted by another party.

The School District's audited financial statements include the following:

- **Statement of Financial Position (Statement 1)**
- **Statement of Operations (Statement 2)**
- **Statement of Changes in Net Financial Assets (Debt) (Statement 4)**
- **Statement of Cash Flows (Statement 5)**

Notes to the financial statements are utilized to relay additional information regarding the District's accounting policies and further details as to what is included in the account balances in the financial statements.

Following the notes to the financial statements are supplementary unaudited schedules that provide information about balances within the individual funds.

Changes in Accumulated Surplus (Deficit) (Schedule 1)

- Summarizes the changes in surplus balances for each of the three funds (Operating, Special Purpose, and Capital Funds).

Operating Fund (Schedule 2)

- Includes revenues and expenses related to the operation of the School District, including instruction, administration, maintenance and transportation.
- Accumulated surpluses are monitored to align with the Board's surplus contingency policy (1 to 3% of the operating budget).
- Accumulated deficits are not permitted.

UNDERSTANDING COWICHAN VALLEY SCHOOL DISTRICT FINANCIAL STATEMENTS

Special Purpose Fund (Schedule 3)

- Funding included this category has been restricted by an external party in its use.
- Included are school generated funds and specific purpose funds.
- Special purpose funds do not generate any surplus. Revenues are matched to actual expenditures. Any remaining revenue is deferred.
- Deferred revenues remaining at the end of the year remain restricted in their purpose and are carried over to the following year or returned to the contributor (if specified).
- If expenditures at the end of the year exceed available revenues the excess is transferred to the Operating fund. Deficits are not permitted.

Capital Fund (Schedule 4)

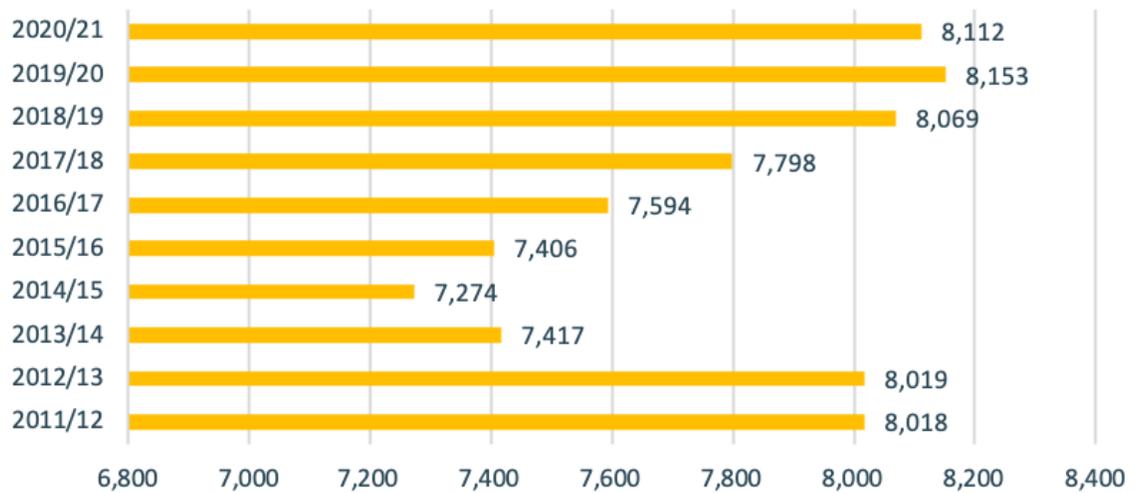
- Activities related to Tangible Capital Assets (land, buildings, furniture and equipment, software, and vehicles).
- Capital funding received from the Province is recorded using deferral accounting. Capital revenue is recorded in the financial statements over the life of the related asset in order to match the amortization expense (depreciation). Capital fund revenues are not equal to the funding received during the year.
- Capital fund revenues, expenses and the resulting surplus (deficit) are not meaningful measures of financial performance.



FINANCIAL HIGHLIGHTS

The School District experienced a small decline in enrolment for the year ended June 30, 2021 following years of growth. This was due to the impacts of COVID-19 and parent choice to pursue alternate educational opportunities during the year.

FUNDED FTE ENROLMENT BY FISCAL YEAR



ENROLMENT (FTE) PER MINISTRY OF EDUCATION

September	2020/21	2019/20
Standard (Regular Schools)	7,505.98	7,711.41
Continuing Education	12.63	26.38
Alternate Schools	309.00	295.00
Distributed Learning	283.63	111.63
Adult Education	0.63	8.13
Total Enrolment	8,111.85	8,152.54

Students Receiving Additional Funding (Included in Total Enrolment)

Designated Students	603	557
English Language Learning	353	379
Indigenous Education	1,593	1,605

FINANCIAL HIGHLIGHTS

The School District also experienced a significant shift in enrolment from the Standard (Regular) School category for funding to Distributed Learning amid the COVID-19 pandemic. As Distributed Learning is funded at a lower rate than Standard funding (\$6,100 vs \$7,560 per FTE) the Operating Grant was impacted.

Two new Special Purpose funds were created to track financial support received from both the Provincial and Federal Governments to offset expenditures related to COVID-19.

The Provincial Safe Return to School Grant of \$651,698 was expended on:

- Additional custodians;
- Portable hand washing stations and hand sanitizer dispensers;
- Permanent sink installation at Palsson Elementary;
- Masks and shields for students and staff;
- Cleaning supplies ;
- Technology that supported remote learning.

The large-scale investment in technology to support remote learning allowed many of our students, particularly those in local Indigenous communities to stay connected to their schools. Additionally, it allowed remote learning students who were involved in our Distance Learning classes to enhance their learning AND support our community.

Riley Morris, a student in the Inquisitive Design and Technology Program changed lives one day at a time by building and donating birdhouses to seniors to help with their loneliness during the pandemic.

Watch Riley talk about this project on [CHEK TV](#)

The IDT program, that Riley was involved in helped independent and creative learners find solutions to real problems, faced by real people throughout our community without having to attend class full time. That allowed our families time to interact with experts in order to create lasting change in our world.

FINANCIAL HIGHLIGHTS

The Federal Safe Return to Class Fund of \$3,070,880 was utilized across all schools as follows:

- Additional teachers to support the Distributed Learning, Distributed Virtual Classroom and Outreach programs;
- Technology that supported remote learning;
- Additional custodians and cleaning supplies;
- Masks, shields and plexiglass barriers;
- Enhanced cleaning of school buses;
- Bus cameras to support contact tracing;
- Ventilation filter upgrades;
- Ventilation system installation at Alex Aitken Elementary;
- Creation of outdoor classroom spaces.

Additional teachers worked magic in our innovative new distance learning options, and parents were thrilled with the results,

"Blended Clan has been exactly what our family wanted and needed for our children. This amazing program supports our children's individual learning needs and makes learning fun and inclusive to all members of our family. Our wonderful teacher really got who our children are as unique people and has formed such a special relationship with them, they think of her as a part of our extended family and look forward everyday to doing their "school work". Blended learning has supported our families values and goals for our kids and has also shown me fun and new ways to foster learning and growth in authentic and meaningful ways. We are so grateful for this program and for our wonderful teacher." -Mill Bay Nature School Blended Program parent, Jocelyn

FINANCIAL HIGHLIGHTS

2020/21 also included a number of significant capital assets transactions. A summary of projects is listed below:

- Various building upgrades, including plumbing, roofing, flooring and exterior paint;
- Paving projects at Alexander, Discovery and Duncan Elementary;
- The relocation of Wendy's House from Cowichan Place to Quamichan School;
- Renovations of Mill Bay Nature School to support continued growth and expansion into the two story building;
- Investments in network and classroom technology;
- Purchase of four school buses. Including the first electric model;
- Ventilation system upgrades at Quamichan School and the Operations department;

The investment in Cowichan Valley's first Electric School bus was heralded by students, staff, and community alike,

"As a mother (with a soon to be kindergartener in SD79) and one of the leads with For Our Kids Cowichan, I'm thrilled that the Cowichan Valley School District is receiving one of the 15 electric school buses from the province. Not only does an electric school bus emit far less greenhouse gasses than diesel school buses, it also means cleaner air for kids and our local airshed. While I'm encouraged by this as a first step toward greener, cleaner transportation for children in the district, I also hope that we will see a BC commitment to get to a 100% electric fleet as part of a response to the climate crisis," - Ellen Robson, co-lead of For Our Kids Cowichan team.

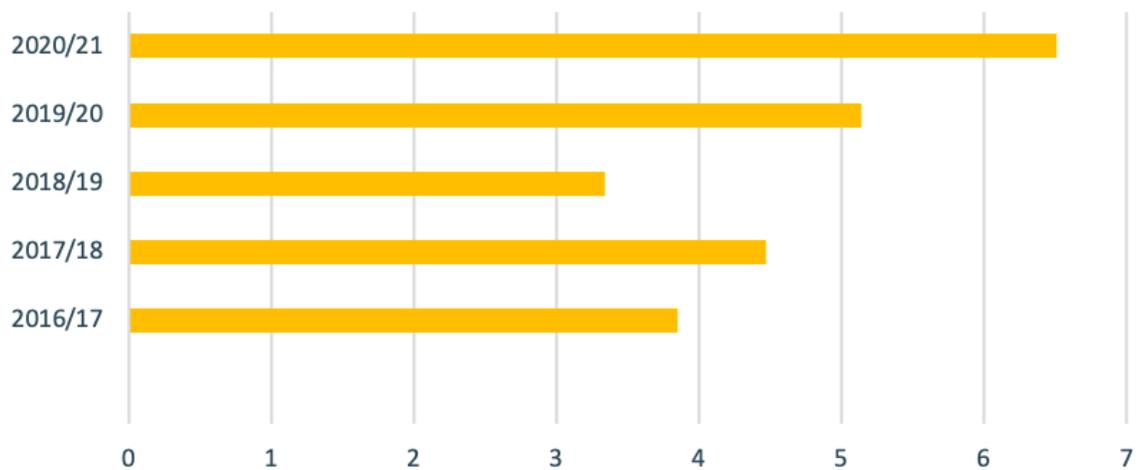
The bus will be used in regular duties, but will also be a mobile classroom, teaching students, staff, and community about the benefits of this technology.

FINANCIAL HIGHLIGHTS

The Accumulated Operating Surplus at the end of 2020/21 is illustrated in the chart below. The balance includes both unrestricted surplus and restricted surplus.

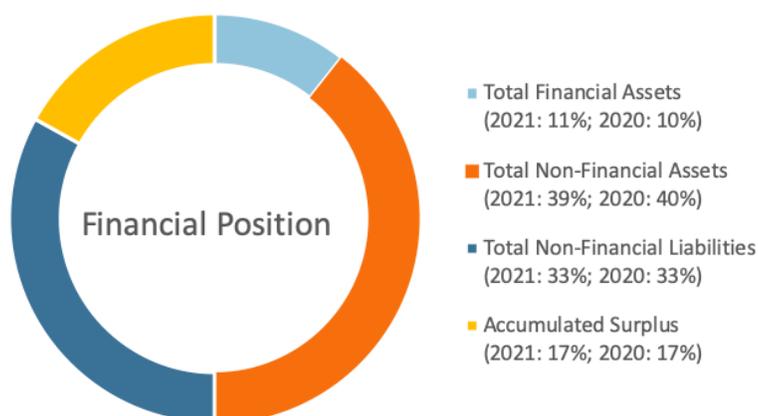
- Unrestricted surplus has not been committed for future operations and is available to assist with any unforeseen financial pressures and to assist with balancing the budget in future years.
- Restricted surplus has been committed for future operations. These commitments include:
 - Balancing of the 2021/2022 Operating Budget;
 - Unexpended Indigenous Education targeted funding;
 - Classroom Supplies and resources;
 - Other contractual commitments.

**Accumulated Operating Surplus
Balance by Fiscal Year (\$ Millions)**



FINANCIAL ANALYSIS

STATEMENT OF FINANCIAL POSITION



FINANCIAL POSITION ALLOCATION

	2020/21	2019/20	\$ Change	% Change
Financial Assets	34,242,317	29,908,786	4,333,531	14%
Tangible Capital Assets (TCA)	126,148,685	124,026,194	2,122,491	2%
Restricted Assets (Endowments)	92,893	92,893	-	0%
Prepaid Expenses	593,736	346,446	247,290	71%
Total Assets	161,077,631	154,374,319	6,703,312	4%
Liabilities	106,537,496	102,676,906	3,860,590	4%
Accumulated Surplus	54,540,135	51,697,413	2,842,722	5%

Financial Assets include cash and investments, accounts receivable and inventory available for resale. A financial asset can be utilized to pay down liabilities and provide working capital funds to support operations.

The increase in financial assets from 2019/20 to 2020/21 resulted from the following changes:

- An increase in cash balances due to increase in the Operating Surplus and receipt of funding for future capital projects;
- An increase in revenues collected from the International Program and not yet earned;
- Proceeds from the sale of Yount Elementary in Youbou.

FINANCIAL ANALYSIS STATEMENT OF FINANCIAL POSITION

Tangible Capital Assets (TCA) are non-financial assets used to support the School District's service delivery. They include land, buildings, equipment and furniture, computers, software, and vehicles. Included is also work-in-progress such as costs related to the planning for the new Cowichan Secondary replacement school. The balance on the financial statements is the historical cost of acquisition less accumulated amortization to June 30th.

The balance in TCA increased by \$2.1M during 2020/21. In total the School District acquired \$6.8M in new TCA, disposed of \$1.1M and amortized \$3.6M.

TANGIBLE CAPITAL ASSETS		
	Investment	Funding Source
Buildings		
Building upgrades (significant projects include roofing, flooring, paving, exterior painting, accessibility upgrades and portable moves)	1,764,716	Province - Annual Facilities Grant
Quamichan School HVAC	36,718	Province - Carbon Neutral Climate Action Program
Maintenance Department HVAC	175,016	Province - Carbon Neutral Climate Action Program
Ecole Mount Prevost Roofing	127,161	Province - School Enhancement Project
Chemainus Elementary Roofing	158,816	Province - School Enhancement Project
Somenos Elementary Roofing	138,693	Province - School Enhancement Project
Tansor Elementary Roofing	75,330	Province - School Enhancement Project
Cowichan Secondary School Replacement - Work-in-Progress	1,699,374	Province - Seismic Replacment Project
Alex Aitken HVAC	241,915	Federal - Safe Return to Class Fund
Various Outdoor Classroom Spaces	156,519	Federal - Safe Return to Class Fund
New Childcare Space Creation - Work-in-Progress	51,335	Province - Other Ministry Funding
Non-Structural Seismic Projects	17,780	Province - Annual Facilities Grant
Furniture and Equipment		
School Bus Cameras	144,544	Federal - Safe Return to Class Fund
Various Outdoor Classroom Spaces - Furniture	32,516	Federal - Safe Return to Class Fund
Board Room Audio	12,063	Operating Fund
Careers Equipment	31,027	Operating Fund
Fuel Pump	16,076	Operating Fund
Maintenance Shop Equipment	7,819	Operating Fund
Software		
Library System Replacement	24,598	Operating Fund
SDS Software Update	6,082	Operating Fund
Vehicles		
Lawn Mowers (2)	21,678	Operating Fund
Maintenance Vans (2)	45,960	Operating Fund
Electronic School Bus	250,614	Province - Capital Plan / Operating Fund
Diesel School Buses (3)	499,584	Province - Capital Plan

FINANCIAL ANALYSIS

STATEMENT OF FINANCIAL POSITION

Liabilities are legally binding obligations that are payable to another person or entity. They arise from prior transactions and are settled using current and future financial assets. The increase in liabilities in 2020/21 resulted mainly from changes in the following accounts:

- A decrease in trades payables due to the timing of when purchases were made in the current year versus the prior year (-\$569K)
- An increase in unearned revenue due to an increase in the collection of tuition from International Students for the 2021/22 school year (\$622K)
- An increase in deferred capital revenue resulting from the receipt of Ministry of Education funding (for Annual Facilities Grant, Cowichan Secondary Replacement planning, buses and school enhancement projects (\$1.91M)
- An increase in other liabilities due to an increase in the collection of medical and homestay fees from International Students to be applied in the 2021/22 school year (\$201K)

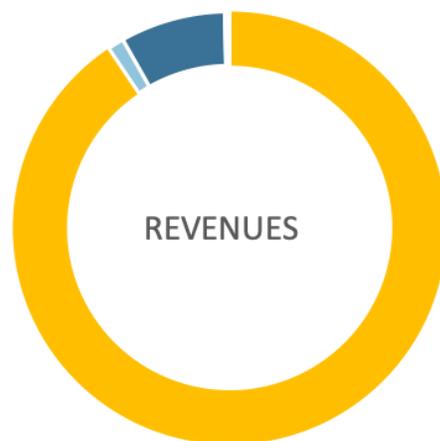
Accumulated surplus (deficit) represents the net assets or debt of the School District. The School District generated an additional surplus during the 2020/21 school year and continues to be in an accumulated surplus position.

Accumulated surplus is made up of the following components:

ACCUMULATED SURPLUS BALANCE BY FISCAL YEAR

	2020/21	2019/20	\$ Change	% Change
Operating Fund:				
Internally Restricted	4,105,431	2,833,308	1,272,123	45%
Unrestricted	2,402,211	2,307,058	95,153	4%
Total Operating Fund Surplus	6,507,642	5,140,366	1,367,276	27%
Unrestricted as a % of Operating Budget Expenditure	2.70%	2.68%		
Special Purpose Fund:				
Endowments (Scholarships)	92,893	92,893	-	0%
Capital Fund:				
Investment in Tangible Capital Assets (TCA)	47,148,804	45,855,414	1,293,390	3%
Local Capital	790,796	608,740	182,056	30%
Total Capital Fund Surplus	47,939,600	46,464,154	1,475,446	3%
Total Accumulated Surplus	54,540,135	51,697,413	2,842,722	5%

STATEMENT OF OPERATIONS REVENUES



- Province of BC
(2021: 90.6%; 2020: 89.7%)
- Tuition
(2021: 1.2%; 2020: 2.2%)
- Other Revenue
(2021: 7.8%; 2020: 7.6%)
- Rentals and Leases
(2021: 0.1%; 2020: 0.1%)
- Investment Income
(2021: 0.3%; 2020: 0.4%)
- Gain on Disposal of Tangible
Capital Assets
(2021: 0%; 2020: 0%)

COMPARISON OF 2020/21 ACTUAL REVENUES TO THE 2019/20 ACTUAL AND 2020/21 BUDGET

	Fiscal 2020/21		Fiscal 2019/20	Difference from Budget		Difference from Prior Year	
	Budget	Actual	Actual	\$	%	\$	%
Provincial	89,419,743	95,486,055	90,047,577	6,066,312	7%	5,438,478	6%
Tuition	1,620,000	1,284,335	2,208,982	(335,665)	-21%	(924,647)	-42%
Other Revenue	7,138,452	8,249,065	7,650,449	1,110,613	16%	598,616	8%
Rentals and Leases	85,000	69,862	95,809	(15,138)	-18%	(25,947)	-27%
Investment Income	178,000	295,229	419,590	117,229	66%	(124,361)	-30%
Gain on Disposal of Tangible Capital Assets	-	22,348	-	22,348	0%	22,348	0%
Amortization of Deferred Capital Revenue	3,777,316	3,783,436	3,416,312	6,120	0%	367,124	11%
Total Revenue	102,218,511	109,190,330	103,838,719	6,971,819	7%	5,351,611	5%

Provincial Grants:

Provincial grants increased from the prior year due to a number of factors:

- The receipt of the one-time Safe Return to School Grant (\$651K) and the one-time Federal Safe Return to Class Fund (\$3.07M). Both distributed through the Provincial grant program as Special Purpose Funds
- Teacher's Labour Settlement Funding (\$2.28M)
- Offset by an increase in the Local Education Agreement Recovery (-\$325K)

STATEMENT OF OPERATIONS REVENUES

Tuition:

Tuition revenue has decreased from the prior year due to a decline of approximately 68 FTE International Students.

Other Revenues:

Other revenues have increase from the prior year due to the following:

- An increase in Funding from First Nations directed through the Local Education Agreements (\$580K)
- An increase in registration fees collected from International Students (\$102K)

Rentals and Leases:

Rental and lease revenue decreased in the year as a result of COVID-19 and the restrictions placed on facility rentals due to the pandemic.

Investment Income:

Interest rates were reduced significantly due to the pandemic resulting in a reduction in investment income.

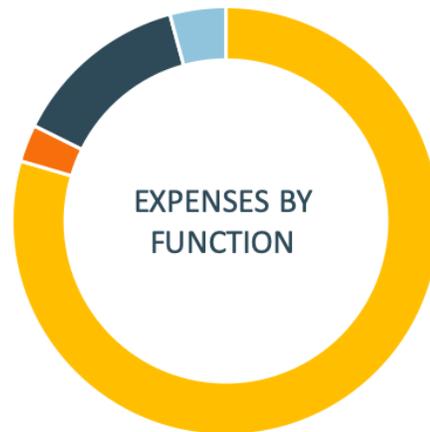
Gain (Loss) on Disposal of Tangible Capital Assets:

The Board disposed of Yount Elementary School resulting in a gain on the transaction.

Amortization of Deferred Capital Revenue:

Amortization of deferred capital revenue increased over the prior year due to the capital additions funded by the Province in 2020/21.

STATEMENT OF OPERATIONS EXPENSES BY FUNCTION



- Instruction
(2021: 80%; 2020: 80%)
- District Administration
(2021: 3%; 2020: 3%)
- Operations and Maintenance
(2021: 13%; 2020: 13%)
- Transportation and Housing
(2021: 4%; 2020: 4%)

COMPARISON OF 2020/21 ACTUAL EXPENDITURES TO THE 2019/20 ACTUAL AND 2020/21 BUDGET

	Fiscal 2020/21		Fiscal 2019/20	Difference from Budget		Difference from Prior Year	
	Budget	Actual	Actual	\$	%	\$	%
Instruction	82,952,231	85,693,619	82,612,040	2,741,388	3%	3,081,579	4%
District Administration	3,265,264	3,026,292	2,709,239	(238,972)	-7%	317,053	12%
Operations and Maintenance	14,799,557	14,490,086	13,731,106	(309,471)	-2%	758,980	6%
Transportation and Housing	3,017,991	3,137,611	2,905,479	119,620	4%	232,132	8%
Debt Services	-	-	21	-			
Total Expenditures	104,035,043	106,347,608	101,957,885	2,312,565	2%	4,389,744	4%

Instruction:

Expenditures related to Instruction increased in 2020/21 due to:

- Wage increases of 2% for CUPE and 2% or 3% for Teachers.
- Wage increases of 5.06% for Principals and Vice-Principals (catch up year to Teachers)
- Additional staff hired to deliver Outreach and Distributed Learning programs in response to the pandemic.

STATEMENT OF OPERATIONS EXPENSES BY FUNCTION

District Administration:

District Administration costs are consistent with 2019/20. There is a slight increase due to wage increases and increasing the Wellness Coordinator to full-time towards the end of the school year.

Operations and Maintenance:

Operations and Maintenance costs increased over 2019/20. This was due to the following:

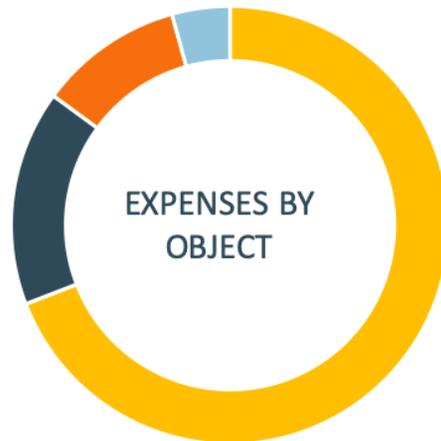
- Additional cleaning protocols related to COVID-19 (\$594K)
- Wage increases of 2% for USW.

Transportation and Housing:

Transportation costs are fairly consistent with 2019/20 adjusted for the 2% wage increase received by the USW bus drivers.



STATEMENT OF OPERATIONS EXPENSES BY OBJECT



- Salaries
(2021: 69%; 2020: 69%)
- Benefits
(2021: 16%; 2020: 16%)
- Services and Supplies
(2021: 11%; 2020: 10%)
- Amortization
(2021: 4%; 2020: 4%)

COMPARISON OF 2020/21 ACTUAL EXPENDITURES TO THE 2019/20 ACTUAL AND 2020/21 BUDGET

	Fiscal 2020/21		Fiscal 2019/20	Difference from Budget		Difference from Prior Year	
	Budget	Actual	Actual	\$	%	\$	%
Salaries	72,034,630	73,534,242	70,303,677	1,499,612	2%	3,230,565	5%
Benefits	17,227,260	16,927,976	16,514,624	(299,284)	-2%	413,352	3%
Services and Supplies	10,231,841	11,334,653	10,639,855	1,102,812	11%	694,798	7%
Amortization	4,541,312	4,550,737	4,499,708	9,425	0%	51,029	1%
Total Expenditures	104,035,043	106,347,608	101,957,864	2,312,565	2%	4,389,744	4%

Salaries and Benefits:

Salaries and Benefits increased over the prior year due to wage increases for all staff.

The difference between the amounts budgeted for salaries and benefits and actuals is due to the addition of staff funded by the Safe Return to School Grant and the Federal Safe Return to Class Fund. These included additional teachers and custodial staff required to manage the School District's response to COVID-19.

STATEMENT OF OPERATIONS EXPENSES BY OBJECT

Services and Supplies:

Service and Supplies expenses increased over the prior year as a direct response to the COVID-19 pandemic declaration in March 2020. For the balance of the school year, teaching and learning environments shifted from in person to remote access. Given this, services and supplies were not expended at the regular rate to June 2020. Additionally, the School District's COVID Safety Plan required the purchase of personal protection equipment, hand washing and sanitizer stations, electrostatic sprayers and increased custodial supplies.

When the School District's budget was set in the Spring of 2020 for the 2020/21 school year the Safe Return to School Grant and Federal Safe Return to Class Fund had not yet been announced. This accounts for the difference between the amounts budgeted for services and supplies and the actuals.

Amortization:

Amortization expense has only slightly increased over the prior year. This expenditure fluctuates based on the purchase of capital assets in the previous years and the number of years that the asset classes are amortized over.



RISK FACTORS

COVID-19:

The 2020/21 school-year was one like no other. There were significant cost pressures related to the implementation of the K-12 restart plan. The Provincial government and the Federal government provided funding to support costs such as extra cleaning supplies, twice a day cleaning, personal protective equipment, increased staff replacement costs, higher heating and air filtration costs, increased outreach and distributed learning opportunities and increased supplies and services. Both grants were distributed through the Province of BC and appear as Provincial Grants within the Special Purpose Funds.

Another impact of COVID-19 was the loss of revenue from the International Student Program, a reduction in the Operating Grant from the number of students being claimed at the lower per pupil rate of the Distributed Learning Program, less rental income from restrictions on use of schools after hours and reduced interest revenue as a result of lower interest rates.

Enrolment:

Student enrolment is the most critical input in the formula that provides the School District's Operating Funding from the Ministry of Education. The accuracy of the enrolment estimates is critical in Budget planning. The number of students determines how many staff to allocate along with providing the necessary resources. There was a slight drop in enrolment in 2020/21 from the prior September of 41 Full Time Equivalent (FTE) students.

Student FTE is counted in September and again in February. The School District saw a significant reduction in the number of students between these two counts due to the pandemic. We look forward to our students returning to regular in class instruction for the 2021/22 school year.

UPCOMING PROJECTS

School Site Acquisition Charges:

The School Sites Acquisition Charge (SSAC) is a charge per dwelling unit to be paid by residential developers. The charge collected by local government is transferred to school boards to help them to fund new school sites needed as a result of new residential development. The School District is currently in the process of consulting with local government and assessing areas of community growth where future school sites will be required. A decision is expected in the fall of 2022.

Long Range Facilities Plan:

The School District's long range facility plan informs the Board and staff in key decisions related to planning for capacity and future construction projects. The plan has not been updated in a number of years. The data currently being collected in the School Site Acquisition Charge process will be used to guide this plan. The plan will also be influenced by the Board's 2020-2024 Strategic Planning document.

New Childcare Space Funding:

The School District has been successful in receiving funding from the Ministry of Children and Families (MCFD) for the construction of five new childcare facilities to be located at Chemainus Elementary, Khowhemun Elementary, Palsson Elementary, Cowichan Valley Open Learning and the new Cowichan Secondary replacement school site. They will be leased to Non-Profit Childcare providers who will provide the service. In total 180 new spaces will be created for the community and expected to begin operation in December of 2021.

At Bench Elementary, funding has been received to support modifications to the school that will support before and after school care. The School District has decided to be the operator of this program and is hiring CUPE members to provide the service beginning September 2021.

THE FINANCIAL MANAGEMENT TEAM

The Financial Statement Discussion and Analysis report has been created to provide the stakeholders of the Cowichan Valley School District with a more detailed overview of the financial information provided within the 2020/21 Financial Statements. This report provides additional accountability to the School District for disclosing how the funding it has received has been allocated. If you have any questions about this report or need additional financial information, please contact the Secretary Treasurer's office.

Jason Sandquist, Secretary-Treasurer

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Cowichan Valley School District

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Audited Financial Statements of

School District No. 79 (Cowichan Valley)

And Independent Auditors' Report thereon

June 30, 2021

School District No. 79 (Cowichan Valley)

June 30, 2021

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School District No. 79 (Cowichan Valley)

MANAGEMENT REPORT

Version: 8201-7455-5473

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 79 (Cowichan Valley) 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. 79 (Cowichan Valley) (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, Baker Tilly Victoria Ltd., 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. 79 (Cowichan Valley) 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. 79 (Cowichan Valley)

Signature of the Chairperson of the Board of Education

Date Signed

Signature of the Superintendent

Date Signed

Signature of the Secretary Treasurer

Date Signed

INDEPENDENT AUDITORS' REPORT**To the Board of Education of
School District No. 79 (Cowichan Valley)****Report on the Audit of the Financial Statements***Opinion*

We have audited the accompanying financial statements of School District No. 79 (Cowichan Valley) (the "District"), which comprise the statements of financial position as at June 30, 2021, the statements of operations, changes in net financial debt, and cash flows for the year ended June 30, 2021, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

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

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2a to the financial statements, which discloses that the accounting requirements of section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia are in accordance with Canadian public sector accounting standards except in regard to the accounting treatment of government transfers. Note 2a to the financial statements discloses the impact of these differences.

Other Matters

The attached supplementary information included in schedule 1 through 4 is presented for the purposes of additional analysis and has not been audited.

INDEPENDENT AUDITORS' REPORT*Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting requirements 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 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 District or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 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.

To be signed when approved by the board

Chartered Professional Accountants

Victoria, Canada
September 28, 2021

School District No. 79 (Cowichan Valley)

Statement of Financial Position

As at June 30, 2021

	2021 Actual \$	2020 Actual \$
Financial Assets		
Cash and Cash Equivalents	31,014,490	26,744,328
Accounts Receivable		
Due from Province - Ministry of Education	708,833	316,098
Due from Province - Other	146,987	392,158
Due from First Nations	1,990,521	1,929,211
Other (Note 3)	362,379	498,387
Inventories for Resale	19,107	28,604
Total Financial Assets	<u>34,242,317</u>	<u>29,908,786</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	324,790	25,300
Other (Note 4)	9,474,896	9,369,005
Unearned Revenue (Note 5)	1,473,888	966,562
Deferred Revenue (Note 6)	3,550,825	2,928,848
Deferred Capital Revenue (Note 7)	86,328,122	84,414,749
Employee Future Benefits (Note 8)	4,111,559	3,927,003
Other Liabilities (Note 4)	1,202,580	1,001,603
LEA Liability	70,836	43,836
Total Liabilities	<u>106,537,496</u>	<u>102,676,906</u>
Net Debt	<u>(72,295,179)</u>	<u>(72,768,120)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 9)	126,148,685	124,026,194
Restricted Assets (Endowments) (Note 12)	92,893	92,893
Prepaid Expenses	593,736	346,446
Total Non-Financial Assets	<u>126,835,314</u>	<u>124,465,533</u>
Accumulated Surplus (Deficit)	<u>54,540,135</u>	<u>51,697,413</u>

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. 79 (Cowichan Valley)

Statement of Operations
Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	89,344,743	95,202,955	89,726,802
Other	75,000	283,100	320,775
Tuition	1,620,000	1,284,335	2,208,982
Other Revenue	7,138,452	8,249,065	7,650,449
Rentals and Leases	85,000	69,862	95,809
Investment Income	178,000	295,229	419,590
Gain (Loss) on Disposal of Tangible Capital Assets (Note 10)		22,348	
Amortization of Deferred Capital Revenue	3,777,316	3,783,436	3,416,312
Total Revenue	<u>102,218,511</u>	<u>109,190,330</u>	<u>103,838,719</u>
Expenses (Note 20)			
Instruction	82,952,231	85,693,619	82,612,040
District Administration	3,265,264	3,026,292	2,709,239
Operations and Maintenance	14,799,557	14,490,086	13,731,106
Transportation and Housing	3,017,991	3,137,611	2,905,479
Debt Services			21
Total Expense	<u>104,035,043</u>	<u>106,347,608</u>	<u>101,957,885</u>
Surplus (Deficit) for the year	<u>(1,816,532)</u>	<u>2,842,722</u>	<u>1,880,834</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		51,697,413	49,816,579
Accumulated Surplus (Deficit) from Operations, end of year		<u>54,540,135</u>	<u>51,697,413</u>

School District No. 79 (Cowichan Valley)

Statement of Changes in Net Debt

Year Ended June 30, 2021

Statement 4

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(1,816,532)	2,842,722	1,880,834
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(15,680,626)	(6,886,787)	(4,966,878)
Amortization of Tangible Capital Assets	4,541,312	4,550,737	4,499,708
Net carrying value of Tangible Capital Assets disposed of		213,561	
Total Effect of change in Tangible Capital Assets	(11,139,314)	(2,122,489)	(467,170)
Acquisition of Prepaid Expenses	(250,000)	(593,738)	(346,446)
Use of Prepaid Expenses	250,000	346,446	246,039
Total Effect of change in Other Non-Financial Assets	-	(247,292)	(100,407)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	(12,955,846)	472,941	1,313,257
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		472,941	1,313,257
Net Debt, beginning of year		(72,768,120)	(74,081,377)
Net Debt, end of year		(72,295,179)	(72,768,120)

School District No. 79 (Cowichan Valley)

Statement of Cash Flows
Year Ended June 30, 2021

	2021 Actual	2020 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	2,842,722	1,880,834
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(72,868)	(493,793)
Inventories for Resale	9,497	(3,011)
Prepaid Expenses	(247,290)	(100,407)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	405,381	134,758
Unearned Revenue	507,326	(443,737)
Deferred Revenue	621,977	311,160
Employee Future Benefits	184,556	283,179
Other Liabilities	227,977	(294,849)
Loss (Gain) on Disposal of Tangible Capital Assets (Note 10)	(22,347)	
Amortization of Tangible Capital Assets (Note 9)	4,550,737	4,499,708
Amortization of Deferred Capital Revenue	(3,783,436)	(3,416,312)
Recognition of Deferred Capital Revenue Spent on Sites	(1,039,339)	(646,479)
Total Operating Transactions	<u>4,184,893</u>	<u>1,711,051</u>
Capital Transactions		
Tangible Capital Assets Purchased	(5,136,079)	(4,694,603)
Tangible Capital Assets -WIP Purchased	(1,750,708)	(272,275)
District Portion of Proceeds on Disposal	177,792	
Write Down Other Provincial Capital	(93,293)	(839,630)
Total Capital Transactions	<u>(6,802,288)</u>	<u>(5,806,508)</u>
Financing Transactions		
Capital Revenue Received	6,887,557	6,595,970
Capital Lease	-	(3,273)
Total Financing Transactions	<u>6,887,557</u>	<u>6,592,697</u>
Net Increase (Decrease) in Cash and Cash Equivalents	4,270,162	2,497,240
Cash and Cash Equivalents, beginning of year	<u>26,744,328</u>	<u>24,247,088</u>
Cash and Cash Equivalents, end of year	<u>31,014,490</u>	<u>26,744,328</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	<u>31,014,490</u>	<u>26,744,328</u>
	<u>31,014,490</u>	<u>26,744,328</u>



Notes to Financial Statements

For the year ended June 30, 2021

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on December 2, 1996, 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. 79 (Cowichan Valley)", and operates as "School District No. 79 (Cowichan Valley)." 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. School District No. 79 (Cowichan Valley) is exempt from federal and provincial corporate income taxes.

The COVID 19 outbreak was declared a pandemic by the World Health Organization in March 2020 and has had a significant financial, market and social dislocating impact worldwide. Under direction of the Provincial Health Officer, all schools suspended in-class instruction in March 2020 and the District remained open to continue to support students and families in a variety of ways. Parents were given the choice to send their children back to school on a gradual and part-time basis beginning June 1, 2020 and full-time beginning September 1, 2020 with new health and safety guidelines. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decreases in revenue, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the District is not practicable at this time.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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

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



Notes to Financial Statements

For the year ended June 30, 2021

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

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

- Year-ended June 30, 2020 – increase in annual surplus by \$3,142,916.
- June 30, 2020 – increase in accumulated surplus and decrease in deferred contributions by \$6,559,228.
- Year-ended June 30, 2021 - increase in annual surplus by \$3,031,782.
- June 30, 2021 – increase in accumulated surplus and decrease in deferred contributions by \$6,873,337.

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.



Notes to Financial Statements
For the year ended June 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Inventories for Resale

Inventories for resale including school supplies are measured at lower of cost and net realizable value. Cost includes all costs incurred to get ready for sale including taxes. Net realizable value is the expected selling price in the ordinary course of business.

e) 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.

f) Deferred Revenue and Deferred Capital Revenue

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

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

g) 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,



Notes to Financial Statements
For the year ended June 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2019 and projected to March 31, 2022. The next valuation will be performed at March 31, 2022 for use at June 30, 2022. 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.

h) Asset Retirement Obligations

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

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

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.



Notes to Financial Statements
 For the year ended June 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Tangible Capital Assets

The following criteria apply:

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

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

j) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the School District are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding



Notes to Financial Statements
For the year ended June 30, 2021

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

executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.

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

k) **Prepaid Expenses**

Prepaid utilities, prepaid insurance, and prepaid 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.

l) **Supplies Inventory**

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

m) **Funds and Reserves**

Certain amounts, as approved by the Board, are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 13 – Interfund Transfers and Note 20 – Internally Restricted Surplus).

n) **Revenue Recognition**

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

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

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



Notes to Financial Statements
For the year ended June 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

o) Expenditures

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

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant 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 aboriginal education, are allocated to these programs. All other costs are allocated to related programs.



Notes to Financial Statements
For the year ended June 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals' and Vice-Principals' salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

p) Endowment Contributions

Endowment contributions are reported as revenue on the Statement of Operations when received. Investment income earned on endowment principal is recorded as deferred revenue if it meets the definition of a liability and is recognized as revenue in the year related expenses (disbursements) are incurred. If the investment income earned does not meet the definition of a liability, it is recognized as revenue in the year it is earned. Endowment assets are reported as restricted non-financial assets on the Statement of Financial Position.

q) 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, portfolio investments, bank overdraft, accounts payable and accrued liabilities, long-term debt and other liabilities.

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost



Notes to Financial Statements
For the year ended June 30, 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition and amortized using the effective interest rate method. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

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

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

r) **Measurement Uncertainty**

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

s) **Future Changes in Accounting Policies**

PS 3280 Asset Retirement Obligations issued August 2018 establishes standards for recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets and is effective July 1, 2022. A liability will be recognized when, as at the financial reporting date:

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



Notes to Financial Statements
For the year ended June 30, 2021

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

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.

A modified retroactive application has been recommended by Government. Management is in the process of assessing the impact of adopting this standard on the School District's financial results.

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

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

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

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

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



Notes to Financial Statements
For the year ended June 30, 2021

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Due from Federal Government	\$ 175,232	\$ 219,400
Other	202,147	1,133,617
Allowance for Doubtful Accounts	<u>(15,000)</u>	<u>(854,630)</u>
	<u>\$362,379</u>	<u>\$498,387</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Trades payable	\$1,121,480	\$1,690,935
Salaries and benefits payable	6,173,555	5,699,908
Accrued vacation and banked pay	2,091,836	1,914,630
Other	<u>88,025</u>	<u>63,532</u>
	<u>\$9,474,896</u>	<u>\$9,369,005</u>

OTHER LIABILITIES

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
International Homestay payable	\$ 853,418	\$ 582,042
International Medical payable	235,659	312,112
Other	<u>1,202,580</u>	<u>107,449</u>
	<u>\$1,202,580</u>	<u>\$1,001,603</u>



Notes to Financial Statements
For the year ended June 30, 2021

NOTE 5 UNEARNED REVENUE

	June 30, 2021	June 30, 2020
Balance, beginning of year	\$ 966,562	\$ 1,410,299
Changes for the year:		
Increase:		
Tuition Fees	1,772,981	1,765,159
Busing Fees	49,484	33,040
	<u>\$1,822,465</u>	<u>\$ 1,798,199</u>
Decrease:		
Tuition fees	1,284,335	2,207,696
Busing Fees	30,804	34,240
	<u>\$1,315,139</u>	<u>\$ 2,241,936</u>
Net changes for the year	<u>507,326</u>	<u>(443,737)</u>
Balance, end of year	<u>\$1,473,888</u>	<u>\$ 966,562</u>

NOTE 6 DEFERRED REVENUE

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



Notes to Financial Statements
For the year ended June 30, 2021

NOTE 8 EMPLOYEE FUTURE BENEFITS (Continued)

	June 30, 2021	June 30, 2020
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 4,309,405	\$ 4,455,483
Service Cost	375,998	357,714
Interest Cost	100,003	111,775
Benefit Payments	(432,473)	(484,103)
Actuarial (Gain) Loss	(118,251)	(131,464)
Accrued Benefit Obligation – March 31	<u>\$ 4,234,682</u>	<u>\$ 4,309,405</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 4,234,682	\$ 4,309,405
Market Value of Plan Assets – March 31	0	0
Funded Status – Surplus (Deficit)	<u>(4,234,682)</u>	<u>(4,309,405)</u>
Employer Contributions after Measurement Date	15,393	20,910
Benefit Expense after Measurement Date	(121,331)	(119,000)
Unamortized Net Actuarial (Gain) Loss	229,061	480,492
Accrued Benefit Asset (Liability) – June 30	<u>\$ (4,111,559)</u>	<u>\$ (3,927,003)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) – July 1	\$ 3,927,002	\$ 3,643,824
Net expense for Fiscal Year	611,511	643,997
Employer Contributions	(426,954)	(360,818)
Accrued Benefit Liability (Asset) – June 30	<u>\$ 4,111,559</u>	<u>\$ 3,927,003</u>
Components of Net Benefit Expense		
Service Cost	\$ 378,348	\$ 362,285
Interest Cost	100,082	108,832
Amortization of Net Actuarial (Gain)/Loss	133,080	172,880
Net Benefit Expense (Income)	<u>\$ 611,511</u>	<u>\$ 643,997</u>

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

	June 30, 2021	June 30, 2020
Assumptions		
Discount Rate - April 1	2.25%	2.50%
Discount Rate - March 31	2.50%	2.25%
Long Term Salary Growth - April 1	2.5% + seniority	2.5% + seniority
Long Term Salary Growth - March 31	2.5% + seniority	2.5% + seniority
EARSLS - March 31	8.6	8.6



Notes to Financial Statements
For the year ended June 30, 2021

NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value June 30, 2021	Net Book Value June 30, 2020
Sites	\$29,277,310	\$ 28,152,204
Buildings	91,155,656	92,489,247
Buildings- Work in Progress	2,298,396	547,687
Furniture & Equipment	981,724	909,031
Vehicles	2,389,039	1,898,305
Computer Software	35,544	7,689
Computer Hardware	11,015	22,031
Total	\$126,148,684	\$ 124,026,194

June 30, 2021

Cost:	Opening Cost	Additions	Disposals	Total 2021
Sites	\$ 28,152,204	1,129,947	4,842	\$29,277,309
Buildings	180,392,085	2,907,970	888,776	182,411,279
Buildings- Work in Progress	547,687	1,750,708	-	2,298,395
Furniture & Equipment	1,769,534	249,646	270,826	1,748,354
Vehicles	3,271,020	817,836	-	4,088,856
Computer Software	14,119	30,679	8,037	36,761
Computer Hardware	55,080	-	-	55,080
Total	\$ 214,201,729	\$6,886,786	\$1,172,481	\$219,916,036

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals	Total 2021
Sites	\$ -	-	-	-
Buildings	87,902,838	4,032,842	680,057	91,255,623
Buildings- Work in Progress	-	-	-	-
Furniture & Equipment	860,503	176,953	270,826	766,630
Vehicles	1,372,715	327,102	-	1,699,817
Computer Software	6,430	2,824	8,037	1,217
Computer Hardware	33,049	11,016	-	44,065
Total	\$ 90,175,535	\$4,550,737	\$958,920	\$93,767,352



Notes to Financial Statements
For the year ended June 30, 2021

NOTE 9 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2020

Cost:	Opening Cost	Additions	Disposals/Write Down	Total 2020
Sites	\$ 27,395,987	\$ 756,217	\$ -	\$ 28,152,204
Buildings	176,857,376	3,534,709		180,392,085
Buildings- Work in Progress	275,412	272,275		547,687
Furniture & Equipment	1,847,355	139,079	216,900	1,769,534
Vehicles	3,418,935	258,517	406,432	3,271,020
Computer Software	8,038	6,081		14,119
Computer Hardware	55,080	0		55,080
Total	\$ 209,858,183	\$ 4,966,878	\$ 623,332	\$ 214,201,729

Accumulated Amortization:	Opening Accumulated Amortization	Additions	Disposals/Write Down	Total 2020
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	83,942,386	3,960,452	-	87,902,838
Buildings- Work in Progress	-	-	-	-
Furniture & Equipment	892,667	184,736	216,900	860,503
Vehicles	1,437,251	341,896	406,432	1,375,715
Computer Software	4,822	1,608	-	6,430
Computer Hardware	22,033	11,016	-	33,049
Total	\$ 86,299,159	4,499,708	\$ 623,332	\$ 90,175,535

NOTE 10 DISPOSAL OF SITES AND BUILDINGS

On June 21, 2021, The School District sold Yount Elementary for gross proceeds of \$750,000.

Yount Elementary was acquired by the School District in 1935 for \$18,789. The original site cost, construction, plus renovations and improvements over the years cost an estimated \$893,618 of which \$213,561 remained unamortized at the time of the sale.

As the acquisition of the site, and construction and renovations of the buildings were not funded with School District Local Capital funds, 75% of the proceeds are required to be held as Ministry of Education Restricted Capital for use towards future site and building purchases in the District. Therefore \$533,376 (75%) was allocated to the Ministry of Education Restricted Capital Revenues and \$177,791 (25%) was allocated to the School District's Local Capital fund. These transactions are shown on Schedules 4D and 4 respectively.



Notes to Financial Statements
For the year ended June 30, 2021

The School District recognized a gain on sale of Yount Elementary of \$22,348.

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. As at December 31, 2020, the Teachers' Pension Plan has about 49,000 active members and approximately 40,000 retired members. As of December 31, 2020, the Municipal Pension Plan has about 220,000 active members, including approximately 28,000 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, 2017, indicated a \$1,656 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, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going-concern basis.

The school district paid \$7,362,167 for employer contributions to the plans for the year ended June 30, 2021 (2020: \$7,073,217)

The next valuation for the Teachers' Pension Plan will be as at December 31, 2020, with results available in the last quarter of 2021. The next valuation for the Municipal Pension Plan will be as at December 31, 2021, with results available in 2022.

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



Notes to Financial Statements
For the year ended June 30, 2021

NOTE 12 RESTRICTED ASSETS – ENDOWMENT FUNDS

Donors have placed restrictions on their contributions to the endowment funds of the school district. One restriction is that the original contribution should not be spent. Another potential restriction is that any investment income of the endowment funds that is required to offset the eroding effect of inflation or preserve the original value of the endowment should also not be spent.

Name of Endowment	2020	2021
W.F. Marshall Scholarship	\$ 2,592	\$ 2,592
Xerox Canada Scholarship	12,500	12,500
George Alistair MacKay Scholarship	37,766	37,766
Wunderlich Safety Scholarship	2,216	2,216
V.L. Stanley-Jones Memorial Scholarship	20,000	20,000
Raoula Pedersen Memorial Fine Arts	9,426	9,426
Christina McLeod Memorial Scholarship	8,393	8,393
Total	\$ 92,893	\$ 92,893

NOTE 13 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2021, were as follows:

	Operating Fund	Special Purpose Fund	Capital Fund
Tangible Capital Assets purchased from Operating funds	\$ (178,614)		\$ 178,614
Tangible Capital Assets purchased from Special Purpose funds		\$ (998,181)	\$ 998,181
Total	\$ (178,614)	\$ (998,181)	\$1,176,795

NOTE 14 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.



Notes to Financial Statements
For the year ended June 30, 2021

NOTE 15 CONTRACTUAL OBLIGATIONS

The School District has entered into a number of multiple-year contracts for the delivery of services and the construction of tangible capital assets. Most notable is the three-year construction of the new Cowichan Secondary School expected to begin in September 2021. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

Contractual Obligations	2022	2023	2024	2025	2026	Thereafter
Facility Lease	\$ 69,824	\$ 21,000	\$ 21,000	\$ 21,000	\$21,000	\$ 21,000
Equipment Contracts	829,740	412,669	292,300	210,263	205,149	73,204
Busing Contract	236,985	244,434	251,843	257,043	262,244	267,444
Building Construction Commitments	836,243	46,110,001	25,950,202	-	-	-
Other Supplier Commitments	818,942	30,565	7,641	-	-	-
	<u>\$2,791,734</u>	<u>\$46,818,669</u>	<u>\$26,522,986</u>	<u>\$488,306</u>	<u>\$488,393</u>	<u>\$ 361,648</u>

NOTE 16 BUDGET FIGURES

Budget figures included in the financial statements are not audited. They were approved by the Board through adoption of an annual budget on June 22, 2020.

NOTE 17 CONTINGENCIES

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

NOTE 18 ASSET RETIREMENT OBLIGATION

Future legal liabilities may exist for the removal/disposal of asbestos in schools that will undergo renovations or demolition. The amount cannot be reasonably determined.

NOTE 19 EXPENSE BY OBJECT

	2021	2020
Salaries and benefits	\$ 90,462,218	\$ 86,818,301
Services and supplies	11,334,653	10,639,876
Amortization	4,550,737	4,499,708
	<u>\$ 106,347,608</u>	<u>\$101,957,885</u>



Notes to Financial Statements
For the year ended June 30, 2021

NOTE 20 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted (appropriated) by Board for:		
2021/2022 Operating Budget	\$ 2,341,544	
BC Education Plan	91,517	
Careers	16,520	
Cowichan Tribes Partnership	136,869	
CUPE Professional Development Funds	10,415	
Curriculum Grants and K-12 Innovation	1,528	
Distributed Learning	20,000	
Early Career Mentorship	180,000	
Indigenous Education Target	548,175	
Learning Resources	113,588	
Local Education Agreement Early Leaver Funds	100,000	
Ministry of Education – Holdback funding	270,660	
School Rollovers 10%	109,873	
Service Improvement Allocation	68,208	
Support for Trauma Informed Practice	14,939	
Technology Resources committed	<u>81,595</u>	\$ 4,105,431
Unrestricted Operating Surplus (Deficit)		<u>2,402,211</u>
Total Available for Future Operations		<u>\$ 6,507,642</u>

NOTE 21 ECONOMIC DEPENDENCE

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

NOTE 22 RISK MANAGEMENT

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

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

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

Notes to Financial Statements
For the year ended June 30, 2021

NOTE 22 RISK MANAGEMENT (Continued)

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as funds are deposited with a primary financial institution and 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 its 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 2020 related to credit, market or liquidity risks.



Notes to Financial Statements
For the year ended June 30, 2021

NOTE 23 COMPARATIVE NOTE

Certain prior year comparative figures have been restated to conform to the current year financial statement presentation.

Baker Tilly Victoria Ltd.**Downtown:**

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School District No. 79 (Cowichan Valley)

Additional Comments of Auditors

For the Year Ended June 30, 2021

The accompanying schedules 1 to 4D are presented as supplementary information only. In this respect, they do not form part of the financial statements of School District No. 79 (Cowichan Valley). The information in these schedules has been subject to audit procedures only to the extent necessary to report on the financial statements, and hence they are excluded from our audit report dated September 28, 2021.

School District No. 79 (Cowichan Valley)
 Schedule of Changes in Accumulated Surplus (Deficit) by Fund
 Year Ended June 30, 2021

	Operating Fund	Special Purpose Fund	Capital Fund	2021 Actual	2020 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	5,140,366	92,893	46,464,154	51,697,413	49,816,579
Changes for the year					
Surplus (Deficit) for the year	1,545,890	998,181	298,651	2,842,722	1,880,834
Interfund Transfers					
Tangible Capital Assets Purchased	(178,614)	(998,181)	1,176,795	-	-
Net Changes for the year	1,367,276	-	1,475,446	2,842,722	1,880,834
Accumulated Surplus (Deficit), end of year - Statement 2	6,507,642	92,893	47,939,600	54,540,135	51,697,413

School District No. 79 (Cowichan Valley)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	79,274,452	79,669,145	77,705,125
Other	75,000	283,100	320,775
Tuition	1,620,000	1,284,335	2,208,982
Other Revenue	6,236,142	7,172,761	6,454,448
Rentals and Leases	85,000	69,862	95,809
Investment Income	172,000	278,562	390,570
Total Revenue	<u>87,462,594</u>	<u>88,757,765</u>	<u>87,175,709</u>
Expenses			
Instruction	72,596,180	71,753,015	70,412,068
District Administration	3,265,264	3,026,292	2,709,239
Operations and Maintenance	10,506,924	9,598,049	9,507,591
Transportation and Housing	2,657,226	2,834,519	2,604,766
Total Expense	<u>89,025,594</u>	<u>87,211,875</u>	<u>85,233,664</u>
Operating Surplus (Deficit) for the year	<u>(1,563,000)</u>	<u>1,545,890</u>	<u>1,942,045</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>1,625,000</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(62,000)	(178,614)	(143,564)
Other			(3,294)
Total Net Transfers	<u>(62,000)</u>	<u>(178,614)</u>	<u>(146,858)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>1,367,276</u>	<u>1,795,187</u>
Operating Surplus (Deficit), beginning of year		<u>5,140,366</u>	<u>3,345,179</u>
Operating Surplus (Deficit), end of year		<u>6,507,642</u>	<u>5,140,366</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		<u>4,105,431</u>	<u>2,833,308</u>
Unrestricted		<u>2,402,211</u>	<u>2,307,058</u>
Total Operating Surplus (Deficit), end of year		<u>6,507,642</u>	<u>5,140,366</u>

School District No. 79 (Cowichan Valley)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source
Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	82,490,551	82,867,043	81,190,435
JSC/LEA Recovery	(6,145,142)	(6,505,766)	(6,180,976)
Other Ministry of Education Grants			
Pay Equity	363,682	363,682	363,682
Funding for Graduated Adults		8,443	11,039
Student Transportation Fund	283,524	283,524	283,524
Carbon Tax Grant			64,116
Employer Health Tax Grant			672,434
Support Staff Benefits Grant		174,536	132,836
Support Staff Wage Increase Funding			366,389
Teachers' Labour Settlement Funding	2,281,837	2,281,837	785,800
Early Career Mentorship Funding		180,000	
FSA Scorer Grant		12,964	12,964
Miscellaneous Grants		2,882	2,882
Total Provincial Grants - Ministry of Education	79,274,452	79,669,145	77,705,125
Provincial Grants - Other	75,000	283,100	320,775
Tuition			
Continuing Education		-	1,285
International and Out of Province Students	1,620,000	1,284,335	2,207,697
Total Tuition	1,620,000	1,284,335	2,208,982
Other Revenues			
Funding from First Nations	6,145,142	6,760,966	6,180,976
Miscellaneous			
International Program Registration and Activity Fees	67,000	232,956	106,063
International Program Transportation Fees	24,000	30,804	34,240
Homestay Placement Fees		40,625	61,985
Miscellaneous		107,410	71,184
Total Other Revenue	6,236,142	7,172,761	6,454,448
Rentals and Leases	85,000	69,862	95,809
Investment Income	172,000	278,562	390,570
Total Operating Revenue	87,462,594	88,757,765	87,175,709

School District No. 79 (Cowichan Valley)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object
Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Salaries			
Teachers	35,704,204	35,943,632	35,527,776
Principals and Vice Principals	5,720,726	5,776,794	5,609,920
Educational Assistants	7,653,501	7,482,047	7,017,050
Support Staff	9,625,718	9,184,397	9,004,218
Other Professionals	2,275,730	2,282,895	2,237,528
Substitutes	4,219,660	3,450,550	3,119,894
Total Salaries	65,199,539	64,120,315	62,516,386
Employee Benefits	15,202,293	14,966,970	14,530,028
Total Salaries and Benefits	80,401,832	79,087,285	77,046,414
Services and Supplies			
Services	2,887,809	2,703,513	2,817,026
Student Transportation	232,625	289,974	196,422
Professional Development and Travel	608,550	311,893	569,120
Rentals and Leases	62,100	41,960	37,600
Dues and Fees	114,310	119,614	82,122
Insurance	250,134	245,936	257,365
Supplies	3,123,104	3,076,499	2,981,303
Utilities	1,345,130	1,335,201	1,246,292
Total Services and Supplies	8,623,762	8,124,590	8,187,250
Total Operating Expense	89,025,594	87,211,875	85,233,664

School District No. 79 (Cowichan Valley)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object
Year Ended June 30, 2021

	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	27,866,614	943,650	166,279	304,837	69,638	1,918,079	31,269,097
1.03 Career Programs	427,463	20,643		125,027		38,228	611,361
1.07 Library Services	1,279,150			155,959		78,419	1,513,528
1.08 Counselling	1,195,189			442,972		20,842	1,659,003
1.10 Special Education	4,077,546	361,352	6,273,193	12,643	158,653	548,699	11,432,086
1.30 English Language Learning	470,417						470,417
1.31 Indigenous Education	356,647	145,649	1,042,575	50,213		60,476	1,655,560
1.41 School Administration		3,875,866		1,625,435		377,098	5,878,399
1.61 Continuing Education							-
1.62 International and Out of Province Students	270,606	298,890		62,666	113,460	19,819	765,441
1.64 Other							-
Total Function 1	35,943,632	5,646,050	7,482,047	2,779,752	341,751	3,061,660	55,254,892
4 District Administration							
4.11 Educational Administration		130,744		23,107	457,410	2,653	613,914
4.40 School District Governance					280,832		280,832
4.41 Business Administration				566,042	705,750	31,832	1,303,624
Total Function 4	-	130,744	-	589,149	1,443,992	34,485	2,198,370
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				124,927	404,060	45,800	574,787
5.50 Maintenance Operations				3,921,511		222,678	4,144,189
5.52 Maintenance of Grounds				356,932			356,932
5.56 Utilities							-
Total Function 5	-	-	-	4,403,370	404,060	268,478	5,075,908
7 Transportation and Housing							
7.41 Transportation and Housing Administration				123,120	93,092	5,306	221,518
7.70 Student Transportation				1,289,006		80,621	1,369,627
Total Function 7	-	-	-	1,412,126	93,092	85,927	1,591,145
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	35,943,632	5,776,794	7,482,047	9,184,397	2,282,895	3,450,550	64,120,315

School District No. 79 (Cowichan Valley)

Operating Expense by Function, Program and Object

Year Ended June 30, 2021

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	31,269,097	7,817,958	39,087,055	1,872,753	40,959,808	41,228,588	38,687,155
1.03 Career Programs	611,361	131,904	743,265	718,426	1,461,691	1,553,575	1,541,390
1.07 Library Services	1,513,528	319,563	1,833,091	65,506	1,898,597	1,920,873	1,840,449
1.08 Counselling	1,659,003	353,334	2,012,337	637	2,012,974	1,756,649	1,819,516
1.10 Special Education	11,432,086	2,675,662	14,107,748	72,120	14,179,868	15,443,281	15,050,564
1.30 English Language Learning	470,417	105,139	575,556	2,844	578,400	590,084	529,214
1.31 Indigenous Education	1,655,560	320,092	1,975,652	160,255	2,135,907	2,350,500	2,110,233
1.41 School Administration	5,878,399	1,157,916	7,036,315	93,765	7,130,080	6,334,721	6,462,963
1.61 Continuing Education	-	-	-	-	-	-	19,104
1.62 International and Out of Province Students	765,441	160,501	925,942	455,175	1,381,117	1,404,709	2,343,747
1.64 Other	-	-	-	14,573	14,573	13,200	7,733
Total Function 1	55,254,892	13,042,069	68,296,961	3,456,054	71,753,015	72,596,180	70,412,068
4 District Administration							
4.11 Educational Administration	613,914	113,977	727,891	21,459	749,350	774,827	651,191
4.40 School District Governance	280,832	28,964	309,796	73,715	383,511	469,489	407,019
4.41 Business Administration	1,303,624	269,796	1,573,420	320,011	1,893,431	2,020,948	1,651,029
Total Function 4	2,198,370	412,737	2,611,107	415,185	3,026,292	3,265,264	2,709,239
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	574,787	106,374	681,161	213,941	895,102	958,250	956,826
5.50 Maintenance Operations	4,144,189	949,862	5,094,051	1,568,951	6,663,002	7,288,001	6,463,667
5.52 Maintenance of Grounds	356,932	85,570	442,502	64,717	507,219	634,596	590,577
5.56 Utilities	-	-	-	1,532,726	1,532,726	1,626,077	1,496,521
Total Function 5	5,075,908	1,141,806	6,217,714	3,380,335	9,598,049	10,506,924	9,507,591
7 Transportation and Housing							
7.41 Transportation and Housing Administration	221,518	46,952	268,470	8,941	277,411	288,193	264,598
7.70 Student Transportation	1,369,627	323,406	1,693,033	864,075	2,557,108	2,369,033	2,340,168
Total Function 7	1,591,145	370,358	1,961,503	873,016	2,834,519	2,657,226	2,604,766
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	64,120,315	14,966,970	79,087,285	8,124,590	87,211,875	89,025,594	85,233,664

School District No. 79 (Cowichan Valley)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations
Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	9,920,291	14,494,471	11,375,198
Other Revenue	902,310	1,076,304	1,196,001
Investment Income	1,000	12,402	21,441
Total Revenue	<u>10,823,601</u>	<u>15,583,177</u>	<u>12,592,640</u>
Expenses			
Instruction	10,356,051	13,940,604	12,199,972
Operations and Maintenance	28,606	618,600	24,520
Transportation and Housing	83,480	25,792	
Total Expense	<u>10,468,137</u>	<u>14,584,996</u>	<u>12,224,492</u>
Special Purpose Surplus (Deficit) for the year	<u>355,464</u>	<u>998,181</u>	<u>368,148</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(355,464)	(998,181)	(368,148)
Total Net Transfers	<u>(355,464)</u>	<u>(998,181)</u>	<u>(368,148)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year		<u>92,893</u>	<u>92,893</u>
Special Purpose Surplus (Deficit), end of year		<u>92,893</u>	<u>92,893</u>
Special Purpose Surplus (Deficit), end of year			
Endowment Contributions		<u>92,893</u>	<u>92,893</u>
Total Special Purpose Surplus (Deficit), end of year		<u>92,893</u>	<u>92,893</u>

School District No. 79 (Cowichan Valley)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2021

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	980,162	68,376	15,925	17,642	-	1,309,426	41,051	53,952	64,849
Add: Restricted Grants									
Provincial Grants - Ministry of Education	384,070	298,553	-	1,540	-	990,172	192,000	36,750	145,088
Other	7,552	-	-	1,544	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
Less: Allocated to Revenue	402,092	227,544	6,379	3,084	-	990,172	192,000	36,750	145,088
Deferred Revenue, end of year	969,692	139,385	9,546	13,840	-	1,308,046	66,638	66,566	48,907
Revenues									
Provincial Grants - Ministry of Education	394,540	227,544	6,379	2,036	-	991,552	166,413	24,136	160,630
Other Revenue	7,552	-	-	4,850	-	-	-	-	400
Investment Income	-	-	-	-	-	-	-	-	-
Expenses									
Salaries									
Teachers									
Principals and Vice Principals									14,507
Educational Assistants		190,482							26,803
Support Staff							2,814		
Other Professionals									
Substitutes		1,133						7,421	4,813
Employee Benefits		191,615					2,814	7,421	46,123
Services and Supplies	28,606		6,379	6,886		952,725	162,913	16,715	105,807
District Entered	28,606	227,544	6,379	6,886		952,725	166,413	24,136	161,030
Net Revenue (Expense) before Interfund Transfers	373,486	-	-	-	-	38,827	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(373,486)					(38,827)			
Net Revenue (Expense)	-	-	-	-	-	(38,827)	-	-	-

School District No. 79 (Cowichan Valley)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2021

Schedule 3A (Unaudited)

	CommunityLINK Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health In Schools	Changing Results for Young Children	Safe Return to School Grant	Federal Safe Return to Class Fund
Deferred Revenue, beginning of year	\$ -	\$ 48,803	\$ -	\$ 83,480	\$ 17,259	\$ -	\$ -	\$ -
Add: Restricted Grants								
Provincial Grants - Ministry of Education	877,071	7,508,453	786,510	337,645	52,000	6,750	651,698	3,070,880
Other Investment Income								
Less: Allocated to Revenue	877,071	7,504,427	786,510	337,645	52,000	6,750	651,698	3,070,880
Deferred Revenue, end of year	-	52,829	3,552	407,438	31,589	2,380	10,213	17,000
Revenues								
Provincial Grants - Ministry of Education	877,071	7,504,427	782,958	13,687	37,670	4,370	641,485	3,053,880
Other Revenue								
Investment Income								
Expenses								
Salaries								
Teachers		6,144,815						1,194,355
Principals and Vice Principals								68,577
Educational Assistants	321,561							10,049
Support Staff	19,496							34,133
Other Professionals		58,029						
Substitutes	376,108		143,932		14,441	4,370		106,102
Employee Benefits	392,009		143,932		14,441	4,370		1,413,216
Services and Supplies	90,424		1,359,612					313,838
District Entered	108,117		639,026		23,229			740,958
	590,550	877,071	782,958	13,687	37,670	4,370	641,485	2,468,012
Net Revenue (Expense) before Interfund Transfers								585,868
Interfund Transfers								
Tangible Capital Assets Purchased								(585,868)
Net Revenue (Expense)								(585,868)

School District No. 79 (Cowichan Valley)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2021

	BC Hydro	Early Learning	Student Inspiration	Wendy's House	Cultural Trust	Performing Arts	Equine Assisted Learning	TOTAL
Deferred Revenue, beginning of year	\$ 155,648	\$ 51,103	\$ 1,456	\$ 19,704	\$ 12	\$ -	\$ -	\$ 2,928,848
Add: Restricted Grants								
Provincial Grants - Ministry of Education	27,688	10,000	-	-	331	24,400	127,200	15,014,727
Other Investment Income	27,688	10,000	-	-	331	24,400	127,200	1,181,331
Less: Allocated to Revenue	-	17,653	543	574	331	14,625	57,321	16,205,154
Deferred Revenue, end of year	183,336	43,450	913	19,130	12	9,775	69,879	15,583,177
Revenues								
Provincial Grants - Ministry of Education	8,731							14,494,471
Other Revenue	8,922		543	574	331	14,625	57,321	1,076,304
Investment Income	17,653		543	574	331	14,625	57,321	12,402
Expenses								
Salaries								
Teachers		3,811					2,947	7,353,677
Principals and Vice Principals		3,811					2,947	95,380
Educational Assistants		13,842	543	574	331	14,625	54,374	878,028
Support Staff								319,399
Other Professionals								58,029
Substitutes								709,414
Employee Benefits								9,413,927
Services and Supplies								1,961,006
District Entered		17,653	543	574	331	14,625	57,321	3,210,063
Net Revenue (Expense) before Interfund Transfers								14,584,996
Interfund Transfers								998,181
Tangible Capital Assets Purchased								(998,181)
Net Revenue (Expense)								(998,181)

School District No. 79 (Cowichan Valley)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual			2020 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education	150,000	1,039,339		1,039,339	646,479
Investment Income	5,000		4,265	4,265	7,579
Gain (Loss) on Disposal of Tangible Capital Assets		22,348		22,348	
Amortization of Deferred Capital Revenue	3,777,316	3,783,436		3,783,436	3,416,312
Total Revenue	3,932,316	4,845,123	4,265	4,849,388	4,070,370
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	4,264,027	4,273,437		4,273,437	4,198,995
Transportation and Housing	277,285	277,300		277,300	300,713
Debt Services					
Capital Lease Interest				-	21
Total Expense	4,541,312	4,550,737	-	4,550,737	4,499,729
Capital Surplus (Deficit) for the year	(608,996)	294,386	4,265	298,651	(429,359)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	417,464	1,176,795		1,176,795	511,712
Capital Lease Payment				-	3,294
Total Net Transfers	417,464	1,176,795	-	1,176,795	515,006
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(177,791)	177,791	-	
Total Other Adjustments to Fund Balances		(177,791)	177,791	-	
Total Capital Surplus (Deficit) for the year	(191,532)	1,293,390	182,056	1,475,446	85,647
Capital Surplus (Deficit), beginning of year		45,855,414	608,740	46,464,154	46,378,507
Capital Surplus (Deficit), end of year		47,148,804	790,796	47,939,600	46,464,154

School District No. 79 (Cowichan Valley)

Tangible Capital Assets
Year Ended June 30, 2021

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	28,152,204	180,392,085	1,769,535	3,271,020	14,120	55,080	213,654,044
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	1,034,374	2,177,458		742,487			3,954,319
Deferred Capital Revenue - Other	4,965						4,965
Operating Fund	90,609	730,512	72,586	75,349	30,679		178,614
Special Purpose Funds	1,129,948	2,907,970	249,646	817,836	30,679		998,181
Decrease:							
Disposed of	4,842	888,776					893,618
Deemed Disposals	4,842	888,776	270,826		8,037		278,863
Cost, end of year	29,277,310	182,411,279	1,748,355	4,088,856	36,762	55,080	217,617,642
Work in Progress, end of year		2,298,395					2,298,395
Cost and Work in Progress, end of year	29,277,310	184,709,674	1,748,355	4,088,856	36,762	55,080	219,916,037
Accumulated Amortization, beginning of year		87,902,838	860,503	1,372,715	6,430	33,049	90,175,535
Changes for the Year							
Increase: Amortization for the Year		4,032,842	176,953	327,102	2,824	11,016	4,550,737
Decrease:							
Disposed of		680,057					680,057
Deemed Disposals		680,057	270,826		8,037		278,863
Accumulated Amortization, end of year		91,255,623	766,630	1,699,817	1,217	44,065	93,767,352
Tangible Capital Assets - Net	29,277,310	93,454,051	981,725	2,389,039	35,545	11,015	126,148,685

School District No. 79 (Cowichan Valley)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress
Year Ended June 30, 2021

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	547,687				547,687
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	1,699,373				1,699,373
Deferred Capital Revenue - Other	51,335				51,335
	<u>1,750,708</u>			-	<u>1,750,708</u>
Net Changes for the Year	<u>1,750,708</u>	-	-	-	<u>1,750,708</u>
Work in Progress, end of year	<u>2,298,395</u>	-	-	-	<u>2,298,395</u>

School District No. 79 (Cowichan Valley)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2021

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	74,847,120	2,941,353	382,306	78,170,779
Prior Period Adjustments				
Deferred Revenue Work in Progress		39,793	(39,793)	-
Deferred Capital Revenue, beginning of year, as restated	74,847,120	2,981,146	342,513	78,170,779
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,919,945			2,919,945
	2,919,945	-	-	2,919,945
Decrease:				
Amortization of Deferred Capital Revenue	3,614,672	138,300	30,464	3,783,436
Revenue Recognized on Disposal of Buildings	58,117			58,117
	3,672,789	138,300	30,464	3,841,553
Net Changes for the Year	(752,844)	(138,300)	(30,464)	(921,608)
Deferred Capital Revenue, end of year	74,094,276	2,842,846	312,049	77,249,171
Work in Progress, beginning of year				-
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	1,699,373	51,335		1,750,708
	1,699,373	51,335	-	1,750,708
Net Changes for the Year	1,699,373	51,335	-	1,750,708
Work in Progress, end of year	1,699,373	51,335	-	1,750,708
Total Deferred Capital Revenue, end of year	75,793,649	2,894,181	312,049	78,999,879

School District No. 79 (Cowichan Valley)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2021

	Bylaw Capital	MED Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	-	1,892,356	4,351,614	-	-	6,243,970
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	5,653,692					5,653,692
Provincial Grants - Other			686,269			686,269
Investment Income		14,220				14,220
MED Restricted Portion of Proceeds on Disposal		533,376				533,376
	<u>5,653,692</u>	<u>547,596</u>	<u>686,269</u>	<u>-</u>	<u>-</u>	<u>6,887,557</u>
Decrease:						
Transferred to DCR - Capital Additions	2,919,945					2,919,945
Transferred to DCR - Work in Progress	1,699,373		51,335			1,750,708
Transferred to Revenue - Site Purchases	1,034,374		4,965			1,039,339
Allowance for Doubtful Accounts			93,292			93,292
	<u>5,653,692</u>	<u>-</u>	<u>149,592</u>	<u>-</u>	<u>-</u>	<u>5,803,284</u>
Net Changes for the Year	<u>-</u>	<u>547,596</u>	<u>536,677</u>	<u>-</u>	<u>-</u>	<u>1,084,273</u>
Balance, end of year	<u>-</u>	<u>2,439,952</u>	<u>4,888,291</u>	<u>-</u>	<u>-</u>	<u>7,328,243</u>