



# SCHOOL DISTRICT NO. 35 (LANGLEY) REGULAR MEETING OF THE BOARD OF EDUCATION

## AGENDA

Tuesday, September 20, 2022

7:00 p.m.

Langley School Board Office

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### Pages

1. AUDIO VISUAL RECORDING (WEBCASTING) OF REGULAR BOARD MEETING

2. CALL TO ORDER

3. REPORT FROM "IN CAMERA"

4. CONSENT AGENDA

Recommendation:

That the Board of Education adopts the consent agenda items as provided.

4.1. CONSIDERATION OF MINUTES

1 - 7

4.2. COMMITTEE REPORTS

4.2.1. AUDIT COMMITTEE

8 - 8

4.2.2. FINANCE AND FACILITIES COMMITTEE

9 - 9

5. CONSIDERATION OF AGENDA

Recommendation:

That the Agenda be approved as presented.

6. PRESENTATIONS

6.1. NATIONAL DAY FOR TRUTH AND RECONCILIATION

6.2. HONORING OF RETIRING TRUSTEES

7. SUPERINTENDENT'S REPORTS

7.1. BOARD EVALUATION

10 - 11

Recommendation:

That the Board of Education receives the report on the Board Evaluation for information, as presented.

7.2. SCHOOL START-UP

12 - 12

Recommendation:

That the Board of Education receives the report on School Start-up for information, as presented.

7.3. FRAMEWORK FOR ENHANCING STUDENT LEARNING

Recommendation:

That the Board of Education receives the report on the Framework for Enhancing Student Learning for information, as presented.

8. SECRETARY-TREASURER'S REPORTS

8.1. STATUTORY RIGHT OF WAY - LANGLEY SECONDARY SCHOOL

13 - 17

Recommendation:

That the Board of Education of School District No. 35 (Langley) - Langley Secondary Road Widening Right-Of-Way Bylaw 2022 be given first reading.

Recommendation:

That the Board of Education of School District No. 35 (Langley) - Langley Secondary Road Widening Right-Of-Way Bylaw 2022 be given second reading.

Recommendation:

That the Board of Education of School District No. 35 approves having all three readings of Langley Secondary Road Widening Right-Of-Way Bylaw 2022 at tonight's meeting.

Recommendation:

That the Board of Education of School District No. 35 (Langley) - Langley Secondary Road Widening Right-Of-Way Bylaw 2022 be given third reading, passed and adopted on the 20<sup>th</sup> day of September, 2022.

8.2. FIVE-YEAR CAPITAL PLAN UPDATE

18 - 19

Recommendation:

In accordance with provisions under Section 142 (4) of the School Act, the Board of Education of School District No. 35 (Langley) hereby approves the proposed Five-Year Capital Plan (Minor Capital Programs) for 2023/2024, as provided on the attached Minor Five-Year Capital Plan.

9. AUDIT COMMITTEE

20 - 95

9.1. APPROVAL OF AUDITED 2021-2022 FINANCIAL STATEMENTS

Recommendation:

That the Board of Education of School District No. 35 (Langley) approves the 2021/2022 Audited Financial Statements and request staff to submit them to the Ministry of Education.

## 9.2. FINANCIAL STATEMENT DISCUSSION & ANALYSIS

### Recommendation:

That the Board of Education of School District No. 35 (Langley) approves the Financial Statement Discussion and Analysis (FSD&A) be included with the 2021/2022 Financial Statements.

## 9.3. SURPLUS RESTRICTIONS

### Recommendation:

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$2,489,351 to balance future budgets, as described in note 12 of the 2021/2022 Audited Financial Statements.

### Recommendation:

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$107,804 for infrastructure replacement, as described in note 12 of the 2021/2022 Audited Financial Statements.

### Recommendation:

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$1,500,000 for student capacity needs, as described in note 12 of the 2021/2022 Audited Financial Statements.

### Recommendation:

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$2,622,054 for the school generated funds balance that hasn't been spent and now is part of the operating surplus due to PSAB, as described in note 12 of the 2021/2022 Audited Financial Statements.

### Recommendation:

That the Board of Education of School District No. 35 (Langley) approves the internally restricted school operating fund surpluses of \$421,322 from 2021/2022 be carried forward to 2022/2023 for schools, as described in note 12 of the 2021/2022 Audited Financial Statements.

### Recommendation:

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$167,804 for Indigenous Education, as described in note 12 of the 2021/2022 Audited Financial Statements.

### Recommendation:

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$1,233,788 for commitments from 2021/2022, as described in note 12 of the 2021/2022 Audited Financial Statements.

### Recommendation:

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$283,393 for COVID-19 contingency, as described in note 12 of the 2021/2022 Audited Financial Statements.

### Recommendation:

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$250,000 for classroom furniture as described in note 12 of the 2021/2022 Audited Financial Statements.

Recommendation:

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$750,000 for projector replacements, as described in note 12 of the 2021/2022 Audited Financial Statements.

Recommendation:

That the Board of Education of School District No. 35 (Langley) approves the restricted surplus of \$630,919 for Future District Capital Contributions, as described in note 12 of the 2021/2022 Audited Financial Statements.

#### 9.4. INTERFUND TRANSFERS

Recommendation:

That the Board of Education of School District No. 35 (Langley) approves the transfer of \$443,540 from the Special Purpose Fund and \$5,666,140 from the Operating Fund to the Capital Fund, as described in note 13 of the 2021/2022 Audited Financial Statements.

#### 10. NEW BUSINESS

#### 11. TRUSTEE COMMENTS

#### 12. QUESTION PERIOD

Question Period is provided at Board Meetings. The purpose is to ensure that those present in the audience have an opportunity to obtain clarification concerning business conducted during that meeting. Priority will be given to responding to one question per person before considering further questions from any individual.

The following will help the public develop questions for Question Period at a Board Meeting that is keeping with the goal of a respectful and focused meeting.

Questions:

1. Need to be directed to the Chair and not to staff;
2. Need to be related directly to the topic on the agenda;
3. Need to be succinct, focused and not be a statement;
4. May not be asked that are related to personnel or directed at an individual trustee;
5. May not be asked that are related to contract negotiations; and
6. The questioner shall provide their name so that it can be reflected in the minutes.

All of the above are directions provided for in Board Policy No. 7 - Board Operations. The Chair may answer, may defer to staff or indicate a question may not be in keeping with the above guidelines.

The Board appreciates the public's interest and wants to ensure a professional meeting is conducted, with Question Period focused on providing guests with the clarification they seek.

Trustees also welcome questions from members of the public apart from Question Period. Their contact information is available on the School District website.

13. ADJOURNMENT

Recommendation:

That the meeting be adjourned at \_\_ p.m.



**SCHOOL DISTRICT NO. 35 (LANGLEY)**  
**REGULAR MEETING OF THE BOARD OF EDUCATION**  
**MINUTES**

**Date:** Tuesday, June 21, 2022  
**Location:** Microsoft Teams Virtual Meeting

<b>Trustees Present:</b>	<b>Rod Ross</b>	<b>Chairperson</b>
	<b>David Tod</b>	<b>Trustee</b>
	<b>Shelley Coburn</b>	<b>Trustee</b>
	<b>Tony Ward</b>	<b>Trustee</b>
	<b>Marnie Wilson</b>	<b>Trustee</b>
	<b>Charlie Fox</b>	<b>Trustee</b>

<b>Trustees Absent:</b>	<b>Suzanne Perreault</b>	<b>Trustee</b>
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<b>Staff Present:</b>	<b>Mal Gill</b>	<b>Superintendent</b>
	<b>Brian Iseli</b>	<b>Secretary-Treasurer</b>
	<b>Woody Bradford</b>	<b>Deputy Superintendent</b>
	<b>Barry Bunyan</b>	<b>Assistant Superintendent</b>
	<b>Shind Chand</b>	<b>Assistant Secretary-Treasurer</b>
	<b>Marcello Moino</b>	<b>Assistant Superintendent</b>
	<b>Lisa Lainchbury</b>	<b>Assistant Superintendent</b>
	<b>Joanne Abshire</b>	<b>Communications Manager</b>
	<b>Judy Swanson</b>	<b>Executive Assistant</b>
	<b>Dale Vo</b>	<b>IT Manager, Infrastructure and Security</b>
	<b>Pol Babao</b>	<b>Technical Support Specialist 2</b>
	<b>Vincent Montefrio</b>	<b>Technical Support Specialist 2</b>

<b>Partner Groups:</b>	<b>Houman Anasory</b>	<b>CUPE 1851, President</b>
	<b>Tanya Kerr</b>	<b>LTA, President</b>
	<b>Ellen Bornowsky</b>	<b>LTA, Vice-President</b>
	<b>Jeremy Lyndon</b>	<b>LPVPA President</b>
	<b>Kim Anderson</b>	<b>LPVPA Vice President</b>
	<b>Terry Schafer</b>	<b>CUPE 1851, Vice-President</b>
	<b>Janine Orlando</b>	<b>LTA, Vice-President</b>
	<b>Alicia Rempel</b>	<b>DPAC, President</b>

1. AUDIO VISUAL RECORDING (WEBCASTING) OF REGULAR BOARD MEETING

Those in attendance were informed that as per Policy No. 7 - Regular and Special Meetings of the Board may be streamed live, archived and accessed online. The Board reserves, at its sole discretion, via motion at any meeting, the right to not stream live or archive a meeting or a portion of a meeting. Further, the Board reserves the right to edit any recorded portion of a meeting.

2. CALL TO ORDER

The Board Chair called the meeting to order at 7:00 pm, and began the meeting with the introduction stating: "I would like to acknowledge that the Langley School District is located on the traditional, ancestral and unceded territories of the Matsqui, Kwantlen, Katzie and Semiahmoo First Nations. We gather here tonight in an understanding of the importance of ya:yəstəl' (**y-eye yes tel**) /sq'eq'ó yoyes (**sckecka y-eyes**) (working together) and náčəʔmat (**not sa mot**) /lets'emó:t (**let sa mot**) (**uniting** ourselves with one mind, one heart) to ensure that we support and inspire all learners to reach their full potential."

**Chairperson welcomed everyone and introduced attendees.**

- 2.1 ANNOUNCEMENT: NATIONAL INDIGENOUS HISTORY MONTH & NATIONAL INDIGENOUS PEOPLES DAY
- 2.2 ANNOUNCEMENT: PRIDE MONTH
- 2.3 ANNOUNCEMENT: NATIONAL ACCESSIBILITY WEEK

3. REPORT FROM "IN CAMERA"

The Vice-Chair reported that the items discussed in the 'In Camera' meeting pertained to personnel and legal.

4. CONSENT AGENDA

R22/06/21-01

**Moved By:** Trustee Tod

**Seconded By:** Charlie Fox

That the Board of Education adopts the consent agenda items as provided.

4.1 CONSIDERATION OF MINUTES

4.2 COMMITTEE REPORTS

4.2.1 EDUCATION/STRATEGIC PLAN COMMITTEE

4.2.2 FINANCE AND FACILITIES COMMITTEE

4.3 BOARD LIAISON COMMITTEE REPORTS

4.3.1 DISTRICT PARENT ADVISORY COUNCIL (Trustee Ward)

4.4 SCHOOL DISTRICT COMMITTEE REPORTS

4.4.1 ABORIGINAL / ya:yəstəl' (Assistant Superintendent Moino)

4.4.2 INCLUSIVE EDUCATION (Deputy Superintendent Bradford)

4.4.3 EMERGENCY PREPAREDNESS (Assistant Superintendent Bunyan)

4.5 COMMUNITY COMMITTEE REPORTS

4.5.1 CITY OF LANGLEY ADVISORY DESIGN PANEL (Trustee Coburn)

4.5.2 CITY OF LANGLEY / SCHOOL DISTRICT NO. 35 LIAISON (Trustee Coburn)

4.5.3 JOINT SCHOOL DISTRICT NO. 35 / TOWNSHIP OF LANGLEY MUNICIPAL LIAISON  
(Trustee Ross)

5. CONSIDERATION OF AGENDA

R22/06/21-02

**Moved By:** Charlie Fox

**Seconded By:** Trustee Wilson

That the Agenda be approved as presented.

**CARRIED UNANIMOUSLY**



6. SUPERINTENDENT'S REPORTS

6.1 STRATEGIC PLAN UPDATE

R22/06/21-03

**Moved By:** Trustee Tod

**Seconded By:** Trustee Ward

That the Board of Education receives the update of the Strategic Plan for information, as presented.

**CARRIED UNANIMOUSLY**

7. SECRETARY-TREASURER'S REPORTS

7.1 2022-2023 ANNUAL BUDGET BYLAW (Third and Final Reading)

R22/06/21-04

**Moved By:** Trustee Tod

**Seconded By:** Trustee Ward

That the Board of Education directs staff to appropriate \$770,673 of Internally Restricted to balance future budgets to balance the operating fund for 2022/2023.

R22/06/21-05

**Moved By:** Trustee Tod

**Seconded By:** Charlie Fox

That the School District No. 35 (Langley) Annual Budget Bylaw for fiscal year 2022/2023 in the amount of \$294,199,666 be given third reading, passed and adopted on this 21<sup>st</sup> day of June 2022.

**CARRIED UNANIMOUSLY**

7.2 TRUSTEE ELECTION BYLAW NO. 2022-01

R22/06/21-06

**Moved By:** Trustee Ward

**Seconded By:** Trustee Wilson

That the School District No. 35 (Langley) Trustee Election Bylaw No. 2022-01 be given first reading.

**CARRIED UNANIMOUSLY**

R22/06/21-07

**Moved By:** Charlie Fox

**Seconded By:** Trustee Tod

That the School District No. 35 (Langley) Trustee Election Bylaw No. 2022-01 be given second reading.

**CARRIED UNANIMOUSLY**

R22/06/21-08

**Moved By:** Trustee Wilson

**Seconded By:** Trustee Ward

That the Board of Education of School District No. 35 (Langley) approves having all three readings of the Trustee Election Bylaw No. 2022-01 at tonight's meeting.

**CARRIED UNANIMOUSLY**

R22/06/21-09

**Moved By:** Charlie Fox

**Seconded By:** Trustee Ward

That the School District No. 35 (Langley) Trustee Election Bylaw No. 2022-01 be given third reading, passed and adopted on this 21st day of June, 2022.

**CARRIED UNANIMOUSLY**

### 7.3 FIVE-YEAR CAPITAL PLAN

R22/06/21-10

**Moved By:** Trustee Tod

**Seconded By:** Charlie Fox

In accordance with provisions under Section 142 (4) of the School Act, the Board of Education of School District No. 35 (Langley) hereby approves the proposed Five-Year Capital Plan (Major Capital Programs) for 2023/2024, as provided on the attached Major Five-Year Capital Plan.

**CARRIED UNANIMOUSLY**

8. HANDBOOK COMMITTEE (Trustee Wilson)

8.1 TRUSTEE HANDBOOK

R22/06/21-11

**Moved By:** Trustee Wilson

**Seconded By:** Charlie Fox

That the Board of Education of School District No. 35 (Langley) approves the Trustee Handbook.

**CARRIED UNANIMOUSLY**

9. TRUSTEE COMMENTS

Trustees shared their appreciation and well wishes for Assistant Superintendent Barry Bunyan as he retires. A thank you to all staff, partner groups, students and families and have a great summer everyone! It was suggested that we all read a book, increase your knowledge of Indigenous People, attend a celebration.

The Donna Gabriel Robins Elementary had their official opening and ceremony today and it was a privilege for trustees to attend. Lots of support and energy in the building. The school is already full and we are going to need portables.

Trustee Coburn and Trustee Tod both noted that they will not be running for trustee again in this year's election.

Trustees have been attending high school graduations and wishes all the best to 2022 graduates. Congratulations and please celebrate safely.

10. QUESTION PERIOD

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All of the above are directions provided for in Board Policy No. 7 - Board Operations. The Chair may answer, may defer to staff or indicate a question may not be in keeping with the above guidelines.

The Board appreciates the public's interest and wants to ensure a professional meeting is conducted, with Question Period focused on providing guests with the clarification they seek.

Trustees also welcome questions from members of the public apart from Question Period. Their contact information is available on the School District website.

The Chair called for questions from the public.

No questions were received from the public.

11. ADJOURNMENT

R22/06/21-12

**Moved By:** Trustee Coburn

**Seconded By:** Trustee Tod

That the meeting be adjourned at 9:06 p.m.

**CARRIED UNANIMOUSLY**

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TRUSTEE ROD ROSS

BOARD CHAIR

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BRIAN ISELI, CPA, CMA

SECRETARY-TREASURER



## **Audit Committee Report**

### **September 13, 2022 Meeting**

At the September 13, 2022 Audit Committee Meeting, the committee received the Financial Statement Discussion and Analysis (FSD&A) Report and the 2020/2021 Financial Statements.

The committee also received the District's Auditors KPMG Audit Findings report for the year ended on June 30, 2022 as well as the Auditor's draft report and a report from Management on Financial Statement Issues. Tim Holloway and Noman Reshamwala , from KPMG were both in attendance.

Additionally, the committee also received a report on approvals in excess of \$1,000,000.



## **Finance and Facilities Committee Report**

### **September 13, 2022 Meeting**

At the September 13, 2022 Finance and Facilities Committee Meeting, the attendees received a tour of Aldergrove Community Secondary School and Betty Gilbert Middle School. The Committee received reports on the following topics:

- Financial Update to June 30, 2022
- Student and Family Affordability Fund
- Mental Health Grants
- Five Year Capital Plan – Minor Capital
- Future Enrolment Projection Process

**STAFF REPORT**

**DATE:** September 20, 2022  
**TO:** Board of Education  
**FROM:** Mal Gill, Superintendent of Schools  
**SUBJECT:** Board Evaluation

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**RECOMMENDED MOTION:**

That the Board of Education receives the report on the Board Evaluation for information, as presented.

**BACKGROUND:**

Boards of Education share a co-governance relationship with the provincial government through the Ministry of Education. The BC School Trustees Association (BCSTA) supports member boards in this relationship. The Ministry of Education sets the general direction for K-12 education, including the curriculum, funding amounts and the legal framework within which boards operate. Boards are responsible for governing school districts based on the educational aspirations of their local communities and in accordance with the policy direction established by government. The respective responsibilities of the Ministry of Education and boards of education are detailed in the School Act. The School Act outlines the primary functions of boards of education, including:

- Setting local policy for the effective and efficient operation of schools.
- Employing the staff necessary for school district operations.
- Establishing conditions of employment for employees.
- Preparing and approving the school district's operating budgets and capital plans.
- Hearing appeals from parents and students.

The annual externally facilitated Board self-evaluation process shall be completed subsequent to the Superintendent evaluation process described in the appendixes to SD35 Policy 12 and entitled, Superintendent/CEO Evaluation Process, Criteria and Timelines. The two evaluation processes are complementary in nature.

The Board has chosen to retain the nine areas of responsibility articulated in SD35 Policy 2 to carry out their governance role. These include:

1. Accountability to the Provincial Government
2. Development and Maintaining a Culture of Student Learning
3. Accountability to and Engagement of Community

4. Strategic Planning
5. Policy
6. Board/Superintendent Relations
7. Political Advocacy/Influence
8. Board Development
9. Fiscal Accountability

The annual facilitated Board Self-Evaluation Process is focused on Board performance in relation to these nine areas.

**Evaluation Process:**

Former Superintendent of Langley and current CEO of the BC School Trustees Association (BCSTA) Suzanne Hoffman facilitated the Board Evaluation process. Trustees and the Senior Team met formally on two occasions. The first meeting, on May 17, 2022, was focussed on creating the foundation for the Board Review. The meeting was focussed on establishing norms for conversations and understanding the why of the work that was to be carried out. The conversations moved to emerging themes in the room and the activities culminated in a Board and Senior Team discussion where some areas of improvement emerged. The meeting ended with potential next steps for the Board to consider, including a Board and Staff survey with a potential follow-up meeting.

Further discussion resulted in a survey for all Trustees and Senior Team members to complete. The survey link was sent out and completed, and the results were shared by Ms. Hoffman during a meeting with Trustees and the Senior Team on August 27, 2022. The evaluation process focussed on the following four areas:

1. Governance
2. Development and Maintaining a Culture of Student Learning
3. Accountability to and Engagement of Community
4. Board Development.

**Results and Next Steps:**

Survey results indicated that the Board's greatest strength is in the domain identified as the *"Development and Maintaining a Culture of Student Learning"*. The Board will be able to share this strength with the new Board of Education as it begins its work after the Inaugural Meeting on November 8, 2022. Further, the area of focus for the Board will be the continued learning for Trustees and Senior Staff of roles and responsibilities. With that in mind, staff is preparing the onboarding process for the next Board of Education to support a consistent learning opportunity for new Trustees. As part of this process, BCSTA recommended facilitators from outside the District that staff are looking to bring in as part of the onboarding process. With that in mind, staff is preparing the onboarding process to support a consistent learning opportunity for the Board through the lens of a facilitator recommended by BCSTA from outside of the District.



**STAFF REPORT**

**DATE:** September 20, 2022

**TO:** Board of Education

**FROM:** Mal Gill, Superintendent of Schools

**RESOURCE:** Lisa Lainchbury, Assistant Superintendent  
Marcello Moino, Assistant Superintendent

**SUBJECT:** School Start-up

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**RECOMMENDED MOTION:**

That the Board of Education receives the report on School Start-up for information, as presented.

**BACKGROUND:**

On September 6, 2022 the Langley School District staff welcomed students and families to the start of another school year. With the new school year now underway, we are excited to focus on re-connecting, on student learning, and on creating diverse opportunities for student success. We continue to experience enrolment growth throughout the District, in particular in the Willoughby area. While the increase in students is always welcome, it can also lead to some challenges with respect to pressures on school facilities. As a District, we continue to do our best to communicate with our staff and families to address their questions and concerns.

To start the school year, the Ministry of Education and Child Care has outlined provincial priorities for 2022-23. With respect to learning there will be a provincial focus on child care, Truth and Reconciliation, the Framework for Enhancing Student Learning, Performance Standards, reporting policy, on-line learning, and mental health. In addition, the Ministry will also address equity through its Student and Family Affordability Fund, one-time funding to assist vulnerable and diverse students and families who are struggling in terms of food security and poverty. Throughout the course of the school year, District staff will provide further information on the Langley School District in relation to these Ministry priorities.

At the Regular Meeting of the Board of Education on September 20, 2022, Assistant Superintendents Lisa Lainchbury and Marcello Moino will provide a verbal update on school start-up highlighting a COVID-19 update, District learning priorities, and enrolment and staffing growth for 2022-23.

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**STAFF REPORT**

**DATE:** September 20, 2022

**TO:** Board of Education

**FROM:** Brian Iseli, Secretary-Treasurer

**SUBJECT:** Statutory Right-Of-Way Langley Secondary

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**RECOMMENDED MOTIONS:**

That the Board of Education of School District No. 35 (Langley) - Langley Secondary Road Widening Right-Of-Way Bylaw 2022 be given first reading.

That the Board of Education of School District No. 35 (Langley) - Langley Secondary Road Widening Right-Of-Way Bylaw 2022 be given second reading.

That the Board of Education of School District No. 35 approves having all three readings of Langley Secondary Road Widening Right-Of-Way Bylaw 2022 at tonight's meeting.

That the Board of Education of School District No. 35 (Langley) - Langley Secondary Road Widening Right-Of-Way Bylaw 2022 be given third reading, passed and adopted on the 20<sup>th</sup> day of September, 2022.

**BACKGROUND:**

Under Ministerial Order M193/08 Boards of Education are permitted to dispose of or grant a right-of-way. Such disposal does not require the approval of the Minister as it is considered a disposal of an interest in land. There is no requirement for public consultation or to enter into a competitive bidding process involving other members of the community. There is simply a requirement to pass a bylaw stating why the right-of-way is required.

The Township of Langley requested access to the Property to construct the Works before the Board met to consider whether to grant the Right-of-Way, and in consideration of payment by the Township of Langley to the Board of \$64,662.00, the Board granted to the Township of Langley a license to occupy a portion of the Property to construct and maintain the Works at the Township of Langley's sole risk and expense, on terms that include an indemnity of the Board by the Township of Langley and an acknowledgement that

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**The Board of Education of School District No. 35 (Langley)**

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whether the Right-of-Way would be granted is entirely in the sole, absolute and unfettered discretion of the Board, and that the Board cannot and does not guarantee that the Right-of-Way will be granted.

**THE BOARD OF EDUCATION OF SCHOOL DISTRICT NO. 35 (LANGLEY)**  
**LANGLEY SECONDARY SCHOOL ROAD WIDENING RIGHT-OF-WAY BYLAW 2022**

WHEREAS Section 65(5) of the *School Act* requires a board of education to exercise a power with respect to the acquisition or disposal of property only by bylaw, and the granting of a statutory right-of-way is a disposal of an interest in land;

AND WHEREAS a board of education may dispose of land or improvements owned or administered by the board under the authority of Section 96(3) of the School Act, subject to the Orders of the Minister of Education (the “**Minister**”);

AND WHEREAS the Minister issued Order M193/08 effective September 3, 2008 (the “**Order**”) requiring fee simple sales and leases of land or improvements for a term of ten years or more to be specifically approved by the Minister, unless the transferee is an independent school or another school board, but the Order does not require the Minister’s approval of a right-of-way;

AND WHEREAS:

- (i) The Board of Education of School District No. 35 (Langley) (the “**Board**”) owns a property at 21405 – 56 Avenue, Langley, B.C. (the “**Property**”) on which the Board operates the Langley Secondary School;
- (ii) The legal description of the Property is:  
  
PID: 024-632-261  
Lot A District lot 306 Group 2 New Westminster District Plan LMP43943;
- (iii) The Facility Number of the Property is 3535019;
- (iv) The Corporation of the Township of Langley (the “**Grantee**”) asked the Board to grant in favour of the Grantee a right-of-way (the “**Right-of-Way**”) over the Property to permit the Grantee to construct and maintain a public trail/sidewalk along with a public road (collectively, the “**Works**”) within the Right of Way Area shown in heavy black outline on the drawing attached as Schedule A hereto;
- (v) The Board is satisfied that the granting of the Right-of-Way will not interfere with the Board’s use of the Property for educational purposes;

NOW THEREFORE be it enacted as a Bylaw that the Board hereby approves and ratifies the granting of the Right-of-Way to the Grantee, and that the Secretary-Treasurer be authorized, on behalf of the Board, to execute and deliver all documents required to complete the granting of the Right-of-Way to the Grantee on such terms and conditions as the Secretary-Treasurer may consider advisable, as evidenced by the signature of the Secretary-Treasurer, and the Board hereby approves and ratifies all such documents executed by the Secretary-Treasurer before or after the enactment of this Bylaw.

This Bylaw may be cited as "School District No. 35 (Langley) Langley Secondary School Road Widening Bylaw 2022".

Read a first time this 20<sup>th</sup> day of September 2022.

Read a second time this 20<sup>th</sup> day of September 2022.

Upon unanimous agreement of the Trustees of the Board in attendance, this Bylaw was read a third time on September 20, 2022, and finally passed and adopted this 20<sup>th</sup> day of September 2022.

Corporate Seal

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Chairperson of the Board

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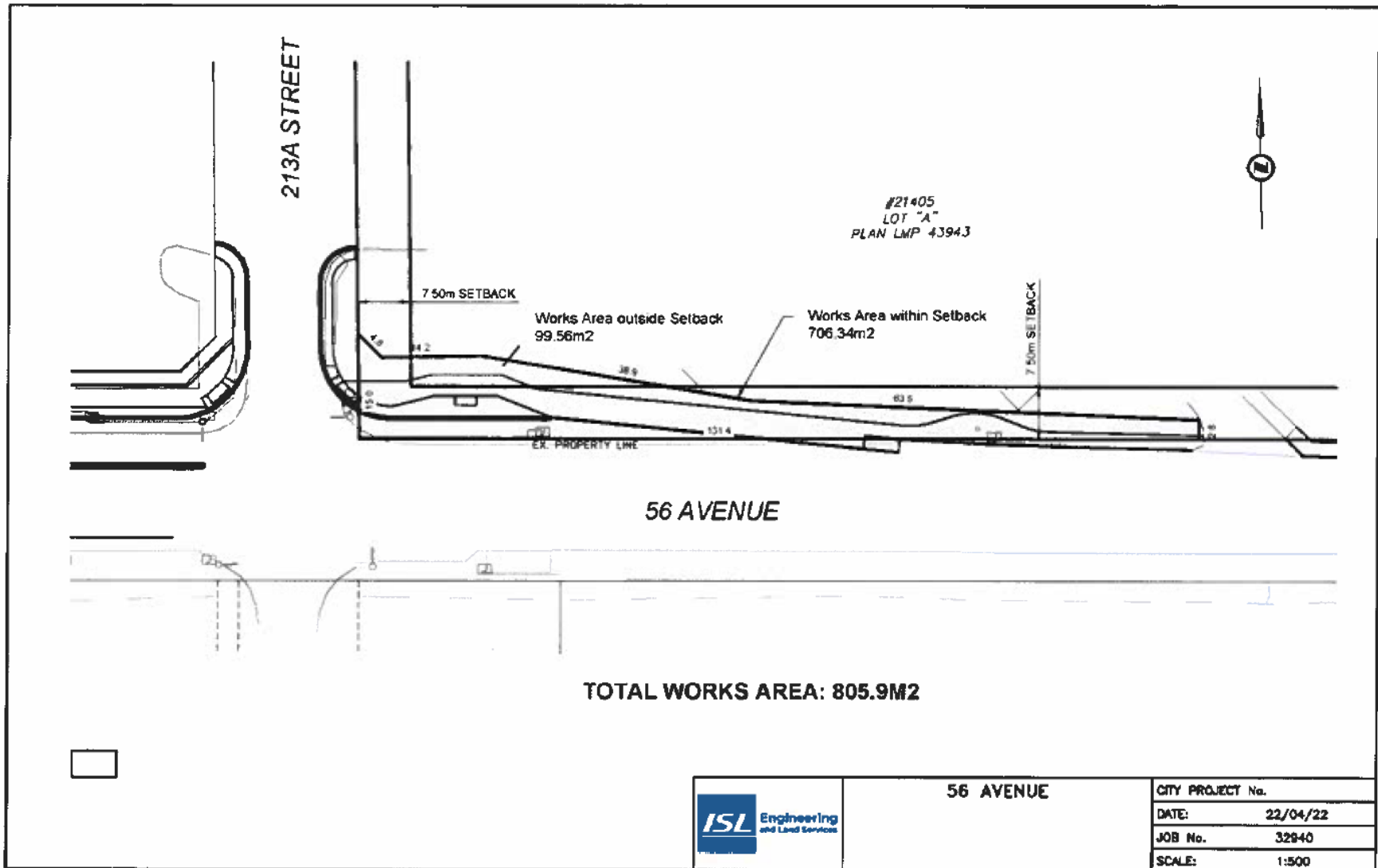
Secretary-Treasurer

I HEREBY CERTIFY this to be a true original of School District No. 35 (Langley) Langley Secondary School Road Widening Right-of-Way Bylaw 2022, adopted by the Board the 20<sup>th</sup> day of September 2022.

---

Secretary-Treasurer

SCHEDULE A  
STATUTORY RIGHT OF WAY AREA



---

**STAFF REPORT**

**DATE:** September 20, 2022  
**TO:** Board of Education  
**FROM:** Brian Iseli, Secretary-Treasurer  
**SUBJECT:** Five Year Capital Plan 2023/2024

---

**RECOMMENDED MOTION:**

In accordance with provisions under Section 142 (4) of the School Act, the Board of Education of School District No. 35 (Langley) hereby approves the proposed Five-Year Capital Plan (Minor Capital Programs) for 2023/2024, as provided on the attached Minor Five-Year Capital Plan.

**BACKGROUND:**

The Ministry of Education requires school districts to submit annually a Five-Year Capital Plan. Similar to last year, this is now being done in two phases with the first phase for Major Capital Programs that the Board approved at the June 21, 2022 Board Meeting and the second phase which is due September 30th for Minor Capital Programs. The Minor Capital Programs is attached and is being brought to the Board for approval.

	Facility Name	Facility Type	Project Description	Amount
SEP	Aldergrove	Secondary	Phase 1 of Window and door replacement	1,100,000
CNCP	Aldergrove	Secondary	Phase 1 of Window and door replacement	400,000
PEP	Simonds	Elementary	Universally Accessible Playground	
PEP	Noel Booth	Elementary	Universally Accessible Playground	
PEP	Glenwood	Elementary	Universally Accessible Playground	
Bus			Wheelchair bus 34 passenger	



**STAFF REPORT**

**DATE:** September 20, 2022  
**TO:** Board of Education  
**FROM:** Audit Committee  
**SUBJECT:** Audit Committee Report

---

**RECOMMENDED MOTION:**

**Recommendation #1:**

That the Board of Education of School District No. 35 (Langley) approves the 2021/2022 Audited Financial Statements and request staff to submit them to the Ministry of Education.

**Recommendation #2:**

That the Board of Education of School District No. 35 (Langley) approves the Financial Statement Discussion and Analysis (FSD&A) be included with the 2021/2022 Financial Statements.

**Recommendation #3:**

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$2,489,351 to balance future budgets, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #4:**

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$107,804 for infrastructure replacement, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #5:**

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$1,500,000 for student capacity needs, as described in note 12 of the 2021/2022 Audited Financial Statements.

---

**Recommendation #6:**

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$2,622,054 for the school generated funds balance that hasn't been spent and now is part of the operating surplus due to PSAB, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #7:**

That the Board of Education of School District No. 35 (Langley) approves the internally restricted school operating fund surpluses of \$421,322 from 2021/2022 be carried forward to 2022/2023 for schools, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #8:**

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$167,804 for Indigenous Education, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #9:**

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$1,233,788 for commitments from 2021/2022, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #10:**

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$283,393 for COVID-19 contingency, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #11:**

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$250,000 for classroom furniture as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #12:**

That the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$750,000 for projector replacements, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #13:**

That the Board of Education of School District No. 35 (Langley) approves the restricted surplus of \$630,919 for Future District Capital Contributions, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #14:**

That the Board of Education of School District No. 35 (Langley) approves the transfer of \$443,540 from the Special Purpose Fund and \$5,666,140 from the Operating Fund to the Capital Fund, as described in note 13 of the 2021/2022 Audited Financial Statements.

**Note: The following internally restricted surplus amounts were approved at the June 21, 2022 Board Meeting and are included in note 12 of the 2021/2022 Audited Financial Statements:**

**Internally restricted to balance the 2022/2023 budget \$770,673.**

**BACKGROUND:**

At the September 13, 2022 Audit committee meeting the following motions were passed by the committee:

**Recommendation #1:**

That the Audit Committee recommends that the Board of Education of School District No. 35 (Langley) approves the 2021/2022 Audited Financial Statements and request staff to submit them to the Ministry of Education.

**Recommendation #2:**

That the Audit Committee recommends that the Board of Education of School District No. 35 (Langley) approves the Financial Statement Discussion and Analysis (FSD&A) be included with the 2021/2022 Financial Statements.

**Recommendation #3:**

That the Audit Committee recommends that the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$2,489,351 to balance future budgets, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #4:**

That the Audit Committee recommends that the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$107,804 for infrastructure replacement, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #5:**

That the Audit Committee recommends that the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$1,500,000 for student capacity needs, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #6:**

That the Audit Committee recommends that the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$2,622,054 for the school generated funds balance that hasn't been spent and now is part of the operating surplus due to PSAB, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #7:**

That the Audit Committee recommends that the Board of Education of School District No. 35 (Langley) approves the internally restricted school operating fund surpluses of \$421,322 from 2021/2022 be carried forward to 2022/2023 for schools, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #8:**

That the Audit Committee recommends that the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$167,804 for Indigenous Education, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #9:**

That the Audit Committee recommends that the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$1,233,788 for commitments from 2021/2022, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #10:**

That the Audit Committee recommends that the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$283,393 for COVID-19 contingency, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #11:**

That the Audit Committee recommends that the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$250,000 for classroom furniture as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #12:**

That the Audit Committee recommends that the Board of Education of School District No. 35 (Langley) approves the internally restricted surplus of \$750,000 for projector replacements, as described in note 12 of the 2021/2022 Audited Financial Statements.

**Recommendation #13:**

That the Audit Committee recommends that the Board of Education of School District No. 35 (Langley) approves the restricted surplus of \$630,919 for Future District Capital Contributions, as described in note 12 of the 2021/2022 Audited Financial Statements.

Audited Financial Statements of

## **School District No. 35 (Langley)**

And Independent Auditors' Report thereon

June 30, 2022

# School District No. 35 (Langley)

June 30, 2022

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# School District No. 35 (Langley)

## MANAGEMENT REPORT

**DRAFT**

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 35 (Langley) 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. 35 (Langley) (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, KPMG, 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. 35 (Langley) 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. 35 (Langley)

Signature of the Chairperson of the Board of Education	Date Signed
Signature of the Superintendent	Date Signed

Signature of the Secretary Treasurer

Date Signed





KPMG LLP  
3<sup>rd</sup> Floor 8506 200<sup>th</sup> Street  
Langley BC V2Y 0M1  
Canada  
Telephone (604) 455-4000  
Fax (604) 881-4988

## INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 35 (Langley), and

To the Minister of Education and Child Care, Province of British Columbia

### ***Opinion***

We have audited the financial statements of School District No. 35 (Langley), (the “Entity”), which comprise:

- the statement of financial position as at June 30, 2022
- the statement of operations for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements as at and for the year ended June 30, 2022 of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

### ***Basis 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 auditors’ report.

We are independent of the Entity 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 – Financial Reporting Framework***

We draw attention to Note 2 to the financial statements which describes the applicable financial reporting framework and the significant differences between the financial reporting framework and Canadian public sector accounting standards.

Our opinion is not modified in respect of this matter.

### ***Other Information***

Management is responsible for the other information. Other information comprises:

- Information, other than the financial statements and auditors' report thereon, included in the Financial Statement Discussion and Analysis document
- Unaudited Schedules 1-4 attached to the audited financial statements

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the information, other than the financial statements and auditors' report thereon, included in the Financial Statement Discussion and Analysis document and the Unaudited Schedules 1-4 attached to the audited financial statements as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget and 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 Entity to cease to continue as a going concern.
- 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.

**DRAFT**

Chartered Professional Accountants

Langley, Canada  
XX, 2022

# School District No. 35 (Langley)

Statement 1

## Statement of Financial Position

As at June 30, 2022

	2022 Actual	2021 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	68,626,554	69,565,187
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	1,363,027	4,373,652
Other (Note 3)	1,745,281	2,590,579
<b>Total Financial Assets</b>	<b>71,734,862</b>	<b>76,529,418</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education and Child Care		40,359
Other (Note 4)	33,489,412	32,782,383
Unearned Revenue (Note 6)	12,568,131	11,884,447
Deferred Revenue (Note 7)	4,821,535	1,555,360
Deferred Capital Revenue (Note 8)	236,606,509	241,139,368
Employee Future Benefits (Note 9)	6,432,552	6,144,015
<b>Total Liabilities</b>	<b>293,918,139</b>	<b>293,545,932</b>
<b>Net Debt</b>	<b>(222,183,277)</b>	<b>(217,016,514)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 5)	387,393,016	335,683,901
Prepaid Expenses	2,075,699	2,235,186
<b>Total Non-Financial Assets</b>	<b>389,468,715</b>	<b>337,919,087</b>
<b>Accumulated Surplus (Deficit) (Note 12)</b>	<b>167,285,438</b>	<b>120,902,573</b>
Contractual Obligations (Note 15, 19)		
Contingent Liabilities (Note 15)		
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

**DRAFT**

# School District No. 35 (Langley)

Statement 2

Statement of Operations  
Year Ended June 30, 2022

	2022 Budget (Note 16)	2022 Actual	2021 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	295,278,640	<b>292,198,273</b>	243,467,788
Other	854,126	<b>918,768</b>	746,889
Municipal Grants Spent on Sites	4,500,000	<b>4,450,813</b>	
Tuition	14,370,043	<b>14,722,703</b>	10,851,823
Other Revenue	4,381,555	<b>6,109,294</b>	4,496,296
Rentals and Leases	797,681	<b>803,541</b>	616,117
Investment Income	475,428	<b>555,606</b>	645,918
Amortization of Deferred Capital Revenue	10,740,292	<b>11,234,927</b>	10,728,764
<b>Total Revenue</b>	<u>331,397,765</u>	<u><b>330,993,925</b></u>	<u>271,553,595</u>
<b>Expenses</b>			
Instruction	235,702,696	<b>232,564,170</b>	217,663,089
District Administration	9,270,427	<b>9,169,967</b>	8,455,737
Operations and Maintenance	40,248,666	<b>40,104,207</b>	39,378,808
Transportation and Housing	2,758,367	<b>2,772,716</b>	2,464,094
<b>Total Expense</b>	<u>287,980,156</u>	<u><b>284,611,060</b></u>	<u>267,961,728</u>
<b>Surplus (Deficit) for the year</b>	<u>43,417,609</u>	<u><b>46,382,865</b></u>	<u>3,591,867</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>120,902,573</b>	117,310,706
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><u><b>167,285,438</b></u></u>	<u><u>120,902,573</u></u>

# School District No. 35 (Langley)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2022

	2022 Budget (Note 16)	2022 Actual	2021 Actual
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	43,417,609	46,382,865	3,591,867
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets (Note 5)	(67,573,623)	(66,482,670)	(28,323,439)
Amortization of Tangible Capital Assets (Note 5)	14,015,087	14,773,555	13,670,436
<b>Total Effect of change in Tangible Capital Assets</b>	(53,558,536)	(51,709,115)	(14,653,003)
Acquisition of Prepaid Expenses		(2,075,701)	(2,235,186)
Use of Prepaid Expenses		2,235,188	2,187,470
<b>Total Effect of change in Other Non-Financial Assets</b>	-	159,487	(47,716)
<b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b>	(10,140,927)	(5,166,763)	(11,108,852)
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Debt</b>		(5,166,763)	(11,108,852)
<b>Net Debt, beginning of year</b>		(217,016,514)	(205,907,662)
<b>Net Debt, end of year</b>		(222,183,277)	(217,016,514)

# School District No. 35 (Langley)

Statement 5

## Statement of Cash Flows

Year Ended June 30, 2022

	2022 Actual	2021 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	46,382,865	3,591,867
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	3,855,923	(1,297,904)
Inventories for Resale	159,487	(47,716)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	666,670	575,903
Unearned Revenue	683,684	(291,062)
Deferred Revenue	3,266,175	(1,727,363)
Employee Future Benefits	288,537	183,251
Amortization of Tangible Capital Assets (Note 5)	14,773,555	13,670,436
Amortization of Deferred Capital Revenue (Note 8)	(11,234,927)	(10,728,764)
Recognition of Deferred Capital Revenue Spent on Sites (Note 8)	(46,568,773)	
<b>Total Operating Transactions</b>	<b>12,273,196</b>	<b>3,928,648</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(53,204,691)	(4,520,987)
Tangible Capital Assets -WIP Purchased	(13,277,979)	(23,802,452)
<b>Total Capital Transactions</b>	<b>(66,482,670)</b>	<b>(28,323,439)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	53,270,841	25,032,863
<b>Total Financing Transactions</b>	<b>53,270,841</b>	<b>25,032,863</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(938,633)</b>	<b>638,072</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>69,565,187</b>	<b>68,927,115</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>68,626,554</b>	<b>69,565,187</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	32,984,557	34,340,634
Cash Equivalents	35,641,997	35,224,553
	<b>68,626,554</b>	<b>69,565,187</b>

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

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### 1. Authority and Purpose

The School District, established on April 12, 1946, operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 35 (Langley)" and operates as "School District No. 35 (Langley)". A Board of Education (Board) is elected for a four-year term and governs the School District. The School District provides educational programs to students enrolled in schools in the District and is principally funded by the Province of British Columbia through the Ministry of Education and Child Care. School District No. 35 (Langley) is exempt from federal and provincial 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 School 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, increased costs for enhanced cleaning standards at schools, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the School District is not practicable at this time.

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### 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 supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 257/2010 requires all taxpayer supported organizations in the schools, universities, colleges, and hospital sectors to adopt Canadian public sector accounting standards without any PS4200 elections.

Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

For British Columbia taxpayer supported organizations, these contributions include government transfers and externally restricted contributions.

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which requires that:

- Government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410; and



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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

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### 2. Summary of Significant Accounting Policies (continued)

#### a) Basis of Accounting (continued)

- 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.

As a result, revenue recognized in the statement of operations and certain related deferred capital revenue would be recorded differently under Canadian public sector accounting standards.

#### b) Cash and Cash Equivalents

Cash and cash equivalents include cash in the bank and deposits in the Provincial Ministry of Finance Central Deposit Program which are readily convertible to cash and that are not subject to a significant risk of change in value. The deposits with the Ministry of Finance can be withdrawn from the program with three days of notice.

#### c) Accounts Receivable

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

#### d) Prepaid Expenses

Prepaid expenses include costs prepaid for insurance, equipment and software maintenance, and other fees. These prepaid expenses are stated at acquisition cost and are charged to expense over the future periods expected to benefit from them.

#### 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 both government transfers and other 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(i).

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.

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

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### 2. Summary of Significant Accounting Policies (continued)

#### g) Tangible Capital Assets

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, if available. Otherwise, a nominal value is used.

Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.

Tangible capital assets that no longer contribute to the ability of the School District to provide services are written down to residual value and accounted for as expenses in the statement of operations.

Buildings that are demolished or destroyed are written-off.

The cost, less any residual value, of tangible capital assets (excluding sites) is amortized on a straight-line basis over the estimated useful life of the asset. Estimated useful lives for the School District's tangible capital assets, as determined by management, are as follows:

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

Amortization of tangible capital assets are taken at one-half the normal annual rate in the year of acquisition and in the year of disposal.

#### h) Internally Restricted 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 12: Accumulated Surplus and Note 13: Interfund Transfers).

#### i) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

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.

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

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### 2. Summary of Significant Accounting Policies (continued)

#### i) Revenue Recognition (continued)

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

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

Donated tangible capital assets other than sites are recorded at fair market value, if available, 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 the 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.

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 the 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.

#### j) Expenses

Expenses are reported on an accrual basis. The cost of goods consumed, and services received during the year is expensed.

##### Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- 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, expenses 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.
- 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.

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

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### 2. Summary of Significant Accounting Policies (continued)

#### j) Expenses (continued)

- Supplies and services are allocated based on actual program identification.

#### k) Financial Instruments

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

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

All financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

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

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

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

#### l) 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. Benefits include vested sick leave, accumulating non-vested sick leave, retirement allowances, vacation pay and life insurance.

The School District accrues its obligations and related costs under employee future benefit plans. The future benefits cost is actuarially determined using the projected unit credit method pro-rata on service and using management's best estimate of expected salary escalation, termination and retirement rates, and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

The cumulative unrecognized actuarial gains (losses) are amortized over the expected average remaining service lifetime (EARS�) of active employees covered under the plan. The EARS� for employees of the School District is 11.2 years.

The most recent valuation of the obligation was performed at March 31, 2022 and projected for use to March 31, 2025. The next valuation will be performed at March 31, 2025 for use at June 30, 2025. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

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### 2. Summary of Significant Accounting Policies (continued)

#### l) Employee Future Benefits (continued)

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.

#### m) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in Note 2(o) Future Changes in Accounting Policies requires management to make estimates and assumptions that impact reported amounts for assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### n) Liability for Contaminated Sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- An environmental standard exists;
- Contamination exceeds the environmental standard;
- The School District is directly responsible or accepts responsibility for the contamination;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

#### o) 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.

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.

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

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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:

- has the authority to claim or retain an inflow of economic resources; and
- 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.

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### 3. Accounts Receivable – Other

	June 30, 2022	June 30, 2021
Due from Federal Government	\$ 306,506	\$ 285,206
Other Accounts Receivable	1,438,775	2,303,687
Due from Langley School District Foundation	0	1,686
	<u>\$ 1,745,281</u>	<u>\$ 2,590,579</u>

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### 4. Accounts Payable and Accrued Liabilities - Other

	June 30, 2022	June 30, 2021
Trade Payables	\$ 4,093,554	\$ 5,805,412
Salaries and Benefits Payable	22,164,833	20,471,762
Accrued Vacation Pay	4,471,882	4,345,908
Other	2,759,143	2,159,301
	<u>\$33,489,412</u>	<u>\$32,782,383</u>

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

### 5. Tangible Capital Assets

June 30, 2022	Balance July 1, 2021	Additions	Disposals	Transfers (WIP)	Balance Jun 30, 2022
<b>Cost:</b>					
Sites	\$ 56,707,255	\$ 46,568,773	\$ -	\$ -	\$ 103,276,028
Buildings	413,823,472	1,304,758	-	30,958,994	446,087,224
Building - work in progress	25,158,808	11,100,186	-	(30,958,994)	5,300,000
Furniture & equipment	31,977,171	4,387,892	1,082,446	-	35,282,617
Vehicles	5,206,517	995,072	-	-	6,201,589
Computer software	201,610	-	76,591	-	125,019
Computer hardware	4,327,289	2,125,989	167,035	-	6,286,243
	<u>\$ 537,402,122</u>	<u>\$ 66,482,670</u>	<u>\$ 1,326,072</u>	<u>\$ -</u>	<u>\$ 602,558,720</u>
<b>Accumulated Amortization:</b>					
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	186,221,344	9,767,383	-	-	195,988,727
Furniture & equipment	12,227,006	3,341,752	1,082,446	-	14,486,312
Vehicles	2,043,855	570,405	-	-	2,614,260
Computer software	139,884	32,662	76,591	-	95,955
Computer hardware	1,086,132	1,061,353	167,035	-	1,980,450
	<u>\$ 201,718,221</u>	<u>\$ 14,773,555</u>	<u>\$ 1,326,072</u>	<u>\$ -</u>	<u>\$ 215,165,704</u>
<b>June 30, 2021</b>	<b>Balance July 1, 2020</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers (WIP)</b>	<b>Balance Jun 30, 2021</b>
<b>Cost:</b>					
Sites	\$ 56,707,257	\$ -	\$ -	\$ -	\$ 56,707,255
Buildings	410,398,664	362,882	-	3,061,922	413,823,472
Building - work in progress	5,550,816	22,669,917	-	(3,061,922)	25,158,808
Furniture & equipment	29,727,277	2,345,100	95,208	-	31,977,171
Vehicles	4,655,029	551,488	-	-	5,206,517
Computer software	436,787	23,323	258,501	-	201,610
Computer hardware	2,695,136	2,370,729	738,575	-	4,327,289
	<u>\$ 510,170,966</u>	<u>\$ 28,323,439</u>	<u>\$ 1,092,284</u>	<u>\$ -</u>	<u>\$ 537,402,122</u>
<b>Accumulated Amortization:</b>					
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	176,869,934	9,351,413	-	-	186,221,344
Furniture & equipment	9,262,349	3,059,864	95,208	-	12,227,006
Vehicles	1,550,779	493,077	-	-	2,043,855
Computer software	334,546	63,839	258,501	-	139,884
Computer hardware	1,122,463	702,243	738,575	-	1,086,132
	<u>\$ 189,140,070</u>	<u>\$ 13,670,436</u>	<u>\$ 1,092,284</u>	<u>\$ -</u>	<u>\$ 201,718,221</u>

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

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### 5. Tangible Capital Assets (continued)

Net Book Value	June 30, 2022	June 30, 2021
Sites	\$ 103,276,028	\$ 56,707,255
Buildings	250,098,497	227,602,128
Building - work in progress	5,300,000	25,158,808
Furniture & equipment	20,796,305	19,750,165
Vehicles	3,587,329	3,162,662
Computer software	29,064	61,726
Computer hardware	4,305,793	3,241,157
	<u>\$ 387,393,016</u>	<u>\$ 335,683,901</u>

Buildings – work in progress have not been amortized. Amortization of these assets will commence when the asset is put into service.

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### 6. Unearned Revenue

	June 30, 2022	June 30, 2021
<b>Balance, Beginning of Year</b>	\$ 11,884,447	\$ 12,175,509
Changes for the Year		
Increase:		
Tuition fees	12,505,662	11,865,920
Rentals	10,589	1,727
Transportation	2,880	1,800
Grants	49,000	15,000
	<u>12,568,131</u>	<u>11,884,447</u>
Decrease:		
Tuition fees	11,865,920	12,144,710
Rentals	1,727	2,799
Transportation	1,800	-
Grants	15,000	28,000
	<u>11,884,447</u>	<u>12,175,509</u>
<b>Balance, End of Year</b>	<u>\$ 12,568,131</u>	<u>\$ 11,884,447</u>

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

### 7. 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.

	June 30, 2022	June 30, 2021
<b>Balance, Beginning of Year</b>	\$ 1,555,360	\$ 3,282,723
Changes for the year:		
Increase:		
Provincial Grants - MOE	38,030,635	39,892,304
Provincial Grants - Other	620,626	611,135
Other revenue	5,142,176	2,673,403
	<u>43,793,437</u>	<u>43,176,842</u>
Decrease:		
Transferred to revenue	(40,527,262)	(43,128,696)
Recovered	-	(1,775,509)
	<u>(40,527,262)</u>	<u>(44,904,205)</u>
<b>Balance, End of Year</b>	<u>\$ 4,821,535</u>	<u>\$ 1,555,360</u>

### 8. Deferred Capital Revenue

	June 30, 2022	June 30, 2021
<b>Balance, Beginning of Year</b>	\$ 241,139,368	\$ 226,835,269
Increase:		
Provincial Grants - MOE	52,945,328	22,569,148
Provincial Grants - Other	(12,445)	338,080
Other revenue	550,242	2,669,180
Investment income	23,478	22,146
Transfer to income statement for AFG	(235,762)	(565,691)
	<u>53,270,841</u>	<u>25,032,863</u>
Decrease:		
Amortization	(11,234,927)	(10,728,764)
Site purchase	(46,568,773)	-
	<u>(57,803,700)</u>	<u>(10,728,764)</u>
<b>Balance, End of Year</b>	<u>\$ 236,606,509</u>	<u>\$ 241,139,368</u>

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.

# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

### 9. Employee Future Benefits

Benefits include vested sick leave, accumulating non-vested sick leave, retirement allowances, vacation pay and life insurance. The accrued benefit obligation for employee future benefits is not funded as funding is provided when the benefits are paid. Accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

	2022	2021
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued benefit obligation, April 1	\$ 5,990,892	\$ 6,058,284
Service cost	573,916	576,945
Interest cost	156,463	141,760
Benefit payments – April 1 to March 31	(583,756)	(560,168)
Actuarial gain (loss)	824,994	(225,929)
Accrued benefit obligation, March 31	\$ 6,962,509	\$ 6,962,509
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued benefit obligation – March 31	\$ 6,962,509	\$ 5,990,892
Market value of plan assets – March 31	-	-
Funded status – surplus (deficit)	(6,962,509)	(5,990,892)
Employer contributions after measurement date	110,014	143,389
Benefits expense after measurement date	(208,246)	(182,595)
Unamortized net actuarial (gain) loss	628,189	(113,917)
Accrued benefit liability - June 30	\$ (6,432,552)	\$ (6,144,015)
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued benefit liability – July 1	\$ 6,144,015	\$ 5,960,764
Net expense for fiscal year	838,918	819,033
Employer contributions	(550,381)	(635,782)
Accrued benefit liability - June 30	\$ 6,432,552	\$ 6,144,015
<b>Components of Net Benefit Expense</b>		
Service cost	\$ 581,294	\$ 576,187
Interest cost	174,736	145,436
Amortization of actuarial (gain) loss	82,887	97,410
<b>Net Benefit Expense</b>	\$ 838,917	\$ 819,033

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

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### 9. Employee Future Benefits (continued)

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

	<u>2022</u>	<u>2021</u>
Discount rate - April 1	2.25%	2.25%
Discount rate - March 31	3.25%	2.50%
Long term salary growth - April 1	2.50% + seniority	2.50% + seniority
Long term salary growth - March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	11.2 years	10.7 years

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### 10. Employee Pension Plans

#### a) Teachers' Pension Plan and Municipal Pension Plan

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 represent plan members and employers and are responsible for managing the pension plans including investing assets and administering benefits. The pension plans are multi-employer defined benefit pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2021, the Teachers' Pension Plan has about 50,000 active members and approximately 40,000 retired members. As at December 31, 2021 the Municipal Pension Plan has about 227,000 active members, of which approximately 29,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis

The next valuation for the Teachers' Pension Plan will be as at December 31, 2023, with results available in 2024. 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).

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

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### 10. Employee Pension Plans (continued)

#### a) Teachers' Pension Plan and Municipal Pension Plan (continued)

This is because the plans record accrued liabilities and accrued assets for each plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

The School District's employer contributions to these plans in the fiscal year ended June 30, 2022 were \$19,655,654 (2021: \$18,964,644).

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### 11. Expense by Object

	June 30, 2022	June 30, 2021
Salaries and Benefits	\$240,478,348	\$226,795,819
Services and Supplies	23,251,765	22,347,027
Interest	11,273	10,581
Amortization	14,773,555	13,670,436
Other	6,096,119	5,137,865
	<u>\$284,611,060</u>	<u>\$267,961,728</u>

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

### 12. Accumulated Surplus

The School District's accumulated surplus consists of balances in its internal capital and internal operating funds. The balance in the internal capital fund consists of amounts invested in tangible capital assets and local capital. The balance in the internal operating fund consists of amounts restricted for various specific purposes and an unrestricted amount.

	June 30, 2022	June 30, 2021
Total Capital Fund Surplus	\$152,058,330	\$102,904,982
Restricted Operating Surplus		
<b>Constraints on Funds:</b>		
Internally restricted for commitments 2021/2022	1,233,788	1,305,421
Internally restricted for Indigenous Education 2021/2022	167,804	135,026
School Generated Funds	2,622,054	2,611,009
Internally restricted for holdback 2020/2021	-	641,977
<b>Anticipated Unusual Expenses:</b>		
Internally restricted for COVID-19 contingency	283,393	678,679
<b>Operations Spanning Multiple Years:</b>		
Internally restricted to balance 2022/2023 budget	770,673	-
Internally restricted to balance 2021/2022 budget	-	3,321,891
Internally restricted to balance future budgets	2,489,351	2,500,702
Internally restricted for infrastructure replacement	107,804	107,804
Internally restricted for Aldergrove region improvements	-	582,200
Internally restricted for Electric buses	-	200,000
Internally restricted for student capacity needs	1,500,000	500,000
School surpluses	421,322	412,882
Internally restricted for classroom furniture	250,000	500,000
Internally restricted for projector replacements	750,000	500,000
<b>Future Capital Cost Share:</b>		
Restricted for Future District Capital Contribution	630,919	-
Total Restricted Operating Surplus	11,227,108	13,997,591
Unrestricted Operating Surplus	4,000,000	4,000,000
Total Operating Surplus	15,227,108	17,997,591
<b>Accumulated Surplus</b>	<b>\$167,285,438</b>	<b>\$120,902,573</b>

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

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### 13. Interfund Transfers

The School District manages its accounts using three different funds – Operating, Special Purpose and Capital. Transfers between these funds during the year ended June 30, 2022, were as follows:

- A transfer in the amount of \$443,540 (2021: \$716,365) was made from the special purpose fund to the capital fund for payment of capital assets purchased.
  - A transfer in the amount of \$5,666,140 (2021: \$3,834,713) was made from the operating fund to the capital fund for payment of capital assets purchased.
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### 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 generally considered to be in the normal course of operations and are recorded at the exchange amount.

The School District has an economic interest in the Langley School District Foundation (Foundation) which acts as a fundraising agency for the School District. The Foundation is a separate legal entity and is a registered charity under the provisions of the *Income Tax Act* of Canada. The Foundation has its own board of directors who approve grants to support various initiatives of the School District.

During the year, the School District received \$637,996 (2021: \$510,546) in contributions from the Foundation to support and promote programs not funded by the Ministry of Education. The School District made contributions to the Foundation to support its operations of \$100,000 (2021: \$4,500). The School District also has no amounts receivable from the Foundation (2020: \$1,686).

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### 15. Contractual Obligations and Contingent Liabilities

- a) In the normal course of business, lawsuits and claims have been brought against the School District. The School District contests these lawsuits and claims. Management believes that the results of any pending legal proceedings will not have a material effect on the financial position of the School District.
- b) The School District has entered into a number of multiple-year contracts for the delivery of services and the construction of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

	2023	2024	2025
Various AFG projects	\$ 271,453	-	-
Computer leases	142,947	-	-
	\$414,400	-	-

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

### 16. Budget Figures

Budget figures were approved by the Board of Education through the adoption of an annual amended budget bylaw on February 22, 2022.

Budget figures included in the financial statements reflect the amended planned budget approved by the Board. The School District has elected to present the amended budget as it reflects a budget based on funding as a result of final enrollment numbers versus estimated enrollment projections.

<b>Revenues</b>	<b>Annual Budget</b>	<b>Amended Budget</b>	<b>Change</b>
Ministry of Education	\$ 281,629,322	\$ 299,778,640	\$ 18,149,318
Other - Provincial Grants	799,289	854,126	54,837
Tuition	10,043,325	14,370,043	4,326,718
Other revenue	8,870,196	4,381,555	(4,488,641)
Rentals and leases	797,681	797,681	-
Investment income	450,260	475,428	25,168
Amort. of deferred capital revenue	10,805,651	10,740,292	(65,359)
	<u>313,395,724</u>	<u>331,397,765</u>	<u>18,002,041</u>
<b>Expenses</b>			
Instruction	220,085,188	235,702,696	15,617,508
District administration	8,940,412	9,270,427	330,015
Operations and maintenance	39,477,058	40,248,666	771,608
Transportation and housing	2,634,112	2,758,367	124,255
	<u>271,136,770</u>	<u>287,980,156</u>	<u>16,843,386</u>
<b>Net Expense</b>	<u>42,258,954</u>	<u>43,417,609</u>	<u>1,158,655</u>
<b>Budgeted Allocation of Surplus</b>	<u>3,321,891</u>	<u>7,173,764</u>	<u>3,851,873</u>
<b>Surplus (Deficit) for the Year</b>	<u>\$45,580,845</u>	<u>\$ 50,591,373</u>	<u>\$ 5,010,528</u>

Significant changes between the original and amended budgets are as follows:

- Ministry grants – Reflects increased funding for Classroom Enhancement Fund, increased Operating Grant for enrollment increase and Provincial and Federal Safe Return to School Funds.
- Tuition revenue is higher due to increased number of International Students.
- Instruction expenses – Reflects increase in Classroom Enhancement Fund teachers and increased number of teachers in operating due to increased enrollment. Also, there is the impact of additional expenses to deal with COVID-19. This was funded from the Provincial Safe Return to School Grant.
- Operations and maintenance expenses – Reflects increase in custodial salaries for enhanced cleaning and increased utility costs for ventilation measures funded by Provincial Safe Return to School Grant and Operating Grant.

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

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### 17. 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.

The School District is exposed to credit risk in the event of non-performance by a borrower. 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 the Central Deposit Program with the Province and in recognized British Columbia institutions and the School District invests solely in term deposits and guaranteed investment certificates.

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.

- i. 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.
- ii. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in term deposits and guaranteed investment certificates that have a maturity date of no more than 3 years.

c) Liquidity risk:

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due.

The School District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance.

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# School District No. 35 (Langley)

## Notes to the Financial Statements

Year Ended June 30, 2022

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### 18. Economic Dependence

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

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### 19. Future Capital Transactions

In May of 2019, the Ministry of Education announced provincial funding for the construction of a 555 student Kindergarten to Grade 5 school on the Willoughby Slope (Donna Gabriel Robins Elementary). The total value of the project is \$27.6 million. The School District will be contributing \$2.5 million of the capital cost from Local Capital and \$1.0 million from Restricted Capital. Construction of the school commenced in February of 2020 and the school opened on schedule in September 2021. The project is currently in the warranty phase period. The School District has estimated costs remaining of \$0.57 million as at June 30, 2022 relating to this project.

On December 10, 2020, the Ministry announced the approval of the seismic project for Shortreed Elementary. The project will retain the existing area and will also include accessibility and life safety upgrades to ensure the school is safe and functional. The total value of the project is \$7.87 million. The School District has estimated costs remaining of \$4.37 million as at June 30, 2022.

On May 4, 2021, the Ministry announced the approval of the seismic project for Vanguard Secondary. The project will provide new, modern classrooms, while ensuring all students and staff are safe at school. The total value of the project is \$3.33 million. The School District has estimated costs remaining of \$2.91 million as at June 30, 2022.

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# School District No. 35 (Langley)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2022

	Operating Fund	Special Purpose Fund	Capital Fund	2022 Actual	2021 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	17,997,591		102,904,982	120,902,573	117,310,706
Changes for the year					
Surplus (Deficit) for the year	2,895,657	443,540	43,043,668	46,382,865	3,591,867
Interfund Transfers					
Tangible Capital Assets Purchased		(443,540)	443,540	-	
Local Capital	(5,666,140)		5,666,140	-	
Net Changes for the year	(2,770,483)	-	49,153,348	46,382,865	3,591,867
Accumulated Surplus (Deficit), end of year - Statement 2	15,227,108	-	152,058,330	167,285,438	120,902,573

# School District No. 35 (Langley)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2022

	2022 Budget (Note 16)	2022 Actual	2021 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	214,765,289	<b>214,797,458</b>	203,376,696
Other	233,359	<b>361,844</b>	205,959
Tuition	14,370,043	<b>14,722,703</b>	10,851,823
Other Revenue	881,555	<b>1,186,049</b>	1,433,931
Rentals and Leases	797,681	<b>803,541</b>	616,117
Investment Income	432,000	<b>542,083</b>	613,669
<b>Total Revenue</b>	<b>231,479,927</b>	<b>232,413,678</b>	217,098,195
<b>Expenses</b>			
Instruction	195,897,133	<b>194,303,220</b>	179,653,826
District Administration	8,847,533	<b>8,743,150</b>	8,132,820
Operations and Maintenance	24,687,503	<b>24,269,340</b>	21,645,607
Transportation and Housing	2,208,321	<b>2,202,311</b>	1,881,017
<b>Total Expense</b>	<b>231,640,490</b>	<b>229,518,021</b>	211,313,270
<b>Operating Surplus (Deficit) for the year</b>	<b>(160,563)</b>	<b>2,895,657</b>	5,784,925
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>7,173,764</b>		
<b>Net Transfers (to) from other funds</b>			
Local Capital	(7,013,201)	<b>(5,666,140)</b>	(3,834,713)
<b>Total Net Transfers</b>	<b>(7,013,201)</b>	<b>(5,666,140)</b>	(3,834,713)
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>(2,770,483)</b>	1,950,212
<b>Operating Surplus (Deficit), beginning of year</b>		<b>17,997,591</b>	16,047,379
<b>Operating Surplus (Deficit), end of year</b>		<b>15,227,108</b>	17,997,591
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted (Note 12)		<b>15,227,108</b>	17,997,591
<b>Total Operating Surplus (Deficit), end of year</b>		<b>15,227,108</b>	17,997,591

# School District No. 35 (Langley)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2022

	2022 Budget (Note 16)	2022 Actual	2021 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education and Child Care</b>			
Operating Grant, Ministry of Education and Child Care	213,081,410	<b>213,286,836</b>	195,623,807
ISC/LEA Recovery	(156,337)	<b>(101,997)</b>	(142,623)
Other Ministry of Education and Child Care Grants			
Pay Equity	551,875	<b>551,875</b>	551,875
Funding for Graduated Adults	500,000	<b>281,679</b>	351,803
Student Transportation Fund	260,000	<b>260,000</b>	260,000
Support Staff Benefits Grant	325,200	<b>496,739</b>	491,734
Teachers' Labour Settlement Funding			5,739,774
Early Career Mentorship Funding			475,000
FSA Scorer Grant	17,740	<b>17,740</b>	14,500
Provincial Exam Marking			3,240
ELF Implementation Grant	3,210	<b>4,586</b>	4,586
Equity Scan Implementation			3,000
Support Staff Funding for EHB	166,534		
District Capacity Building	4,200		
Additional Support Staff Funding	11,457		
<b>Total Provincial Grants - Ministry of Education and Child Care</b>	<b>214,765,289</b>	<b>214,797,458</b>	203,376,696
<b>Provincial Grants - Other</b>	<b>233,359</b>	<b>361,844</b>	205,959
<b>Tuition</b>			
Summer School Fees	150,120	<b>151,920</b>	91,260
Continuing Education	54,000	<b>59,700</b>	46,938
International and Out of Province Students	14,165,923	<b>14,511,083</b>	10,713,625
<b>Total Tuition</b>	<b>14,370,043</b>	<b>14,722,703</b>	10,851,823
<b>Other Revenues</b>			
Funding from First Nations	156,337	<b>101,997</b>	142,623
Miscellaneous			
Other Revenue	238,218	<b>429,734</b>	332,580
Transportation	20,000	<b>50,180</b>	23,635
BC Hydro Grant	47,000	<b>50,000</b>	50,000
Salary Recoveries	420,000	<b>543,093</b>	495,027
School Generated Funds		<b>11,045</b>	390,066
<b>Total Other Revenue</b>	<b>881,555</b>	<b>1,186,049</b>	1,433,931
<b>Rentals and Leases</b>	<b>797,681</b>	<b>803,541</b>	616,117
<b>Investment Income</b>	<b>432,000</b>	<b>542,083</b>	613,669
<b>Total Operating Revenue</b>	<b>231,479,927</b>	<b>232,413,678</b>	217,098,195

**School District No. 35 (Langley)**

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2022

	2022 Budget (Note 16)	2022 Actual	2021 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	104,556,829	<b>102,335,468</b>	96,255,534
Principals and Vice Principals	12,700,401	<b>12,657,068</b>	11,825,616
Educational Assistants	20,493,190	<b>19,843,362</b>	18,441,381
Support Staff	17,664,448	<b>16,858,777</b>	16,146,147
Other Professionals	5,271,227	<b>5,475,566</b>	5,211,981
Substitutes	8,014,812	<b>10,553,864</b>	7,743,694
<b>Total Salaries</b>	<b>168,700,907</b>	<b>167,724,105</b>	155,624,353
<b>Employee Benefits</b>	40,790,384	<b>40,303,347</b>	37,574,955
<b>Total Salaries and Benefits</b>	<b>209,491,291</b>	<b>208,027,452</b>	193,199,308
<b>Services and Supplies</b>			
Services	6,679,064	<b>6,240,858</b>	5,693,393
Student Transportation	112,985	<b>118,415</b>	17,730
Professional Development and Travel	1,352,675	<b>924,383</b>	1,258,764
Rentals and Leases	42,100	<b>37,874</b>	8,535
Dues and Fees	1,188,397	<b>1,399,363</b>	594,867
Insurance	465,004	<b>431,084</b>	468,023
Interest		<b>11,273</b>	10,581
Supplies	9,016,974	<b>9,378,081</b>	7,837,814
Utilities	3,290,000	<b>2,949,238</b>	2,224,255
Bad Debts	2,000		
<b>Total Services and Supplies</b>	<b>22,149,199</b>	<b>21,490,569</b>	18,113,962
<b>Total Operating Expense</b>	<b>231,640,490</b>	<b>229,518,021</b>	211,313,270

# School District No. 35 (Langley)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	81,989,541	2,081,208	296,471	1,045,697	2,183	6,697,503	92,112,603
1.03 Career Programs	457,539		305,572	51,840		4,280	819,231
1.07 Library Services	960,119		551,376			15,870	1,527,365
1.08 Counselling	3,107,280	68,617		45,581		13,217	3,234,695
1.10 Special Education	11,766,437	528,694	16,553,394	45,442	217,153	2,176,852	31,287,972
1.30 English Language Learning	1,683,996	100,530	98,734			5,154	1,888,414
1.31 Indigenous Education	371,876	146,011	1,339,447	54,257		6,758	1,918,349
1.41 School Administration		8,993,135	6,035	2,734,817	86,497	175,746	11,996,230
1.60 Summer School	585,778	118,985	146,413	14,170			865,346
1.61 Continuing Education			417,161				417,161
1.62 International and Out of Province Students	1,412,902	392,972		148,905	296,017	82,751	2,333,547
<b>Total Function 1</b>	<b>102,335,468</b>	<b>12,430,152</b>	<b>19,714,603</b>	<b>4,140,709</b>	<b>601,850</b>	<b>9,178,131</b>	<b>148,400,913</b>
<b>4 District Administration</b>							
4.11 Educational Administration		226,916	2,425	51,274	1,079,821		1,360,436
4.40 School District Governance				1,249,759	209,486	35,893	1,495,138
4.41 Business Administration					2,149,508		2,149,508
<b>Total Function 4</b>	<b>-</b>	<b>226,916</b>	<b>2,425</b>	<b>1,301,033</b>	<b>3,438,815</b>	<b>35,893</b>	<b>5,005,082</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				90,800	1,135,303	916	1,227,019
5.50 Maintenance Operations				10,000,465	252,318	1,085,250	11,338,033
5.52 Maintenance of Grounds				321,707		76,972	398,679
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,412,972</b>	<b>1,387,621</b>	<b>1,163,138</b>	<b>12,963,731</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				115,720	47,280	23,204	186,204
7.70 Student Transportation			126,334	888,343		153,498	1,168,175
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>126,334</b>	<b>1,004,063</b>	<b>47,280</b>	<b>176,702</b>	<b>1,354,379</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>102,335,468</b>	<b>12,657,068</b>	<b>19,843,362</b>	<b>16,858,777</b>	<b>5,475,566</b>	<b>10,553,864</b>	<b>167,724,105</b>

# School District No. 35 (Langley)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2022 Actual	2022 Budget (Note 16)	2021 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	92,112,603	22,593,251	114,705,854	5,392,128	120,097,982	120,264,487	109,816,560
1.03 Career Programs	819,231	199,961	1,019,192	162,382	1,181,574	1,191,063	1,049,855
1.07 Library Services	1,527,365	365,684	1,893,049	167,059	2,060,108	2,232,062	1,916,968
1.08 Counselling	3,234,695	701,085	3,935,780	115,906	4,051,686	4,166,824	4,071,674
1.10 Special Education	31,287,972	7,648,808	38,936,780	780,296	39,717,076	39,438,812	37,913,167
1.30 English Language Learning	1,888,414	455,481	2,343,895	70,415	2,414,310	2,660,491	2,405,169
1.31 Indigenous Education	1,918,349	469,908	2,388,257	523,613	2,911,870	3,079,674	2,763,034
1.41 School Administration	11,996,230	2,625,377	14,621,607	492,454	15,114,061	15,645,111	14,360,201
1.60 Summer School	865,346	175,298	1,040,644	26,531	1,067,175	1,039,475	560,795
1.61 Continuing Education	417,161		417,161		417,161		
1.62 International and Out of Province Students	2,333,547	640,084	2,973,631	2,296,586	5,270,217	6,179,134	4,796,403
<b>Total Function 1</b>	<b>148,400,913</b>	<b>35,874,937</b>	<b>184,275,850</b>	<b>10,027,370</b>	<b>194,303,220</b>	<b>195,897,133</b>	<b>179,653,826</b>
<b>4 District Administration</b>							
4.11 Educational Administration	1,360,436	281,774	1,642,210	254,761	1,896,971	1,954,191	1,811,025
4.40 School District Governance	1,495,138	12,958	1,508,096	115,534	1,623,630	352,025	1,541,305
4.41 Business Administration	2,149,508	767,816	2,917,324	2,305,225	5,222,549	6,541,317	4,780,490
<b>Total Function 4</b>	<b>5,005,082</b>	<b>1,062,548</b>	<b>6,067,630</b>	<b>2,675,520</b>	<b>8,743,150</b>	<b>8,847,533</b>	<b>8,132,820</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	1,227,019	244,790	1,471,809	980,172	2,451,981	2,310,858	2,169,383
5.50 Maintenance Operations	11,338,033	2,717,091	14,055,124	4,013,739	18,068,863	18,099,454	16,566,669
5.52 Maintenance of Grounds	398,679	96,401	495,080	326,285	821,365	995,191	688,636
5.56 Utilities	-		-	2,927,131	2,927,131	3,282,000	2,220,919
<b>Total Function 5</b>	<b>12,963,731</b>	<b>3,058,282</b>	<b>16,022,013</b>	<b>8,247,327</b>	<b>24,269,340</b>	<b>24,687,503</b>	<b>21,645,607</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	186,204	41,807	228,011	1,988	229,999	207,474	227,195
7.70 Student Transportation	1,168,175	265,773	1,433,948	538,364	1,972,312	2,000,847	1,653,822
<b>Total Function 7</b>	<b>1,354,379</b>	<b>307,580</b>	<b>1,661,959</b>	<b>540,352</b>	<b>2,202,311</b>	<b>2,208,321</b>	<b>1,881,017</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>167,724,105</b>	<b>40,303,347</b>	<b>208,027,452</b>	<b>21,490,569</b>	<b>229,518,021</b>	<b>231,640,490</b>	<b>211,313,270</b>

# School District No. 35 (Langley)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2022

	2022 Budget (Note 16)	2022 Actual	2021 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	37,795,391	<b>35,047,093</b>	39,525,401
Other	620,767	<b>556,924</b>	540,930
Other Revenue	3,500,000	<b>4,923,245</b>	3,062,365
<b>Total Revenue</b>	<u>41,916,158</u>	<u><b>40,527,262</b></u>	<u>43,128,696</u>
<b>Expenses</b>			
Instruction	39,805,563	<b>38,260,950</b>	38,009,263
District Administration	422,894	<b>426,817</b>	322,917
Operations and Maintenance	1,496,122	<b>1,395,955</b>	3,990,151
Transportation and Housing			90,000
<b>Total Expense</b>	<u>41,724,579</u>	<u><b>40,083,722</b></u>	<u>42,412,331</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>191,579</u>	<u><b>443,540</b></u>	<u>716,365</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(191,579)	<b>(443,540)</b>	(716,365)
<b>Total Net Transfers</b>	<u>(191,579)</u>	<u><b>(443,540)</b></u>	<u>(716,365)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<u>-</u>	<u>-</u>



# School District No. 35 (Langley)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2022

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>		36,617	1,034,435		1,317	29,133			
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	665,831	714,717		288,000	78,400	243,305	2,110,919	906,082	30,284,824
Provincial Grants - Other									
Other			5,142,176						
	665,831	714,717	5,142,176	288,000	78,400	243,305	2,110,919	906,082	30,284,824
<b>Less:</b> Allocated to Revenue	665,831	742,677	4,923,245	287,810	67,824	187,700	2,106,842	906,082	27,195,257
<b>Deferred Revenue, end of year</b>	-	8,657	1,253,366	190	11,893	84,738	4,077	-	3,089,567
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care	665,831	742,677		287,810	67,824	187,700	2,106,842	906,082	27,195,257
Provincial Grants - Other									
Other Revenue			4,923,245						
	665,831	742,677	4,923,245	287,810	67,824	187,700	2,106,842	906,082	27,195,257
<b>Expenses</b>									
Salaries									
Teachers				68	22,357		239,509		20,607,251
Principals and Vice Principals						45,166			
Educational Assistants		617,308		201,588	20,784		1,393,644		
Support Staff	225,693							183,410	
Other Professionals								74,001	
Substitutes		3,629		5,611	1,203	14,142	44,171	491,893	1,389,094
	225,693	620,937	-	207,267	44,344	59,308	1,677,324	749,304	21,996,345
Employee Benefits	54,351	121,740		58,110	12,933	10,718	429,585	156,778	5,198,912
Services and Supplies	385,787		4,923,245	22,433	10,547	117,674	(67)		
	665,831	742,677	4,923,245	287,810	67,824	187,700	2,106,842	906,082	27,195,257
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased									
	-	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

# School District No. 35 (Langley)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2022

Schedule 3A (Unaudited)

	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Safe Return to School / Restart: Health & Safety Grant	Federal Safe Return to Class / Ventilation Fund	Seamless Day Kindergarten	Early Childhood Education Dual Credit Program	SWIS
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>		8,478	7,607	2,219		361,972			73,582
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	1,625,876	32,674	113,395	6,000	496,728	343,884	50,000	70,000	
Provincial Grants - Other									620,626
	1,625,876	32,674	113,395	6,000	496,728	343,884	50,000	70,000	620,626
<b>Less:</b> Allocated to Revenue	1,625,876	29,167	50,960	5,229	496,728	646,143	32,866	101	556,924
<b>Deferred Revenue, end of year</b>	-	11,985	70,042	2,990	-	59,713	17,134	69,899	137,284
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care	1,625,876	29,167	50,960	5,229	496,728	646,143	32,866	101	
Provincial Grants - Other									556,924
Other Revenue									
	1,625,876	29,167	50,960	5,229	496,728	646,143	32,866	101	556,924
<b>Expenses</b>									
Salaries									
Teachers			39,038						43,465
Principals and Vice Principals									
Educational Assistants							27,130		305,906
Support Staff					115,629	34,049			11,350
Other Professionals									78,252
Substitutes	8,110				20,055				
	8,110	-	39,038	-	135,684	34,049	27,130	-	438,973
Employee Benefits			9,049	17	23,550	7,049	4,367		100,231
Services and Supplies	1,617,766	29,167	2,873	5,212	337,494	161,505	1,369	101	17,720
	1,625,876	29,167	50,960	5,229	496,728	202,603	32,866	101	556,924
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	443,540	-	-	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased						(443,540)			
	-	-	-	-	-	(443,540)	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

## School District No. 35 (Langley)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2022

Schedule 3A (Unaudited)

	<u>TOTAL</u>
	<u>\$</u>
<b>Deferred Revenue, beginning of year</b>	1,555,360
<b>Add:</b> Restricted Grants	
Provincial Grants - Ministry of Education and Child Care	38,030,635
Provincial Grants - Other	620,626
Other	5,142,176
	<u>43,793,437</u>
<b>Less:</b> Allocated to Revenue	<u>40,527,262</u>
<b>Deferred Revenue, end of year</b>	<u><u>4,821,535</u></u>
<b>Revenues</b>	
Provincial Grants - Ministry of Education and Child Care	35,047,093
Provincial Grants - Other	556,924
Other Revenue	4,923,245
	<u>40,527,262</u>
<b>Expenses</b>	
Salaries	
Teachers	20,951,688
Principals and Vice Principals	45,166
Educational Assistants	2,566,360
Support Staff	570,131
Other Professionals	152,253
Substitutes	1,977,908
	<u>26,263,506</u>
Employee Benefits	6,187,390
Services and Supplies	7,632,826
	<u>40,083,722</u>
<b>Net Revenue (Expense) before Interfund Transfers</b>	<u>443,540</u>
<b>Interfund Transfers</b>	
Tangible Capital Assets Purchased	(443,540)
	<u>(443,540)</u>
<b>Net Revenue (Expense)</b>	<u><u>-</u></u>

# School District No. 35 (Langley)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2022

	2022 Budget (Note 16)	2022 Actual			2021 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education and Child Care	42,717,960	42,353,722		42,353,722	565,691
Municipal Grants Spent on Sites	4,500,000	4,450,813		4,450,813	
Investment Income	43,428		13,523	13,523	32,249
Amortization of Deferred Capital Revenue	10,740,292	11,234,927		11,234,927	10,728,764
<b>Total Revenue</b>	<b>58,001,680</b>	<b>58,039,462</b>	<b>13,523</b>	<b>58,052,985</b>	<b>11,326,704</b>
<b>Expenses</b>					
Operations and Maintenance	600,000	235,762		235,762	565,691
Amortization of Tangible Capital Assets					
Operations and Maintenance	13,465,041	14,203,150		14,203,150	13,177,359
Transportation and Housing	550,046	570,405		570,405	493,077
<b>Total Expense</b>	<b>14,615,087</b>	<b>15,009,317</b>	<b>-</b>	<b>15,009,317</b>	<b>14,236,127</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>43,386,593</b>	<b>43,030,145</b>	<b>13,523</b>	<b>43,043,668</b>	<b>(2,909,423)</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	191,579	443,540		443,540	716,365
Local Capital	7,013,201		5,666,140	5,666,140	3,834,713
<b>Total Net Transfers</b>	<b>7,204,780</b>	<b>443,540</b>	<b>5,666,140</b>	<b>6,109,680</b>	<b>4,551,078</b>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		5,635,047	(5,635,047)	-	
Tangible Capital Assets WIP Purchased from Local Capital		2,374,965	(2,374,965)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>8,010,012</b>	<b>(8,010,012)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>50,591,373</b>	<b>51,483,697</b>	<b>(2,330,349)</b>	<b>49,153,348</b>	<b>1,641,655</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>100,387,782</b>	<b>2,517,200</b>	<b>102,904,982</b>	<b>101,263,327</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>151,871,479</b>	<b>186,851</b>	<b>152,058,330</b>	<b>102,904,982</b>

# School District No. 35 (Langley)

Schedule 4A (Unaudited)

Tangible Capital Assets  
Year Ended June 30, 2022

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	56,707,255	413,823,472	31,578,335	5,206,517	201,610	4,327,289	<b>511,844,478</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	42,117,960			148,608			<b>42,266,568</b>
Deferred Capital Revenue - Other	4,450,813		408,723				<b>4,859,536</b>
Special Purpose Funds			443,540				<b>443,540</b>
Local Capital		1,304,758	1,357,836	846,464		2,125,989	<b>5,635,047</b>
Transferred from Work in Progress		30,958,994	2,550,707				<b>33,509,701</b>
	<b>46,568,773</b>	<b>32,263,752</b>	<b>4,760,806</b>	<b>995,072</b>	<b>-</b>	<b>2,125,989</b>	<b>86,714,392</b>
Decrease:							
Deemed Disposals			1,082,446		76,591	167,035	<b>1,326,072</b>
	<b>-</b>	<b>-</b>	<b>1,082,446</b>	<b>-</b>	<b>76,591</b>	<b>167,035</b>	<b>1,326,072</b>
<b>Cost, end of year</b>	<b>103,276,028</b>	<b>446,087,224</b>	<b>35,256,695</b>	<b>6,201,589</b>	<b>125,019</b>	<b>6,286,243</b>	<b>597,232,798</b>
<b>Work in Progress, end of year</b>		<b>5,300,000</b>	<b>25,922</b>				<b>5,325,922</b>
<b>Cost and Work in Progress, end of year</b>	<b>103,276,028</b>	<b>451,387,224</b>	<b>35,282,617</b>	<b>6,201,589</b>	<b>125,019</b>	<b>6,286,243</b>	<b>602,558,720</b>
<b>Accumulated Amortization, beginning of year</b>		<b>186,221,344</b>	<b>12,227,006</b>	<b>2,043,855</b>	<b>139,884</b>	<b>1,086,132</b>	<b>201,718,221</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		9,767,383	3,341,752	570,405	32,662	1,061,353	<b>14,773,555</b>
Decrease:							
Deemed Disposals			1,082,446		76,591	167,035	<b>1,326,072</b>
		<b>-</b>	<b>1,082,446</b>	<b>-</b>	<b>76,591</b>	<b>167,035</b>	<b>1,326,072</b>
<b>Accumulated Amortization, end of year</b>		<b>195,988,727</b>	<b>14,486,312</b>	<b>2,614,260</b>	<b>95,955</b>	<b>1,980,450</b>	<b>215,165,704</b>
<b>Tangible Capital Assets - Net</b>	<b>103,276,028</b>	<b>255,398,497</b>	<b>20,796,305</b>	<b>3,587,329</b>	<b>29,064</b>	<b>4,305,793</b>	<b>387,393,016</b>

**School District No. 35 (Langley)**

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2022

	<b>Buildings</b>	<b>Furniture and Equipment</b>	<b>Computer Software</b>	<b>Computer Hardware</b>	<b>Total</b>
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	25,158,808	398,836			<b>25,557,644</b>
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	8,173,844	2,177,793			<b>10,351,637</b>
Deferred Capital Revenue - Other	551,377				<b>551,377</b>
Local Capital	2,374,965				<b>2,374,965</b>
	11,100,186	2,177,793	-	-	<b>13,277,979</b>
Decrease:					
Transferred to Tangible Capital Assets	30,958,994	2,550,707			<b>33,509,701</b>
	30,958,994	2,550,707	-	-	<b>33,509,701</b>
<b>Net Changes for the Year</b>	(19,858,808)	(372,914)	-	-	<b>(20,231,722)</b>
<b>Work in Progress, end of year</b>	<b>5,300,000</b>	<b>25,922</b>	-	-	<b>5,325,922</b>

**School District No. 35 (Langley)**

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2022

	<b>Bylaw Capital</b>	<b>Other Provincial</b>	<b>Other Capital</b>	<b>Total Capital</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Deferred Capital Revenue, beginning of year</b>	184,655,757	22,014,017	3,480,136	<b>210,149,910</b>
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	148,608	325,582	83,141	<b>557,331</b>
Transferred from Work in Progress	30,580,166	420,377	131,000	<b>31,131,543</b>
	<u>30,728,774</u>	<u>745,959</u>	<u>214,141</u>	<u><b>31,688,874</b></u>
Decrease:				
Amortization of Deferred Capital Revenue	10,198,372	651,532	385,023	<b>11,234,927</b>
	<u>10,198,372</u>	<u>651,532</u>	<u>385,023</u>	<u><b>11,234,927</b></u>
<b>Net Changes for the Year</b>	<u>20,530,402</u>	<u>94,427</u>	<u>(170,882)</u>	<u><b>20,453,947</b></u>
<b>Deferred Capital Revenue, end of year</b>	<u>205,186,159</u>	<u>22,108,444</u>	<u>3,309,254</u>	<u><b>230,603,857</b></u>
 <b>Work in Progress, beginning of year</b>	 25,146,209			 <b>25,146,209</b>
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	10,351,637	420,377	131,000	<b>10,903,014</b>
	<u>10,351,637</u>	<u>420,377</u>	<u>131,000</u>	<u><b>10,903,014</b></u>
Decrease				
Transferred to Deferred Capital Revenue	30,580,166	420,377	131,000	<b>31,131,543</b>
	<u>30,580,166</u>	<u>420,377</u>	<u>131,000</u>	<u><b>31,131,543</b></u>
<b>Net Changes for the Year</b>	<u>(20,228,529)</u>	<u>-</u>	<u>-</u>	<u><b>(20,228,529)</b></u>
<b>Work in Progress, end of year</b>	<u>4,917,680</u>	<u>-</u>	<u>-</u>	<u><b>4,917,680</b></u>
<b>Total Deferred Capital Revenue, end of year</b>	<u><b>210,103,839</b></u>	<u><b>22,108,444</b></u>	<u><b>3,309,254</b></u>	<u><b>235,521,537</b></u>

**School District No. 35 (Langley)**

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2022

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>		1,003,180	338,027	4,502,042		<b>5,843,249</b>
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education and Child Care	52,945,328		(12,445)			<b>52,932,883</b>
Other				336,101	214,141	<b>550,242</b>
Investment Income		5,162		18,316		<b>23,478</b>
Transfer project surplus to MECC Restricted (from) Bylaw	(91,361)	91,361				<b>-</b>
Reclassify revenue for AFG expense projects	(235,762)					<b>(235,762)</b>
	<u>52,618,205</u>	<u>96,523</u>	<u>(12,445)</u>	<u>354,417</u>	<u>214,141</u>	<u><b>53,270,841</b></u>
Decrease:						
Transferred to DCR - Capital Additions	148,608		325,582		83,141	<b>557,331</b>
Transferred to DCR - Work in Progress	10,351,637	420,377			131,000	<b>10,903,014</b>
Transferred to Revenue - Site Purchases	42,117,960			4,450,813		<b>46,568,773</b>
	<u>52,618,205</u>	<u>420,377</u>	<u>325,582</u>	<u>4,450,813</u>	<u>214,141</u>	<u><b>58,029,118</b></u>
<b>Net Changes for the Year</b>	<u>-</u>	<u>(323,854)</u>	<u>(338,027)</u>	<u>(4,096,396)</u>	<u>-</u>	<u><b>(4,758,277)</b></u>
<b>Balance, end of year</b>	<u>-</u>	<u><b>679,326</b></u>	<u>-</u>	<u><b>405,646</b></u>	<u>-</u>	<u><b>1,084,972</b></u>





# **Financial Statement Discussion and Analysis**

**For the Year Ended June 30, 2022**

# Introduction

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The following is a discussion and analysis of the School District's financial performance for the fiscal year ending June 30, 2022. This report is a summary of the School District's financial activities based on currently known facts, decisions or conditions. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This report should be read in conjunction with the School District's Financial Statements for this same period.

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 the 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, and full-time beginning September 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, increased cost for enhanced cleaning standards, impairment of receivables, reduction in investment income and possible 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.

## SD 35 Langley – Strategic Plan

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### Purpose – Mission

To inspire all learners to reach their full potential and create a positive legacy for the future.

### Vision

An innovative, inspiring and unified learning community.

### Core Principles

In serving first our students and each other in the partnership of students, teachers, support staff, administrators, trustees and parents, we are committed to the following principles.

- Recognizing, developing and supporting the unique worth of each individual.
- Enabling each individual to make his or her best possible contribution.
- Understanding that all have the capacity to learn when given the opportunity.
- Providing a safe, healthy and caring learning and working environment in which all feel confident and have a sense of belonging.
- Building interdependent relationships fostering integrity, recognizing diversity, demonstrating respect and nurturing trust.

- Communicating honestly and openly.
- Delivering opportunities for informed choices.
- Valuing learning as a lifelong process for all.
- Acknowledging personal accountability for our roles and responsibilities.

Our financial discussion and outcome is framed by this vision with key outcomes achieved during the year overviewed below.

## Enrolment and Staffing

The operations of the School District are dependent on continued grant funding from the Ministry of Education primarily based on student enrolment, students identified with special needs and other demographic and geographical factors. Expenditures are primarily associated with staffing and related compensation and benefits. Student enrolment and staffing levels are reflected below.

### Enrolment

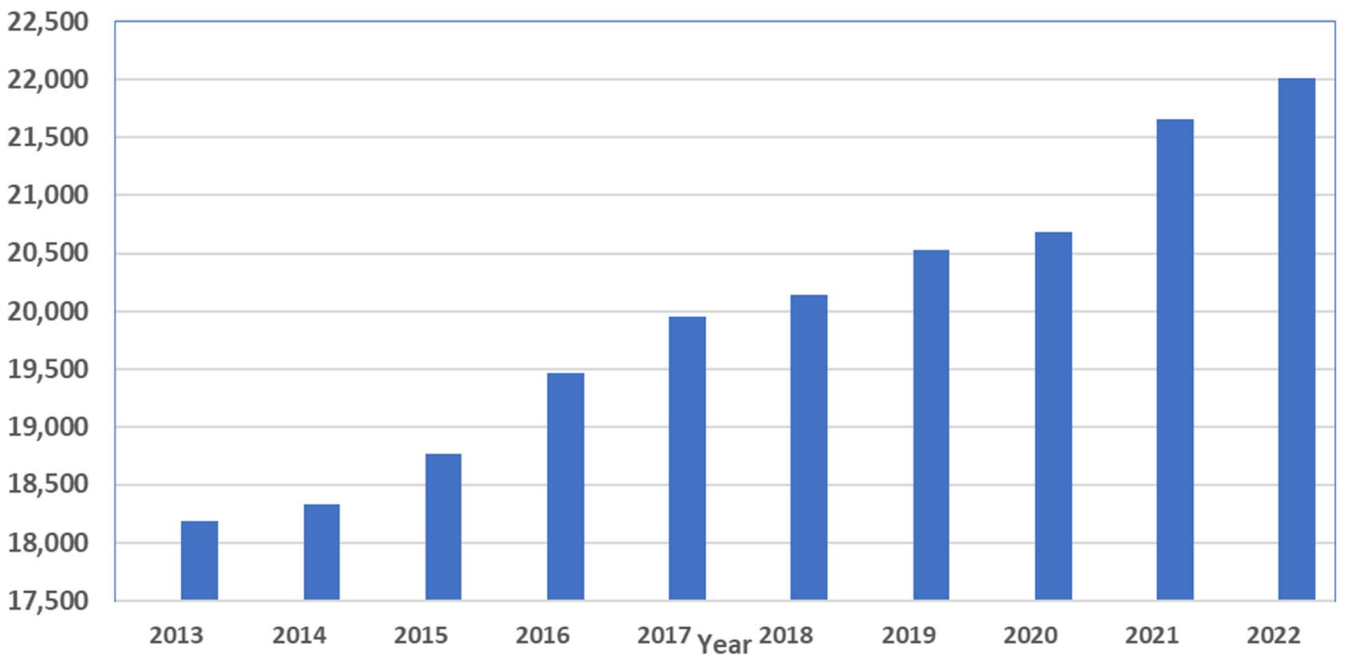
Provincial Grant funding is driven by student enrolment, unique student needs and unique geographical requirements, with additional funding for adult and summer school education. School District student enrolment is summarized as follows.

				Increase (Decrease) From	Increase (Decrease) From
	2021-22 Actual	2020-21 Actual	2021-22 Budget	From 2020 - 2021	Budget Variance
Standard (Regular) Schools	21,662.4375	20,684.5625	20,809.0000	977.8750	853.4375
Continuing Education	12.6250	15.3750	17.0000	(2.7500)	(4.3750)
Alternate Schools	221.0000	233.0000	240.0000	(12.0000)	(19.0000)
Total FTE	21,896.0625	20,932.9375	21,066.0000	963.1250	830.0625

				Increase (Decrease) From	Increase (Decrease) From
	2021-22 Actual	2020-21 Actual	2021-22 Budget	From 2020 - 2021	Budget Variance
Online Learning (DL)	236.7500	358.7500	103.0000	(122.0000)	133.7500
Home Schooling	69.0000	140.0000	17.0000	(71.0000)	52.0000
Course Challenges	107.0000	71.0000	91.0000	36.0000	16.0000
Summer school	344.5000	61.6250	470.3750	282.8750	(125.8750)
Adult Education	50.2500	66.6875	28.0000	(16.4375)	22.2500
Total FTE	807.5000	698.0625	709.3750	109.4375	98.1250

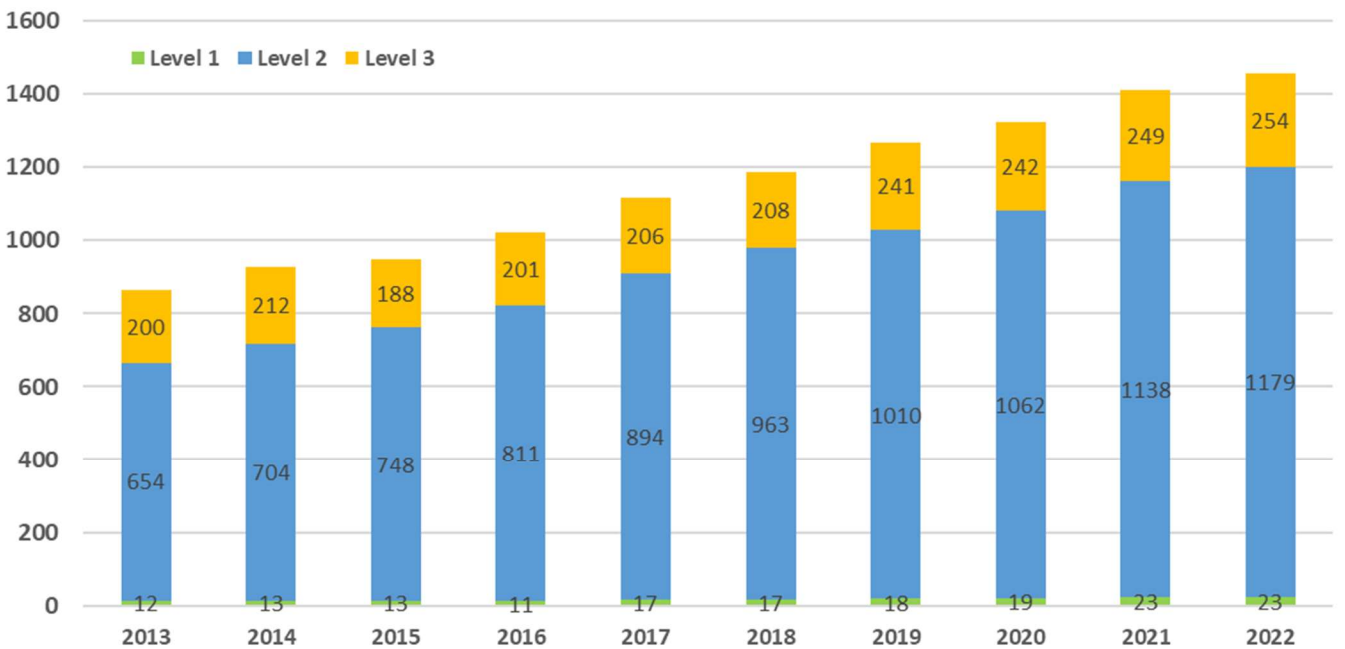
The bar graph shows that regular student enrolment has been increasing at a steady rate over the past few years. FTE growth rates shows increases of 1.0%, 1.9%, and 0.8% in 2018, 2019, 2020, and then 4.7% in 2021 (Data Source: Ministry of Education September 1701).

**SD35 Student Enrolment 2013-2022 (FTE)**



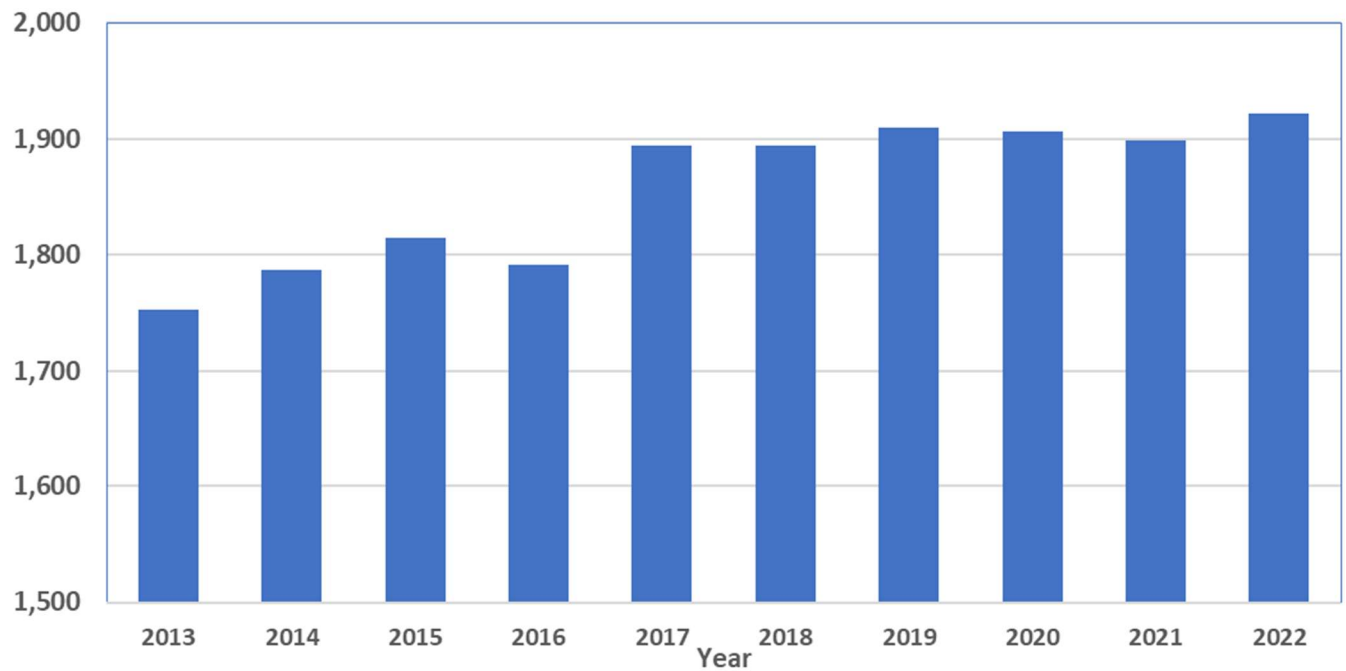
\*FTE represents Regular School-Age - CE, Alternate, DL, HS, Adult & Supplemental not included

**SD35 Special Needs Enrolment by Level (HC)**



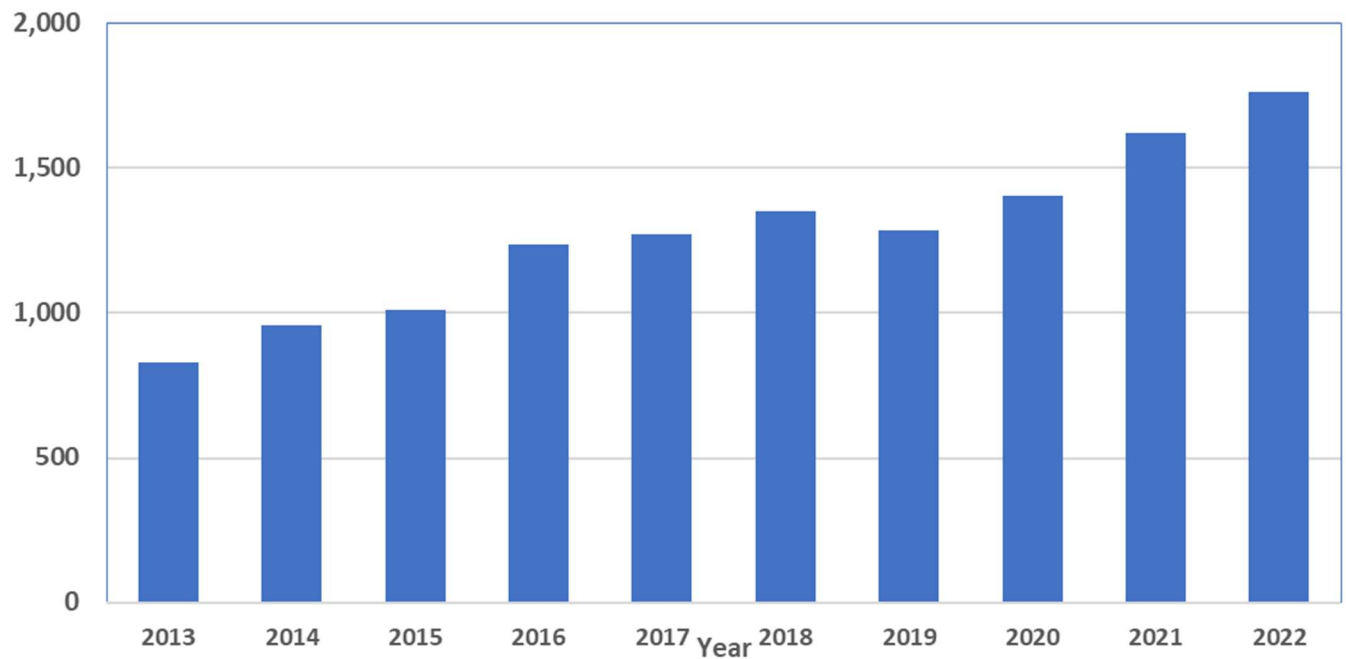
\*HC represents Regular School-Age - CE, Alternate, DL, HS, Adult & Supplemental not included

**SD35 Indigenous Enrolment 2013-2022 (HC)**



\*HC represents Regular Schools-Age - CE, Alternate, DL, HS, Adult & Supplemental not

**SD35 ELL Enrolment 2013-2022 (HC)**



\*HC represents Regular School-Age - CE, Alternate, DL, HS, Adult & Supplemental not included

## Financial Highlights

The School District's revenue is heavily reliant upon the Operating Grant from the provincial government which is based on enrolment levels and other factors. 65.0% of the District's revenue is from the Operating Grant, 10.8% is provincial grant funding within the Special Purpose Fund, 4.5% of revenue is generated from International Education Programs, 3.4% associated with the recognition of Deferred Capital Revenue, and the balance through other revenue programs such as other Special Purpose Funding, Facility Rental and Lease Income, Investment Income and Summer School Programs. The District also received \$42.1M in capital funding for the Smith Neighbourhood site acquisition.

90.6% of the School District's operating expenditures are associated with salaries and benefits. The balance of expenditures is related to supplies and services including utilities, professional development and maintenance.

### Financial Results for 2021/2022

	Operating	SPF	Capital	Total
<b>Revenues</b>				
Provincial Grants	215,159,302	35,604,017	42,353,722	293,117,041
Municipal Grants	-	-	4,450,813	4,450,813
Tuition	14,722,703	-	-	14,722,703
Other Revenue	1,186,049	4,923,245	-	6,109,294
Rentals and Leases	803,541	-	-	803,541
Investment Income	542,083	-	13,523	555,606
Gain (Loss) on Disposal of Tangible Capital Asset	-	-	-	-
Amortization of Deferred Capital Revenue	-	-	11,234,927	11,234,927
<b>Total Revenues</b>	<b>232,413,678</b>	<b>40,527,262</b>	<b>58,052,985</b>	<b>330,993,925</b>
<b>Expenses</b>				
Instruction	194,303,220	38,260,950	-	232,564,170
District Administration	8,743,150	426,817	-	9,169,967
Operations and Maintenance	24,269,340	1,395,955	235,762	25,901,057
Transportation and Housing	2,202,311	-	-	2,202,311
Amortization of Tangible Capital Assets	-	-	14,773,555	14,773,555
Debt Services	-	-	-	-
<b>Total Expenses</b>	<b>229,518,021</b>	<b>40,083,722</b>	<b>15,009,317</b>	<b>284,611,060</b>
<b>Surplus (Deficit)</b>	<b>2,895,657</b>	<b>443,540</b>	<b>43,043,668</b>	<b>46,382,865</b>
<b>Net Transfers to/from other Funds</b>				
Local Capital	(5,666,140)	(443,540)	6,109,680	-
<b>Total Net Transfers</b>	<b>(5,666,140)</b>	<b>(443,540)</b>	<b>6,109,680</b>	<b>-</b>
<b>Total Surplus (Deficit) for the year</b>	<b>(2,770,483)</b>	<b>-</b>	<b>49,153,348</b>	<b>46,382,865</b>
<b>Surplus (Deficit) beginning of the year</b>	<b>17,997,591</b>	<b>-</b>	<b>102,904,982</b>	<b>120,902,573</b>
<b>Accumulated Surplus (Deficit)</b>	<b>15,227,108</b>	<b>-</b>	<b>152,058,330</b>	<b>167,285,438</b>

### Operating Accounts

The School District was in a deficit position of \$2,77,483 when factoring in capital from operating. This is favorable when compared to a deficit budget of \$7.17M. The following are some explanations for the variances:

- Revenue is higher than the Amended budget mainly due to increase in ISP enrollment, higher school generated revenue and higher than expected increase in investment income as interest rates increased.
- Other Professionals was \$204K over budget due to higher than normal retirements resulting in vacation payouts and principals moving into exempt positions part way through the year.
- Higher substitute costs due to vacancies coverage and due to the impact of COVID-19 resulting in higher expenditures on support staff replacement costs and teacher replacement costs;
- Support Staff and Educational Assistant salary was \$1.46 million under budget due to lower than budgeted custodial and clerical costs, higher than budgeted salary recoveries and unfilled vacancies.
- Lower average teacher salary and vacancies (offset by higher substitute costs) was a factor in salaries being \$2.22 million under budget;
- Benefits rate of 24.1% is lower than the previous year's rate of 24.1%, actual benefit costs were \$1.36 million lower than budgeted due to lower salary costs;
- Spending on Services and Supplies was approximately \$0.659 million under budget due to the impact of COVID -19 resulting in lower spending patterns for schools and at the district level. The pandemic impacted the supply chain channels and the timely delivery of certain commodities by year end. Funds were restricted to cover off many of these open commitments.

### Special Purpose Accounts

All Special Purpose Funds tracked within the Amended Budget including the Classroom Enhancement Fund accounts discussed below. Last year, the District received funding via the Provincial Safe Return to School Grant and Federal Safe Return to Class Fund to mitigate of the impact of COVID-19 on staff and schools. New funding for this year included Seamless Day Kindergarten and the Early Childhood Education Dual Credit Program.

### Capital Accounts

Funding for capital expenditures is primarily through the Ministry of Education with some funding provided through locally generated capital funds.

There were three schools under construction during the year (Donna Gabriel Robin Elementary school and Shortreed and Vanguard Seismic Projects. PEMS Seismic was approved in spring 2022).

### Classroom Enhancement Fund (CEF)

In the spring of 2017, the Ministry of Education committed funding to school districts to meet the obligations of the restored collective agreement language for class size and composition. For the 2021-22 school year \$27.19 million was provided to Langley and was utilized for the hiring of 282.15 (annualized) FTE teachers, to pay for an estimated \$1.63 million in remedy and to pay for an estimated \$.906 million in additional overhead costs.



## Statement of Financial Position

The following table provides an analysis of the School District's Net Financial Position for the fiscal years ended June 30, 2022 and 2021.

Cash decreased \$0.939 million over the prior year. Cash held in the bank for current operational needs totals \$29.1 million. In addition, \$35.6 million is held on deposit with the Ministry of Finance and is available within 1-2 days if required. This Ministry Central deposit account earns interest at 2.20% (as of June 30, 2022), comparable with one year or longer locked in GIC rates. These rates have increased from a rate of 0.95% in the Spring of 2021 due to the economic impacts of the pandemic.

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	Increase (Decrease)	Change
<b>Financial Assets</b>				
Cash and cash equivalents	\$ 68,626,554	\$ 69,565,187	\$ (938,633)	-1.35%
Accounts Receivable				
Due from Province - Ministry of Education	1,363,027	4,373,652	(3,010,625)	-68.84%
Other	1,745,281	2,590,579	(845,298)	-32.63%
<b>Total Financial Assets</b>	<u>71,734,862</u>	<u>76,529,418</u>	<u>(4,794,556)</u>	-6.26%
<b>Liabilities</b>				
Accounts payable and accrued liabilities	33,489,412	32,822,742	666,670	2.03%
Unearned revenue	12,568,131	11,884,447	683,684	5.75%
Deferred revenue	4,821,535	1,555,360	3,266,175	209.99%
Deferred capital revenue	236,606,509	241,139,368	(4,532,859)	-1.88%
Employee future benefits	6,432,552	6,144,015	288,537	4.70%
<b>Total Liabilities</b>	<u>293,918,139</u>	<u>293,545,932</u>	<u>372,207</u>	0.13%
<b>Net Financial Assets (Debt)</b>	<u>(222,183,277)</u>	<u>(217,016,514)</u>	<u>(5,166,763)</u>	2.38%
<b>Non-Financial Assets</b>				
Tangible capital assets	387,393,016	335,683,901	51,709,115	15.40%
Prepaid expenses	2,075,699	2,235,186	(159,487)	-7.14%
<b>Total Non-Financial Assets</b>	<u>389,468,715</u>	<u>337,919,087</u>	<u>51,549,628</u>	15.26%
<b>Accumulated surplus</b>	<u>\$ 167,285,438</u>	<u>\$ 120,902,573</u>	<u>\$ 46,382,865</u>	38.36%
<b>Accumulated Surplus</b>				
Capital	\$ 152,058,330	\$ 102,904,982	\$ 49,153,348	47.77%
Operating	15,227,108	17,997,591	(2,770,483)	-15.39%
	<u>\$ 167,285,438</u>	<u>\$ 120,902,573</u>	<u>\$ 46,382,865</u>	38.36%

Cash assets at June 30 are categorized as follows.

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	Increase (Decrease)
Funds deposited with ScotiaBank	\$ 29,115,284	\$ 30,761,190	\$ (1,645,906)
Central deposit - Ministry of Finance	35,641,997	35,224,553	417,444
School generated funds	3,869,273	3,579,444	289,829
	<u>\$ 68,626,554</u>	<u>\$ 69,565,187</u>	<u>\$ (938,633)</u>

This cash is required to fulfill the payment and liability obligations as follows.

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	Increase (Decrease)
<b>Obligations</b>			
Trade payables	\$ 4,093,554	\$ 5,805,411	\$ (1,711,857)
Salaries and benefits payable	22,164,831	20,471,763	1,693,068
Accrued vacation pay	4,471,882	4,345,908	125,974
Due to Province - Ministry of Education	-	40,359	(40,359)
Other payable	2,759,143	2,159,302	599,841
Unearned Revenue - International students program	12,409,950	11,862,320	547,630
Unearned Revenue - Other	158,181	22,127	136,054
Deferred Revenue - Special Purpose Funds	4,821,535	1,555,361	3,266,174
Employee Future Benefits	6,432,552	6,144,015	288,537
Deferred Capital Revenue - Unspent	1,084,972	5,843,250	(4,758,278)
Local Capital	186,853	2,517,197	(2,330,344)
Other	-	-	-
			-
<b>Assets</b>			
Receivable - Ministry of Education	(1,363,027)	(4,373,652)	3,010,625
Receivable - Other	(1,745,281)	(2,590,579)	845,298
Prepaid expense	(2,075,699)	(2,235,186)	159,487
	<u>53,399,446</u>	<u>51,567,596</u>	<u>1,831,850</u>
<b>Accumulated Operating Surplus</b>	<u>15,227,108</u>	<u>17,997,591</u>	<u>(2,770,483)</u>
	<u>\$ 68,626,554</u>	<u>\$ 69,565,187</u>	<u>\$ (938,633)</u>

The difference between the cash assets and the liabilities is reflected as the accumulated surplus.

**Accounts Receivable** decrease is due to a larger balance receivable from the Ministry of Education at the end of 2020/2021 relating to Donna Gabriel Robins construction.

**Accounts Payable and Other Liabilities** Trades Payable decrease is due to a large holdback accrual in June 2021 relating to Donna Gabriel Robins construction, increase in Other Payables \$0.599 million due primarily to an increase in students requiring Homestay, increase in Salaries and Benefits payable of \$1.69 million due to payroll timing and cutoffs and an increase in Accrued vacation pay \$0.126 million.

**Unearned Revenue** is related to International Education tuition for subsequent years received in advance.

**Deferred Revenues – Special Purpose Funds** \$3.3 million unspent funds in CEF Staffing in F22 due to not being able to fill positions.

**Deferred Capital Revenue** \$4.45 million transferred to revenue - land capital spent on Smith Neighborhood site purchase.

**Local Capital** decreased \$2.33 million due to District contribution towards Donna Gabriel Elementary new school which opened in September 2021.

**Tangible Capital Assets** increased \$51.71 million primarily due to Smith Neighborhood site purchase.

# Financial Analysis – Comparison to Budget and Last Year

## Statement of Operations

The Statement of Operations is a consolidation of three funds – Operating, Special Purpose and Capital Funds. Each of these three funds are reviewed separately below.

### Statement of Operations – Operating Fund

#### Revenue

##### Grant Revenue

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	2021 - 2022 Budget	Increase (Decrease) From Jun 30, 2021	Budget Variance
Provincial Grants - Ministry of Education	\$ 214,797,458	\$ 203,376,696	\$214,765,289	\$ 11,420,762	\$ 32,169
Provincial Grants - Other	361,844	205,959	233,359	155,885	128,485
	<u>\$ 215,159,302</u>	<u>\$ 203,582,655</u>	<u>\$214,998,648</u>	<u>\$ 11,576,647</u>	<u>\$ 160,654</u>

Grant Revenues were \$11.58 million higher than last year due to increased enrollment and increases in funding levels for per student amounts to fund collective agreements, resulting in higher grants. This combined with higher enrollment for students with special needs (also per student rates increased to fund the collective agreements) resulting in additional grants of \$18.50 million. This was offset by the removal of \$5.739 million in labour settlement funding (now factored in the per student increases), and \$0.475 million for one-time Teacher Mentorship Funds, and \$0.068 million decrease for Graduated Adults. Also, there were \$0.642 million removal of one-time holdback funding for Learning Loss relating to COVID-19.

Grant Revenues were \$0.161 million higher than budget mainly due to higher February and May enrolment counts.

##### International Education Revenues

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	2021 - 2022 Budget	Increase (Decrease) From Jun 30, 2021	Budget Variance
Tuition - International	14,511,083	10,713,625	14,165,923	3,797,458	345,160
	<u>\$ 14,511,083</u>	<u>\$ 10,713,625</u>	<u>\$ 14,165,923</u>	<u>\$ 3,797,458</u>	<u>\$ 345,160</u>

International Education revenues were \$3.80 million higher than last year due to increased enrollment and the shift from the 20/21 where there was lower enrollment due to the impacts of the pandemic.

## Other Revenues

	<b>Jun 30, 2022 Actual</b>	<b>Jun 30, 2021 Actual</b>	<b>2021 - 2022 Budget</b>	<b>Increase (Decrease) From Jun 30, 2021</b>	<b>Budget Variance</b>
Tuition - Other	211,620	138,198	204,120	73,422	7,500
Other Revenue	1,186,049	1,433,931	881,555	(247,882)	304,494
Rental and Leases	803,541	616,117	797,681	187,424	5,860
Investment Income	542,083	613,669	432,000	(71,586)	110,083
	<b>\$ 2,743,293</b>	<b>\$ 2,801,915</b>	<b>\$ 2,315,356</b>	<b>\$ (58,622)</b>	<b>\$ 427,937</b>

Tuition Other was up from last year due to higher Summer School and Continuing Education Fees. Other Revenues were lower than last year and due mainly to the decrease in school generated fund revenue. Rental and lease revenue was higher than last year due to the easing of COVID-19 restrictions, resulting in higher film and community rental revenues. The impact of COVID-19 resulted in lower interest rates resulting in lower investment income.

## Expenses

### Teachers

	<b>Jun 30, 2022 Actual</b>	<b>Jun 30, 2021 Actual</b>	<b>2021 - 2022 Budget</b>	<b>Increase (Decrease) From Jun 30, 2021</b>	<b>(Favourable) Unfavourable Budget Variance</b>
Teachers	\$ 102,335,468	\$ 96,255,534	\$104,556,829	\$ 6,079,934	\$ (2,221,361)

Teacher Salary Expenses were \$6.08 million higher than last year due to additional FTE, salary increments per the collective agreement and grid step increases. There were additional teachers hired due to enrollment increases.

Teacher Salary Expenses were \$2.22M lower than budget due mainly to the lower average teacher salary and vacancies throughout the year. This is offset by higher than budgeted TTOC costs.

## Principals & Vice Principals

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	2021 - 2022 Budget	Increase (Decrease) From Jun 30, 2021	(Favourable) Unfavourable Budget Variance
Principals and Vice-Principals	12,657,068	11,825,616	12,700,401	831,452	(43,333)

Principals and VP Salaries were \$831K higher due to \$330K in wage increases provided during the year; added 3 VPs \$384K; added VP from Learning Loss funding \$102K; Increased Summer Session Admin Time \$16K.

Principals and VP Salaries were within acceptable range for budget. Some savings as Principal moved into Exempt position during the year.

## Education Assistants

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	2021 - 2022 Budget	Increase (Decrease) From Jun 30, 2021	(Favourable) Unfavourable Budget Variance
Educational Assistants	19,843,362	18,441,381	20,493,190	1,401,981	(649,828)

Actual expenses were \$1.4M higher than last year. There were 30 SEA positions added in the 21/22 Budget \$897K; there were lower sick day and vacation payouts (\$16K); contractual wage increases of 2% \$521K.

Actual expenses were lower than budget by \$650K due to late starts and vacancies, this is offset by higher casual costs and higher than budgeted costs for vacation payouts.

## Support Staff

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	2021 - 2022 Budget	Increase (Decrease) From Jun 30, 2021	(Favourable) Unfavourable Budget Variance
Support Staff	16,858,777	16,146,147	17,664,448	712,630	(805,671)

Actual expenses were \$713K higher than last year due to increased bus drivers required for additional 3 routes \$125K; Added 9 Custodial positions due to COVID-19 \$224K; added 3 Custodial & 1 clerical positions for new Elementary School \$200K; higher overtime costs \$98K and contractual wage increase of 2% \$348K. This was offset with lower vacation & sick day payouts (\$122K); and lower maintenance salary recoveries due to lower school requests (\$122K) and late start savings for vacant maintenance positions (38K).

Actual expenditures were \$806K below budget due to lower than budget regular custodial costs \$416K (offset by higher casual costs), lower clerical costs \$228K, lower noon supervisor costs \$45K maintenance area savings for vacancies and late starts \$235K. This was offset with higher vacation and sick day payout costs (\$118K).

## Other Professionals

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	2021 - 2022 Budget	Increase (Decrease) From Jun 30, 2021	(Favourable) Unfavourable Budget Variance
Other Professionals	5,475,566	5,211,981	5,271,227	263,585	204,339

Actual expenses were \$264K higher than last year due to Exempt positions hired part way through the year; combined with wage increases.

Actual expenses were \$204K above budget due to higher than normal retirements resulting in vacation payouts and principals moving into exempt positions part way through the year.

## Substitutes

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	2021 - 2022 Budget	Increase (Decrease) From Jun 30, 2021	(Favourable) Unfavourable Budget Variance
Substitutes	10,553,864	7,743,694	8,014,812	2,810,170	2,539,052

Actual expenses were \$2.81M higher than last year due to the impact of COVID-19. This resulted in \$1.47M higher TTOC > 3 days illness costs; higher TTOC non contractual and replacement vacancy costs of \$410K. Casual Replacement costs \$926K higher.

Actual casual support expenses were \$2.54M higher than budgeted mostly due to the impact of COVID-19 and back-filling for vacancies.

## Benefits

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	2021 - 2022 Budget	Increase (Decrease) From Jun 30, 2021	(Favourable) Unfavourable Budget Variance
Employee Benefits	40,303,347	37,574,955	40,790,384	2,728,392	(487,037)

Actual expenses were higher than last year due to an increase in overall staffing FTE. There was a small increase in the CPP rate.

Actual expenses were lower than budget due to the lower average teacher salaries for the district. Vacancies and late starts also drove down benefit costs.



## Supplies

Supplies categories represent approximately 9% of the operating budget expenditures. Overall Services and supplies are \$0.66 million under budget partly due to energy savings resulting from a mild winter. The pandemic impacted the supply chain channels and the timely delivery of certain commodities by year end. Funds were restricted to cover off many of these open commitments. More details below for each supply category

### Services and Supplies

	<b>Jun 30, 2022 Actual</b>	<b>Jun 30, 2021 Actual</b>	<b>2021 - 2022 Budget</b>	<b>Increase (Decrease) From Jun 30, 2021</b>	<b>(Favourable) Unfavourable Budget Variance</b>
Services	6,240,858	5,693,392	6,679,064	547,466	(438,206)
Supplies	9,378,081	7,837,814	9,016,974	1,540,267	361,107
	15,618,939	13,531,207	15,696,038	2,087,733	(77,099)

Actual expenses for Services & Supplies were \$2.09M higher than last year. 2020/21 was a unique school year with the impact of COVID-19 impacting expenditures and budgets. In 21/22, there was a shift back towards normal operations.

Services: \$547K

\$162K – Snow removal

\$134K – ISP Medical due to more students

\$100K – Foundation contribution, previously under salaries

\$59K – Portable moves

\$54K – Bank Charges for wired due to more ISP students

\$38K – Increased Legal & Consulting fees

Supplies: \$1.54M

\$256K – Gym Murals, Sports Equipment.

\$117K – IT NGN networking costs.

\$449K – Supplies – Schools

\$301K - Printed Books

\$192K – Fuel for buses & Fleet

\$ 54K – Vehicle Repairs

\$171K – HVAC maintenance and repairs

Actual expenses were \$77K lower than budget.

Services: (\$438K)

(\$277K) – Prof Consultants – Various process improvement projects delayed.

(\$80K) – Contracts – IT consultants

(\$69K) – Innovative Projects – Schools.

Supplies: \$361K

\$185K – Learning Support Services training.

\$117K – Increase in IT NGN networking costs.

\$59K – Increase in Maintenance & Carpentry costs.

## Transportation

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	2021 - 2022 Budget	Increase (Decrease) From Jun 30, 2021	(Favourable) Unfavourable Budget Variance
Student transportation	118,415	17,730	112,985	100,685	5,430

Actual transportation expenses were \$101K higher than last year as fieldtrips resumed. The cost for 21/22 is in line with 19/20 school year.

Actual expenses were in line with budget

## Professional Development & Travel

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	2021 - 2022 Budget	Increase (Decrease) From Jun 30, 2021	(Favourable) Unfavourable Budget Variance
Professional development	924,383	1,258,764	1,352,675	(334,381)	(428,292)

Actual Pro-D costs were \$334K lower than last year. This is primarily due to a one time collective agreement item provided by the Ministry in 2020/2021 (\$475K). This was offset with higher travel and conference costs as district returned to pre-pandemic PRO-D options.

Actual expenses were (\$429K) lower than budget due to decreased spending on travel and training. This is mostly due to slow return to normalcy coming out of COVID restrictions. Key decreases were in mileage and expenses \$223K, conferences \$93K and staff development \$74K.

## Rentals & Leases

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	2021 - 2022 Budget	Increase (Decrease) From Jun 30, 2021	(Favourable) Unfavourable Budget Variance
Rentals and leases	37,874	8,535	42,100	29,339	(4,226)

Increase in facility rentals from the Township of Langley for different events.

Actual expenses were in line with budget

## Dues and Fees

	<b>Jun 30, 2022 Actual</b>	<b>Jun 30, 2021 Actual</b>	<b>2021 - 2022 Budget</b>	<b>Increase (Decrease) From Jun 30, 2021</b>	<b>(Favourable) Unfavourable Budget Variance</b>
Dues and fees	1,399,363	594,867	1,188,397	804,496	210,966

Dues and Fees expenses were \$805K higher due mainly to commissions expenses for the International Student Program. 2021 was lower due to COVID-19 and the reduced number of International students being recruited by agents for the District.

Dues & Fees were \$211K over budget.  
\$140K – Higher ISP commissions.  
\$45K – Dues and Fees due to sports programs restarting at schools.  
\$16K – Increase in Licenses & Permit costs.  
\$10K – Increase in Foreign Exchange rates with bank.

## Insurance

	<b>Jun 30, 2022 Actual</b>	<b>Jun 30, 2021 Actual</b>	<b>2021 - 2022 Budget</b>	<b>Increase (Decrease) From Jun 30, 2021</b>	<b>(Favourable) Unfavourable Budget Variance</b>
Insurance	431,084	468,023	465,004	(36,939)	(33,920)

Insurance premiums decreased by \$37K over 2020/21.

Decrease is mainly due to lower insurance premiums for buses.

## Utilities

	<b>Jun 30, 2022 Actual</b>	<b>Jun 30, 2021 Actual</b>	<b>2021 - 2022 Budget</b>	<b>Increase (Decrease) From Jun 30, 2021</b>	<b>(Favourable) Unfavourable Budget Variance</b>
Utilities	2,949,238	2,224,255	3,290,000	724,983	(340,762)

Utilities increased by a total of \$725K compared to the 2020/21 school year. The main driver for the increase was return to more normal operations and the heat wave in Summer 2021 also had an impact. The prior year was heavily impacted by COVID-19 with limited facility rentals to the community as well as the mild winter.

Utilities were (\$341K) lower than budgeted mainly due to lower than expected community usage.

## Statement of Operations – Special Purpose Fund

Special Purpose Funds are utilized to capture funding designated for specific purposes and balances can be deferred to subsequent years for the intended use. Grant revenues are only recognized as expenses are incurred. Any unused grants or funds remaining at the end of the year are treated as deferred revenue.

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	Increase (Decrease) From Jun 30, 2021	Deferred Revenue Balance Jun 30, 2022
<b>Provincial Grants - Ministry of Education</b>				
Annual Facility Grant	\$ 665,831	\$ 680,178	\$ (14,347)	\$ -
Learning Improvement Fund	742,677	683,405	59,272	8,657
Strong Start	287,810	290,084	(2,274)	190
Ready, Set, Learn	67,824	75,001	(7,177)	11,893
Official Languages in Education Protocol	187,700	190,411	(2,711)	84,738
CommunityLINK	2,106,842	2,082,291	24,551	4,077
Classroom Enhancement Fund - Overhead	906,082	906,082	-	-
Classroom Enhancement Fund - Staffing	27,195,257	23,647,519	3,547,738	3,089,567
Classroom Enhancement Fund - Remedies	1,625,876	1,533,354	92,522	-
First Nation Student Transportation	29,167	21,236	7,931	11,985
Mental Health in Schools	50,960	45,880	5,080	70,042
Safe Return to School Grant	496,728	1,607,951	(1,111,223)	-
Federal Safe Return to Class Fund	646,143	7,747,933	(7,101,790)	59,713
Changing Results for Young Children	5,229	14,076	(8,847)	2,990
Seamless Day Kindergarten	32,866	-	32,866	17,134
Early Childhood Education Dual Credit	101	-	101	69,899
	<u>35,047,093</u>	<u>39,525,401</u>	<u>(4,478,308)</u>	<u>3,430,885</u>
<b>Provincial Grants - Other</b>				
Settlement Workers in Schools	556,924	540,930	15,994	137,284
	<u>556,924</u>	<u>540,930</u>	<u>15,994</u>	<u>137,284</u>
<b>Other</b>				
School Generated Funds	4,923,245	3,062,365	1,860,880	1,253,366
	<u>4,923,245</u>	<u>3,062,365</u>	<u>1,860,880</u>	<u>1,253,366</u>
<b>Total</b>	<u>\$ 40,527,262</u>	<u>\$ 43,128,696</u>	<u>\$ (2,601,434)</u>	<u>\$ 4,821,535</u>

## Statement of Operations - Capital Funds

Capital Fund Balances are as Follows:

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	Increase (Decrease) From Jun 30, 2021
<b>Bylaw Capital</b>			
Provincial Grants Revenue - Ministry of Education	\$ 52,945,328	\$ 22,569,148	\$ 30,376,180
Transfer project surplus to MEd Restricted	(91,361)	-	(91,361)
Transfer prior year surplus in MEd Restricted back to Bylaw	-	-	-
Reclassify revenue for AFG expense projects	(235,762)	(565,691)	329,929
Site Purchases	(42,117,960)	-	(42,117,960)
Work in progress	(10,500,245)	(22,247,087)	11,746,842
Reclass purchase from Local Capital	-	243,630	(243,630)
Net Change for the Year	-	-	-
Opening Balance	-	-	-
Closing Balance	-	-	-

**(Ministry) Bylaw capital balance:** These are funds from the Ministry of Education and targeted for capital purchases and projects. These funds were for capital projects (Smith Site purchase, Donna Gabriel Robins, Shortreed Seismic, Vanguard Seismic, ACSS, AFG, Playground Equipment & School Enhancement Projects).

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	Increase (Decrease) From Jun 30, 2021
<b>Ministry of Education - Restricted Capital</b>			
Investment income	5,162	6,580	(1,418)
Net proceeds from the disposal of sites and buildings	-	-	-
Transfer project surplus from Bylaw Capital	91,361	-	91,361
Transfer prior year surplus in MEd Restricted back to Bylaw	-	-	-
Other	-	-	-
Work in progress	(420,377)	(110,499)	(309,878)
Net Change for the Year	(323,854)	(103,919)	(219,935)
Opening Balance	1,003,180	1,107,100	(103,920)
Closing Balance	679,326	1,003,181	(323,855)

**(Ministry) Restricted Capital Balance:** These are funds held on behalf of the Ministry of Education. The balance decreased by a total of \$323,855. Per the Ministry agreement, we will be contributing 1.0 million from restricted capital towards the construction of Donna Gabriel Robins Elementary School. \$420,377 was contributed in 2022. \$91,361 was project surplus from Noel Booth HVAC and playground projects.

		Increase (Decrease) From Jun 30, 2021
Jun 30, 2022 Actual	Jun 30, 2021 Actual	

#### Land Capital

School site acquisition fees	336,101	2,306,278	(1,970,177)
Investment income	18,316	15,566	2,750
Site acquisitions	(4,450,813)	-	(4,450,813)
Net Change for the Year	(4,096,396)	2,321,844	(6,418,240)
Opening Balance	4,502,042	2,180,198	2,321,844
Closing Balance	405,646	4,502,042	(4,096,396)

**SSAC capital balance:** Decreased by \$4.1 million. \$4.45M was contributed to the Smith school site land purchase as identified in the capital plan. \$336K was collected by the District from the Township and City as part of the school site acquisition charge and these funds will be used for future.

		Increase (Decrease) From Jun 30, 2021
Jun 30, 2022 Actual	Jun 30, 2021 Actual	

#### Other Provincial Capital

Provincial Grants - Other	(12,445)	338,080	(350,525)
Equipment purchases	(325,582)	(521)	(325,061)
Net Change for the Year	(338,027)	337,559	(675,586)
Opening Balance	338,027	468	337,559
Closing Balance	-	338,027	(338,027)

**Other Provincial Capital:** The district received \$338,080 from the Ministry of Children and Family Development under the Child Care Rapid Renovation Fund to purchase equipment for the 3 Neighbourhood Learning Centre spaces in the new Donna Gabriel Robbins Elementary School. In 2022, \$325,582 was spent and \$12,445 was returned as we did not spend the entire grant.

	Jun 30, 2022 Actual	Jun 30, 2021 Actual	Increase (Decrease) From Jun 30, 2021
<b>Local Capital</b>			
Investment income	13,523	32,249	(18,726)
Transfer from Operating Fund	5,666,140	3,834,713	1,831,427
Other	-	-	-
Capital assets purchased	(5,635,045)	(3,441,199)	(2,193,846)
Work in progress	(2,374,965)	(1,444,866)	(930,099)
Net change for the year	(2,330,347)	(1,019,103)	(1,311,244)
Opening balance	2,517,200	3,536,300	(1,019,100)
Closing balance	186,853	2,517,197	(2,330,344)

**Local Capital Balance:** Per the Ministry agreement, we will be contributing \$2.50 million from Local Capital towards the construction of Donna Gabriel Robins Elementary School. \$2.38 million has been contributed as of June 30, 2022.

## Major Capital Projects

The following is a summary of some of the major capital projects undertaken during the year.

### Seismic Remediation

- **Shortreed Seismic School:** On December 10, 2020, the Ministry announced the approval of the seismic project for Shortreed Elementary. The project will retain the existing area and will also include accessibility and life safety upgrades to ensure the school is safe and functional. The total value of the project is \$7.87 million. The School District has estimated costs remaining of \$4.37 million as at June 30, 2022.
- **Vanguard Seismic School:** On May 4, 2021, the Ministry announced the approval of the seismic project for Vanguard Secondary. The project will provide new, modern classrooms, while ensuring all students and staff are safe at school. The total value of the project is \$3.33 million. The School District has estimated costs remaining of \$2.91 million as at June 30, 2022.
- **PEMS Seismic School:** On June 16, 2022, the Ministry announced a seismic upgrade and an 11-classroom expansion at Peter Ewart Middle school. The School District is contributing an additional \$1 million. Construction is expected to start in spring 2023 and to be complete in fall 2024.

### New School Construction

- **Donna Gabriel Robins Elementary School:** Project is complete and in warranty phase. The school opened on schedule in September 2021. The total value of the project is \$27.6 million. The School District will be contributing \$2.5 million of the capital cost from Local Capital and \$1.0 million from Restricted Capital. The School District has estimated costs remaining of \$0.57 million.

### Annual Facility Grant (AFG)

The Annual Facility Grant funding is provided by the Ministry of Education for designated school capital or maintenance upgrades. \$3.4 million was provided by the Ministry of Education to fund the following projects in 2021/2022.

- Roof replacement major sections: five school and repairs at various schools
- Roofing Consultation: multiple sites
- Exterior painting: 3 sites
- Septic Upgrade Phase 1: one site
- Flooring: various classrooms and hallways, various gyms floors resurfaced
- Lighting upgrade: seven sites
- Custodial Room Upgrade: two sites
- Washroom Renovations/Upgrades: four schools
- Mechanical System upgrades: multi sites
- Roof Top Unit (RTU) Replacements: 2 sites
- Emergency Generator load testing: four sites
- Fire Alarm Upgrades: three sites
- Keyless Entry Access: Various schools
- Duct Cleaning: six schools
- Paving, Drainage, and Site upgrades: seven schools
- Direct Digital Control (DDC) upgrades: 5 schools
- Information Technology upgrades, Wireless Access Points: various schools
- Filtered Drinking water stations: two schools
- Asbestos Abatement: (removal) various schools
- Functional Improvements, Door & door Hardware replacement: Various Schools
- Disabled Access upgrades (wheelchair ramps, hand rails, accessible washrooms): 6 sites
- Site upgrades parking lot- Line Painting: 5 sites
- Electric Vehicle chargers: multi sites



## Surplus (Operations)

The School Board has established an Operating Surplus Policy that allows the District to budget for expenditure in excess of revenue in a given year. The Board of Education is responsible for ensuring the District is protected financially from financial risk and unforeseen circumstances which could negatively affect the education of students. Refer to Policy 17 available on the SD35 website for more information.

The Board reviews this policy annually and provides further details in the Audited Financial Statements as to how restricted surplus funds are planned to be utilized in subsequent years.

	June 30, 2022	June 30, 2021
Total Capital Fund Surplus	\$152,058,330	\$102,904,982
Restricted Operating Surplus		
Internally restricted to balance 2022/2023 budget	770,673	-
Internally restricted to balance 2021/2022 budget	-	3,321,891
Internally restricted to balance future budgets	2,489,351	2,500,702
Internally restricted for infrastructure replacement	107,804	107,804
Internally restricted for Aldergrove region improvements	-	582,200
Internally restricted for Electric buses	-	200,000
Internally restricted for student capacity needs	1,500,000	500,000
School Generated Funds	2,622,054	2,611,009
School surpluses	421,322	412,882
Internally restricted for Indigenous Education 2021/2022	167,804	135,026
Internally restricted for commitments 2021/2022	1,233,788	1,305,421
Internally restricted for COVID-19 contingency	283,393	678,679
Internally restricted for classroom furniture	250,000	500,000
Internally restricted for projector replacements	750,000	500,000
Internally restricted for holdback 2020/2021	-	641,977
Restricted for Future District Capital Contribution	630,919	-
Internally restricted surplus	11,227,108	13,997,591
Unrestricted Operating Surplus	4,000,000	4,000,000
Total Operating Surplus	15,227,108	17,997,591
<b>Accumulated Surplus</b>	<b>\$167,285,438</b>	<b>\$120,902,573</b>

## Potential Future Financial impact on the District

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There are several factors that could impact the District's stable and healthy financial situation during the 2022/2022 school year and beyond.

### Risk Assessment

In 2017/2018, a risk assessment was completed that identified 20 areas of risk. The School District staff continue to work on mitigating the risks identified within the report. The following are the top three risk factors that could have potential financial and non-financial impact on the School District:

1. Labour Disruption – both CUPE and Teachers collective agreements that are in place until the end of the 2021/2022 school year.
2. Delivery of capital projects – That the District is unable to secure adequate funding to successfully deliver highly complex capital projects.
3. Supporting students and families with mental health issues - The risk that, due to limited funding, the District and supporting agencies may not have sufficient or appropriate tools and resources to address the needs of students and families with mental health issues.

### COVID-19

The ongoing impact of the pandemic presents uncertainty over future cash flows and may have a significant impact on future operations including decreases in revenue, impairment of receivables, reduction in investment income and potential delays in completing capital project work. The pandemic is impacting supply chains and timely delivery of certain commodities.

### Classroom Enhancement Fund/Restored Teacher Collective Agreement Language

BCPSEA and BCTF reached an agreement on the restored language arising from the Supreme Court of Canada ruling early 2017. The restoration has been categorized into four areas:

- Non-Enrolling Teacher Staffing ratios;
- Class Size Provisions;
- Class Composition Provisions;
- Process and Ancillary Language.

A related issue is timely and sustainable funding from the Ministry of Education to create required classroom spaces for subsequent years. Local capital funds are not sufficient to support this level of capital outlay. Delays between identified needs and required funding add to uncertainty and place stress on the School District's capacity to fulfill requirements.

### Grant Funding Model Review

During 2018, the Ministry of Education initiated a review of the current grant-funding model that has been in place since 2002. The review involved input and consultation from all 60 school districts and over 350 education stakeholders. Final Working Group reports were completed in October 2019, and partners noted that some of the recommendations would be relatively straightforward to implement while others would not. Upon completion of the review, the Ministry will implement recommendations with a two-phase plan, beginning with 12 of the 22 recommendations (specifically, 2, 3, 12, 13, 14, 15, 16, 17, 19, 20,

21 and 22). Phase 1 of the model was implemented, and funding adjustments were reflected in the 2020-21 Preliminary Budget. Phase 2 still needs to be implemented and at the current time the impact on funding levels to the school district remains unknown.

### **International Education**

The School District is heavily reliant on International Education programs to provide a significant source of revenue funding to reduce the gap on grant funding shortfalls. The restored teacher collective agreement has added space constraints for attracting more International students. While we do not envision negative events that would interrupt these programs, International Education is an important stabilizing financial influence on the School District. The outbreak of COVID-19 worldwide has had an impact on current and future enrolment for the program. The projected numbers for 2022/22 students was 625 FTE for the preliminary budget. The full impact will not be known until later this fall.

### **Facilities – Capital Funds**

There continues to be an increasing demand for enrolment space in the Willoughby area and the Brookwood/Fernridge area will be developed over the coming years. The long-term facilities plan has identified the need for a number of schools in the area. The capital approval process takes time and resources to get new capital projects up and running. The Ministry continues to request that school districts contribute more local funds towards capital projects. Additionally, the requirement to comply with collective agreement restored language places an increased burden and demand on class space.

### **Technology Requirements**

The demand for technology hardware, software, and system utilization continues at a rapid pace. Providing the required services and ensuring that information is secure and protected necessitates increased financial resources. Technology in support of education will allow us to implement the paradigm shift and transformational education required to be at the forefront and on the cutting-edge in the 21st-century. Technology in support of the framework for enhancing student learning and more real-time reporting on student progress is a crucial undertaking. MyEdBC student administration system requires enhancements in order to meet the ongoing needs for improved data and reporting.

### **Vehicle Fleet & Equipment Replacement**

The School District currently has an aging fleet in place which will require replacement, upgrade or additional vehicles. Vehicles have been replaced or added as funds become available through facilities department cost savings or allocation of operating budget surplus. The District was able to allocate \$0.500 million to partially refresh the fleet in 2021/2022.

The District continues to work on a sustainable, cost effective model for replacement, upgrades and maintenance of the School District's fleet vehicles and equipment.

## Contacting Management

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This financial report is designed to provide the School District's stakeholders with a general but more detailed overview of the School District's finances and to demonstrate increased accountability for the public funds received by the School District.

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



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