

School District #75 (Mission)
Public Meeting of the Board of Education
Agenda

September 22, 2020, 6:30 pm

In-person: Heritage Park Middle School - Cafetorium, 33700 Prentis Avenue

Via-videoconference: Email aleksandra.crescenzo@mpsd.ca for details

Pages

1. CALL TO ORDER

The Board Chair will acknowledge that this meeting is being held on Traditional Territory.

1.1	Election of Board Chair and Vice-Chair	Action	1 - 2
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2. ADOPTION OF AGENDA

3. DELEGATIONS/PRESENTATIONS

4. UNFINISHED BUSINESS

4.1	MSS Seismic or Replacement Project Update	Information	3
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5. STAFF REPORTS

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5.3	Executive Compensation Disclosure Report 2019-2020	Action	49 - 56
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5.4	Funding Protection - Financial Risk	Information	57 - 59
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5.5	Reporting out from Closed Meeting		
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7. MINUTES OF PREVIOUS MEETINGS

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8. INFORMATION ITEMS

9. CORRESPONDENCE

10. COMMITTEE MINUTES/LIAISON REPORTS

11. ANNOUNCEMENTS

12. QUESTION PERIOD

Questions asked must be related to items discussed on the Agenda. Labour, Land, and Legal issues will not be discussed.

13. ADJOURNMENT

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ITEM 1.1 Action

TO: Board of Education
FROM: A. Wilson, Superintendent
SUBJECT: Election for the Office of Board Chair and Vice-Chair

Recommendation

THAT the Board of Education appoint the Assistant Secretary Treasurer, Derek Welsh, and the Assistant Superintendent, Karen Alvarez, as Scrutineers for the purpose of conducting elections.

The Secretary Treasurer will call for nominations:

1. Nominations will be accepted for the position of Board Chair.
 - a. Any Trustee may be nominated by any other Trustee. The nomination does not need to be seconded.
 - b. If more than one (1) nomination is received, voting will be conducted by Ballots, as per the policy.
 - c. The Assistant Secretary Treasurer, Assistant Superintendent, and Executive Assistant will leave the room to count the votes and will then return with the outcome.
 - d. The Secretary Treasurer will announce the outcome.
2. The newly elected Board Chair will assume the duties of the Chair, for the remainder of the meeting.
3. Nominations will be accepted for the position of Board Vice-Chair.
 - a. Any Trustee may be nominated by any other Trustee. The nomination does not need to be seconded.
 - b. If more than one (1) nomination is received, voting will be conducted by Ballots, as per the policy.
 - c. The Assistant Secretary Treasurer, Assistant Superintendent, and Executive Assistant will leave the room to count the votes and will then return with the outcome.
 - d. The Secretary Treasurer will announce the outcome.
4. Call for a motion to destroy the ballots (if a vote was taken).

POLICY:

The following information is provided on the procedural process for the election of a Chair and Vice Chair of the Board.

1. Policy #50, Board Procedures Policy – Election of Chair and Vice-Chair Excerpt:
 - a. At its inaugural meeting following a general local election, and for each organizational meeting in September of the following three years, the Board will elect one of its members to serve as Board Chair and one of its members to serve as Vice-Chair for the following year.

b. Process for Election of Chair and Vice-Chair:

- i. The Secretary Treasurer will call three times for nomination for the position of Board Chair.
- ii. Any Trustee may be nominated by any Trustee. No seconder is required.
- iii. After all nominations have been received the Secretary Treasurer will ask for a motion for nominations to cease.
- iv. Nominees will be asked in alphabetical order if they accept their nomination.
- v. If there is more than one nomination, all nominees will be provided an opportunity to speak to their nomination for the position.
- vi. The Secretary Treasurer will conduct a vote by ballot (unless a nominee is acclaimed to the position of Chair).
- vii. If more than two nominations are received, the person receiving a clear majority of votes will be elected Board Chair for the ensuing year.
- viii. Balloting will continue until one Trustee receives a clear majority of votes. The name of the Trustee receiving the least votes will be dropped from the list of nominees for each succeeding ballot. In the event that two Trustees are tied for the least number of votes and there is not a clear majority of votes, a special ballot will be taken for the purpose of determining which name is to be dropped.
- ix. If no person receives a clear majority, further ballots will be taken until a clear majority is achieved or if after at least four ballots a tie continues to occur the election will be decided by a lot draw.
- x. Upon completion of the voting for the Chair, the Chair will continue with the same process for the election of Vice-Chair.
- xi. A motion to destroy the ballots following any voting will be requested.

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ITEM 4.1 **Information**

File No. **11210**

TO: Board of Education
FROM: C. Becker, Secretary Treasurer
SUBJECT: MSS Seismic and Replacement Project Update

1. Summary:

The cost estimates for the Seismic Repairs or Building Replacement project for MSS have been submitted to the Ministry.

The Seismic Upgrade is estimated to be between \$61 million and \$66 million. The original submission to the Ministry estimated the cost to be around \$82 million.

The estimated replacement cost is estimated to be around \$87 Million. The original estimate submitted to the Ministry was \$90M.

No additional information is available at this time, as the Ministry is now reviewing the submitted Capital Plans. We don't expect any further information from the Ministry regarding the project until March or April 2021.

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ITEM 5.1 Information

TO: Board of Education
FROM: A. Wilson, Superintendent of Schools
SUBJECT: School Opening Report

1. Summary:

The Superintendent will provide a tentative report on School Opening for 2020, including enrollment, growth of DL, bussing, held seats, international students, and other factors unique to 2020. Approximately 10% of students are not attending regular school at this time. Overall enrolment is tentatively up slightly from projections, but the numbers are not stable yet. A number of schools are full, particularly with held seats in place.

2. Background:

The Superintendent traditionally reports on information like enrollment later in the month, but this year is especially unique, and some broad picture of the developments, complications, and issues of this September will assist the Board in later decision making.

3. Attachments:

a. Projected Enrolment Information 2020-21

The projection totals do not include the spots held for each elementary school and represent the number of students on site as reported by the Principals on their staffing templates. This is still a rough estimate due to student movement between their home school and Summit and transfers out to other Districts DL schools.

**MISSION SCHOOL DISTRICT
2020-2021 PROJECTED ENROLMENT INFORMATION**

DATE: **17-Sep-20** (Actual Approved International Students First Sem only)

295 spots held not incl

ENROLMENT	KF	1	2	3	4	5	6	7	8	9	10	11	12	PROJECTED 2020-21 FTE enrolment	FTE Enrolment Sept 30, 2019	FTE Change from 2019
Elementary																
<u>ALBERT McMAHON.</u>	54	53	50	38	53	69	54							371.0	409.000	-38.000
- International Students														-	1.000	-1.000
<u>CHERRY HILL</u>	45	34	26	42	44	27	33							251.0	268.000	-17.000
- International Students			1				1							2.0	4.000	-2.000
<u>C. MORRISON</u>	20	11	18	22	19	38	28							156.0	162.000	-37.000
- French Immersion	27	28	29	25	14	42	28							193.0	224.000	-32.000
- International Students														-	1.000	-1.000
<u>DEROCHE</u>	7	11	6	14	12	10	11							71.0	84.000	-13.000
<u>DEWDNEY</u>	18	19	13	17	26	18	7							118.0	135.000	-17.000
<u>EDWIN S. RICHARDS</u>	36	41	53	47	50	52	54							333.0	363.000	-30.000
- International Students							1							1.0	2.000	-1.000
<u>HATZIC</u>	50	32	34	40	37	40	38							271.0	300.000	-29.000
- International Students														-	0.000	0.000
<u>HILLSIDE</u>	56	53	56	54	59	48	59							385.0	410.000	-25.000
- International Students							2							2.0	8.000	-6.000
<u>MISSION CENTRAL</u>	23	25	33	22	31	28	24							186.0	159.000	44.000
- French Immersion	37	35	27	21	17	11	10							158.0	141.000	
- International Students							2							2.0	1.000	1.000
<u>SILVERDALE</u>	13	13	6	18	15	12	11							88.0	91.000	-3.000
- International Students														-	0.000	0.000
<u>STAVE</u>	19	7	7	4	7	9	5							58.0	47.000	11.000
<u>WEST HEIGHTS</u>	35	23	21	36	43	30	22							210.0	227.000	-17.000
- International Students														-	3.000	-3.000
<u>WINDEBANK</u>	56	45	54	49	41	44	57							346.0	361.000	-15.000
- International Students							1							1.0	3.000	-2.000
														-		0.000
TOTAL ELEMENTARY - Funded	496.0	430.0	433.0	449.0	468.0	478.0	387.0	-						3,195.0	3381.000	-186.000
TOTAL ELEMENTARY - International	-	-	1.0	-	-	3.0	4.0	-						8.0	23.000	-15.000
<u>Secondary</u>																
HATZIC								238	240	227				705	685.000	20.000
- International Students								3	4	2				9	21.000	-12.000
HERITAGE PARK								180	181	168				529	527.000	6.000
-French Immersion								47	34	27				108	104.000	
- International Students														0	2.000	-2.000
MISSION											390	387	361	1138	1146.000	20.000
- French Immersion											42	27	20	89	61.000	
- International Students											4	16	15	35	113.000	-78.000
Fraserview Learning Centre									2	3	14	21	48	88	89.000	-1.000
TOTAL SECONDARY - Funded								465.0	457.0	425.0	446.0	435.0	429.0	2,657.0	2612.000	45.000
TOTAL SECONDARY - International								3.0	4.0	2.0	4.0	16.0	15.0	44.0	136.0	- 92.0

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ITEM 5.1.1 Information

TO: Committee of the Whole
FROM: A. Wilson, Superintendent of Schools
SUBJECT: International Program Update

1. Summary:

In light of the ongoing Covid Pandemic, the Board of Education has requested up to date information on the status of International Programs.

2. Background:

A typical year sees approximately 150 International Students in Mission, generating approximately \$2M in revenue (gross). In view of the various travel restrictions, we provided students and their families the option to defer to January 2021, defer to September 2021, and most recently to participate online until they arrive. While most students deferred to second semester (25 students), some opted to defer to 2021 and others are waiting for the September 30th announcement. Currently this year we have 52 students on site and in classes. We have a further 25 arriving in January. Our last option, which is the newest option, has 2 students thus far participating on online and we are anticipating that more will be joining (all students online are charged the same tuition fee as if they were in person in Mission). We have partnered with GlobalEd of Kamloops to provide online courses for students who are waiting to come to Mission.

3. Options:

4. Analysis and Impact:

- a. Strategic Plan Alignment
- b. Enhancement Agreement
- c. Funding Guidelines, Costing & Budget Impact
- d. Policy, Legislation, Regulation
- e. Organizational Capacity
- f. Risks
 - i. Organizational
 - ii. Reputational
 - iii. Strategic
- g. Benefits
 - i. Organizational
 - ii. Reputational
 - iii. Strategic

5. Public Participation:

6. Implementation:

7. Attachments:

- a. International Program Preliminary Budget

International Program 2020 / 2021 Preliminary Budget

	Original Budget		Target		Proposed		Projected		Conservative	
	students	\$	students	\$	students	\$	students	\$	students	\$
<u>Revenue</u>										
Tuition & Medical Fees	135	1,890,000	150	2,100,000	90	1,260,000	68	952,000	62	868,000
Activity Fees	135	60,000	150	66,667	90	40,000	68	30,222	62	27,556
Other Fees	135	50,000	150	55,556	90	33,333	68	25,185	62	22,963
		2,000,000		2,222,222		1,333,333		1,007,407		918,519
Less: Agent Commissions		(231,525)		(257,250)		(154,350)		(116,620)		(106,330)
Gross Student Revenue		1,768,475		1,964,972		1,178,983		890,787		812,189
<u>Expenses</u>										
<u>Student Expenses</u>										
Less: Student Medical Fees		135,000		150,000		90,000		68,000		62,000
Less: Student Activity Fees		60,000		66,667		40,000		30,222		27,556
		195,000		216,667		130,000		98,222		89,556
<u>Department Expenses</u>	FTE		FTE		FTE		FTE		FTE	
Wages and Benefits	3.9	343,860	3.9	343,860	3.9	343,860	3.9	343,860	3.9	343,860
Travel/Conferences		87,000		96,667		58,000		43,822		39,956
Other Serv/Supp		62,400		62,400		62,400		62,400		62,400
		493,260		502,927		464,260		450,082		446,216
Total Expenses		688,260		719,593		594,260		548,304		535,771
Net Revenue		1,080,215		1,245,379		584,723		342,483		276,417
<i>Net Revenue per Student</i>		<i>8,002</i>		<i>8,303</i>		<i>6,497</i>		<i>5,037</i>		<i>4,458</i>
<u>ELL Expenses</u>	per student	1,121		1,122		1,120		1,482		1,145
		151,392		168,264		100,776		100,776		70,984
<u>School Staffing</u>	FTE									
Regular Teachers	4.5	449,994	4.9	499,570	3.0	301,267	3.0	240,251	1.9	194,489
Counsellor (MSS)	0.1	28,903	0.3	28,903	0.1	14,451	0.1	14,451	0.1	14,451
International Blocks	2.1	216,769	2.1	216,769	0.6	57,603	0.6	57,603	0.4	43,354
EA FTE	0.8	41,721	0.8	41,721	0.8	41,721	0.8	41,737	0.0	-
		737,387		786,963		415,042		354,042		252,294
Net Contribution		342,828		458,416		169,681		(11,559)		24,123

Note: Ministry Funding per Student

Ministry Funding per student 7,560

ELL funding per student @ .74 1,125

8,685 Target Net Revenue Per Student

Note: Homestay fees are excluded from this summary

ITEM 5.2 Action File No.

TO: Board of Education
FROM: C. Becker, Secretary Treasurer
SUBJECT: 2019-2020 Audited Financial Statements

Recommendation

**THAT the draft School District No. 75 (Mission) June 30, 2020 Financial Statements be accepted; and
THAT the final School District No. 75 (Mission) June 30, 2020 Financial Statements including the
audit report be submitted to the Ministry of Education by September 30, 2020.**

1. Summary:

The annual audit of the School District's financial statements is complete. Prior to issuing the final signed external Auditor's Report, the Board must accept the financial statements. The Auditor presented information to the Board at a special closed meeting. The findings of the audit will result in a letter expressing an opinion on the audit, from the Auditor, which must be included in the financial statements. Comprehensive information on the financial statements will be presented when the financial statements are published in the annual report.

2. Background:

During July and August finance staff put together the year-end financial statements on the District's financial activities. This information was audited by KPMG. Annually the School District must prepare financial statements.

3. Options:

This information is presented to the Board for review and acceptance.

4. Analysis and Impact:

a. Strategic Plan Alignment

The annual financial statements are an annual operational requirement, and are not tied to any strategic priorities, other than reporting on the financial activities of the District.

b. Enhancement Agreement

c. Funding Guidelines, Costing, & Budget Impact

Additional analysis on the financial results will be reported in greater detail in the annual report

The year ended with an operating surplus of \$43,882 as noted on page 6 of the financial statement. The amended budget projected an operating deficit of \$2,022,703. The change to a surplus is due in part to the reduced operating activities from April to June 2020 due to the pandemic.

Another significant change was an increase in the surplus held by the benefit plans (\$662,260 increase) as noted on page 16, Accounts Receivable-other. This is due in part to medical services like physiotherapy being closed due to the pandemic.

Other cost savings include the reduced TTOC costs due to reduced classes, as well as spending restrictions that were put in place prior to the pandemic.

The financial statements show an increase in the unrestricted operating surplus of \$821,160 (actual Accumulated Surplus – \$1,090,663 see page 25).

Due to the uncertainty with the pandemic and the future of the benefit surplus, staff are recommending that the unrestricted operating surplus be held as a contingency.

d. Policy, Legislation, Regulation

As the preparation of the financial statements is heavily regulated through the Public Sector Accounting Body and provincial regulation, there are no options presented. The School District is required to provide audited financial statements to the Ministry of Education by September 30th, 2019.

e. Organizational Capacity

f. Risks

- i. Organizational
- ii. Reputational
- iii. Strategic

g. Benefits

- i. Organizational
- ii. Reputational
- iii. Strategic

5. Public Participation:

6. Implementation:

7. Attachments:

- a. Draft Financial Statements

Audited Financial Statements of

School District No. 75 (Mission)

And Independent Auditors' Report thereon

June 30, 2020

School District No. 75 (Mission)

June 30, 2020

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School District No. 75 (Mission)

MANAGEMENT REPORT

DRAFT

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 75 (Mission) 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. 75 (Mission) (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 quarterly basis and externally audited financial statements yearly.

The external auditors, KPMG LLP, 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. 75 (Mission) 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. 75 (Mission)

DRAFT	
Signature of the Superintendent of Education	Date Signed
Signature of Superintendent	Date Signed
Signature of the Secretary Treasurer	Date Signed

School District No. 75 (Mission)

Statement 1

Statement of Financial Position

As at June 30, 2020

	2020 Actual	2019 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	12,210,340	11,751,465
Accounts Receivable		
Due from Province - Ministry of Education	256,930	227,148
Due from Province - Other		1,449
Due from First Nations	125,910	76,191
Other (Note 3)	1,139,839	523,575
Total Financial Assets	13,733,019	12,579,828
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	7,722,175	7,366,825
Unearned Revenue (Note 5)	902,754	1,372,359
Deferred Revenue (Note 6)	1,191,457	1,031,293
Deferred Capital Revenue (Note 7)	52,340,359	53,510,984
Employee Future Benefits (Note 8)	984,987	928,041
Total Liabilities	63,141,732	64,209,502
Net Debt	(49,408,713)	(51,629,674)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	77,942,358	80,199,488
Prepaid Expenses	329,813	249,762
Total Non-Financial Assets	78,272,171	80,449,250
Accumulated Surplus (Deficit) (Note 20)	28,863,458	28,819,576

Contractual Obligations (Note 15)

Contractual Rights (Note 16)

Contingent Liabilities (Note 17)

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. 75 (Mission)

Statement 2

Statement of Operations

Year Ended June 30, 2020

	2020 Budget (Note 18) \$	2020 Actual \$	2019 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	69,808,414	71,131,433	67,253,660
Other	427,062	474,561	333,723
Tuition	2,309,000	2,322,031	2,707,297
Other Revenue	2,110,532	1,850,762	2,153,100
Rentals and Leases	262,040	212,095	179,020
Investment Income	145,000	117,462	182,214
Amortization of Deferred Capital Revenue	2,927,680	2,912,410	2,867,953
Total Revenue	<u>77,989,728</u>	<u>79,020,754</u>	<u>75,676,967</u>
Expenses (Note 19)			
Instruction	63,667,779	62,643,480	61,385,979
District Administration	2,987,764	2,893,598	3,004,309
Operations and Maintenance	12,197,700	12,325,609	12,241,179
Transportation and Housing	1,159,188	1,114,185	1,094,121
Total Expense	<u>80,012,431</u>	<u>78,976,872</u>	<u>77,725,588</u>
Surplus (Deficit) for the year	<u>(2,022,703)</u>	<u>43,882</u>	<u>(2,048,621)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		28,819,576	30,868,197
Accumulated Surplus (Deficit) from Operations, end of year		<u>28,863,458</u>	<u>28,819,576</u>

School District No. 75 (Mission)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2020

	2020 Budget (Note 18)	2020 Actual	2019 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(2,022,703)	43,882	(2,048,621)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(1,373,114)	(1,703,555)	(3,287,477)
Amortization of Tangible Capital Assets	4,005,870	3,960,685	3,926,463
Total Effect of change in Tangible Capital Assets	2,632,756	2,257,130	638,986
Acquisition of Prepaid Expenses	(200,000)	(329,813)	(249,762)
Use of Prepaid Expenses	249,762	249,762	252,336
Total Effect of change in Other Non-Financial Assets	49,762	(80,051)	2,574
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>659,815</u>	2,220,961	(1,407,061)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		2,220,961	(1,407,061)
Net Debt, beginning of year		(51,629,674)	(50,222,613)
Net Debt, end of year		(49,408,713)	(51,629,674)

School District No. 75 (Mission)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2020

	2020 Actual	2019 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	43,882	(2,048,621)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(694,316)	(261,182)
Prepaid Expenses	(80,051)	2,574
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	355,350	(473,923)
Unearned Revenue	(469,605)	(219,840)
Deferred Revenue	160,164	162,530
Employee Future Benefits	56,946	17,621
Amortization of Tangible Capital Assets	3,960,685	3,926,463
Amortization of Deferred Capital Revenue	(2,912,410)	(2,867,953)
Bylaw Capital Spent on Non-Capital Items	(280,884)	(426,598)
Total Operating Transactions	139,761	(2,188,929)
Capital Transactions		
Tangible Capital Assets Purchased	(1,204,256)	(1,956,411)
Tangible Capital Assets -WIP Purchased	(499,299)	(1,331,066)
Total Capital Transactions	(1,703,555)	(3,287,477)
Financing Transactions		
Capital Revenue Received	2,022,669	3,077,950
Total Financing Transactions	2,022,669	3,077,950
Net Increase (Decrease) in Cash and Cash Equivalents	458,875	(2,398,456)
Cash and Cash Equivalents, beginning of year	11,751,465	14,149,921
Cash and Cash Equivalents, end of year	12,210,340	11,751,465
Cash and Cash Equivalents, end of year, is made up of:		
Cash	12,210,340	11,751,465
	12,210,340	11,751,465

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

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. 75 (Mission)", and operates as "School District No. 75 (Mission)." A board of education ("Board"), elected for a four-year term, governs the School District. The School District provides educational programs to students enrolled in schools in the District and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 75 (Mission) is exempt from federal and provincial corporate income taxes.

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020 and has had a significant financial, market, and social dislocating impact worldwide. Under direction of the Provincial Health Officer, all schools suspended in-class instruction in March 2020 and the District remained open to continue to support students and families in a variety of ways. Parents were given the choice to send their children back to school for in-class instruction on a gradual and part-time basis beginning June 1 with new health and safety guidelines. 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 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.

2. Summary of significant accounting policies

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

a) Basis of Accounting

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

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

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

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

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

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.

b) Cash and cash equivalents

Cash and cash equivalents include cash deposits in the bank and deposits in the Provincial Ministry of Finance Central Deposit Program that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short term cash commitments rather than for investing.

c) Accounts receivable

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

d) Unearned revenue

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

e) Deferred revenue and deferred capital revenue

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

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

f) Employee future benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs, including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

2. Summary of significant accounting policies (continued)

f) Employee future benefits (continued)

expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2019 and projected to March 31, 2022. The next valuation will be performed at March 31, 2022 for use at June 30, 2022. For the purpose of determining the financial position of the plans and employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

The School District and its employees make contributions to the Teachers' Pension Plan and Municipal Pension Plan. The plans are multi-employer plans where assets and obligations are not separated. The costs are expensed as incurred.

g) Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the School District:
 - is directly responsible; or
 - accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

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

h) Tangible capital assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction, as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

2. Summary of significant accounting policies (continued)

h) Tangible capital assets (continued)

- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events indicate the need to revise. Estimated useful lives are as follows:

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

i) Capital leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the School District are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.

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

j) Prepaid expenses

Various instructional supplies, subscriptions, technology contracts, insurance, employee benefit payments and contracted services are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods when the related benefits are expected.

k) Funds and reserves

Certain amounts, as approved by the Board, are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see note 13 – Interfund transfers and note 20 – Accumulated surplus). Funds and reserves are disclosed on Schedules 2, 3, and 4.

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

2. Summary of significant accounting policies (continued)

l) Revenue recognition

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

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

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

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

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

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

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

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

m) Expenses

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

Categories of Salaries:

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant Superintendents, Secretary Treasurers, Trustees, and other employees excluded from union contracts are categorized as Other Professionals.

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

2. Summary of significant accounting policies (continued)

m) Expenses (continued)

Allocation of costs:

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and indigenous education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

n) Financial instruments

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

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

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.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of re-measurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of re-measurement 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 were no measurement gains or losses during the periods presented; therefore, no statement of re-measurement gains and 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.

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

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

2. Summary of significant accounting policies (continued)

o) Measurement uncertainty

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

p) Future 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.

A modified retroactive application has been recommended by Government pending approval in the Fall of 2020. 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. 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 the school district satisfies a performance obligation by providing the promised goods or services to a payor.

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

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

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

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

3. Accounts receivable – other	<hr/>	
	2020	2019
Due from Federal Government	\$ 36,858	\$ 75,236
Benefit plans surplus	947,035	284,775
Other	155,946	163,564
Total accounts receivable - other	<hr/> \$ 1,139,839	<hr/> \$ 523,575
<hr/>		
4. Accounts payable and accrued liabilities – other	<hr/>	
	2020	2019
Trade payables	\$ 1,848,054	\$ 1,925,739
Salaries and benefits payable	5,197,460	4,797,391
Accrued vacation payable	676,661	643,695
Total accounts payable and accrued liabilities – other	<hr/> \$ 7,722,175	<hr/> \$ 7,366,825
<hr/>		
5. Unearned revenue	<hr/>	
	2020	2019
Balance, beginning of year	\$ 1,372,359	\$ 1,592,199
Changes for the year:		
Increase:		
Tuition fees collected	894,734	1,364,959
Transportation fees	8,020	7,400
	<hr/> 902,754	<hr/> 1,372,359
Decrease:		
Tuition fees recognized as revenue	1,364,959	1,584,099
Transportation fees recognized as revenue	7,400	8,100
	<hr/> 1,372,359	<hr/> 1,592,199
Net change for the year	<hr/> (469,605)	<hr/> (219,840)
Balance, end of year	<hr/> \$ 902,754	<hr/> \$ 1,372,359
<hr/>		
Unearned revenue comprised of:	<hr/>	
	2020	2019
Tuition Fees	894,734	1,364,959
Transportation Fees	8,020	7,400
	<hr/> \$ 902,754	<hr/> \$ 1,372,359

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

6. Deferred revenue

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

	2020	2019
Balance, beginning of year	\$ 1,031,293	\$ 868,763
Changes for the year:		
Increase:		
Provincial grants – Ministry of Education	7,262,319	6,832,189
Provincial grants – Other Ministry	105,511	30,920
Other revenue	1,531,074	1,907,622
	8,898,904	8,770,731
Decrease:		
Allocated to revenue	(8,738,740)	(8,608,201)
Net change for the year	160,164	162,530
Balance, end of year	\$ 1,191,457	\$ 1,031,293
	2020	2019
Deferred revenue comprised of:		
Provincial grants – Ministry of Education	\$ 67,605	\$ -
Provincial grants – other	46,163	27,981
School generated funds	977,018	875,091
Other revenue	100,671	128,221
	\$ 1,191,457	\$ 1,031,293

7. Deferred capital revenue

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

	2020	2019
Deferred capital revenue subject to amortization		
Balance, beginning of year	\$ 51,067,674	\$ 52,559,332
Increases:		
Capital additions	2,281,457	1,376,295
Decreases:		
Amortization	(2,912,410)	(2,867,953)
Net change for the year	(630,953)	(1,491,658)
Balance, end of year	\$ 50,436,721	\$ 51,067,674

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

7. Deferred capital revenue (continued)

	2020	2019
Deferred capital revenue not subject to amortization		
Balance, beginning of year	1,366,118	93,968
Increases:		
Transfer from unspent - work in progress additions	430,893	1,331,066
Decreases:		
Transfer to deferred capital revenue	(1,142,291)	(58,916)
Net change for the year	(711,398)	1,272,150
Balance, end of year	654,720	1,366,118
Total deferred capital revenue, end of year	\$ 51,091,441	\$ 52,433,792
	2020	2019
Unspent deferred capital revenue		
Balance, beginning of year	\$ 1,077,192	\$ 1,074,285
Increases:		
Provincial grants – Ministry of Education	1,783,811	2,650,814
Provincial grants – Other	-	170,359
Other	238,858	256,777
Decreases:		
Transfer to deferred capital revenue subject to amortization	(1,139,166)	(1,317,379)
Transfer to deferred capital revenue - work in progress	(430,893)	(1,331,066)
Bylaw capital spent on non-capital items	(280,884)	(426,598)
Net change for the year	171,726	2,907
Balance, end of year	\$ 1,248,918	\$ 1,077,192
Total deferred capital revenue, end of year	\$ 52,340,359	\$ 53,510,984

8. Employee future benefits

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

COVID-19 has impacted financial markets, and the actuary used by the School District has calculated a discount rate based on the provincial government cost of borrowing for various durations as at June 30, 2020. The discount rate derived from these borrowing costs is 1.75%, a reduction of 0.5% from the rate of 2.25% used at March 31, 2020. It is estimated that using this discount rate would produce an increase in the accrued benefit obligation of between 2% to 6%, which translates to approximately \$59,000 at the higher end of 6%. This estimated impact is not deemed material, and therefore no adjustment has been made.

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

8. Employee future benefits (continued)

	2020	2019
Assumptions		
Discount Rate - April 1	2.50%	2.75%
Discount Rate - March 31	2.25%	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	10.0	10.0
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 1,074,777	\$ 1,039,402
Service Cost	98,268	90,331
Interest Cost	27,121	29,492
Benefit Payments	(143,079)	(132,105)
Actuarial (Gain) Loss	(13,694)	47,657
Accrued Benefit Obligation – March 31	<u>\$ 1,043,393</u>	<u>\$ 1,074,777</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$ 1,043,393	\$ 1,074,777
Market Value of Plan Assets - March 31	0	0
Funded Status - Surplus (Deficit)	(1,043,393)	(1,074,777)
Employer Contributions After Measurement Date	10,833	48,200
Benefits Expense After Measurement Date	(32,119)	(31,347)
Unamortized Net Actuarial (Gain) Loss	79,692	129,883
Accrued Benefit Asset (Liability) - June 30	<u>\$ (984,987)</u>	<u>\$ (928,041)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	\$ 928,041	\$ 910,420
Net Expense for Fiscal Year	162,658	152,946
Employer Contributions	(105,712)	(135,325)
Accrued Benefit Liability (Asset) - June 30	<u>\$ 984,987</u>	<u>\$ 928,041</u>
Components of Net Benefit Expense		
Service Cost	\$ 99,652	\$ 83,771
Interest Cost	26,508	29,124
Amortization of Net Actuarial (Gain)/Loss	36,498	33,958
Net Benefit Expense (Income)	<u>\$ 162,658</u>	<u>\$ 146,853</u>

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

9. Debt

The School District has an approved line of credit of \$1.0 million with interest at the bank's prime rate minus 0.25%. As of June 30, 2020, the School District had \$ nil borrowings (2019: \$ nil) under this line of credit.

10. Capital lease obligations

The School District has an approved revolving term lease of \$750,000. As of June 30, 2020, the School District had \$ nil borrowings (2019: \$ nil) under this lease.

11. Tangible capital assets

	2020	2019
Net book value:		
Sites	\$ 10,512,959	\$ 10,512,959
Buildings	63,584,056	64,884,285
Buildings – work in progress	723,126	1,455,655
Furniture & equipment	1,193,307	1,313,590
Vehicles	1,419,725	1,261,838
Computer software	19,619	58,614
Computer hardware	489,566	712,547
Total net book value, tangible capital assets	\$ 77,942,358	\$ 80,199,488

	Balance at July 1, 2019	Additions	Disposals	Balance at June 30, 2020
Cost:				
Sites	\$ 10,512,959	\$ -	\$ -	\$ 10,512,959
Buildings	140,890,812	1,953,811	-	142,844,623
Furniture & equipment	2,493,019	132,222	(68,169)	2,557,072
Vehicles	1,819,164	350,051	(145,108)	2,024,107
Computer software	356,491	-	(323,033)	33,458
Computer hardware	1,131,689	-	(33,569)	1,098,120
Work in progress	1,455,655	499,299	(1,231,828)	723,126
Total cost	158,659,789	2,935,383	(1,801,707)	159,793,465
Accumulated amortization:				
Buildings	76,006,527	3,254,040	-	79,260,567
Furniture & equipment	1,179,429	252,505	(68,169)	1,363,765
Vehicles	557,326	192,164	(145,108)	604,382
Computer software	297,877	38,995	(323,033)	13,839
Computer hardware	419,142	222,981	(33,569)	608,554
Total amortization	78,460,301	3,960,685	(569,879)	81,851,107
Total net book value	\$ 80,199,488	\$ (1,025,302)	\$ (1,231,828)	\$ 77,942,358

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

11. Tangible capital assets (continued)

Cost:	Balance at July 1, 2018	Additions	Disposals	Balance at June 30, 2019
Sites	\$ 10,512,959	\$ -	\$ -	\$ 10,512,959
Buildings	139,306,682	1,584,130	-	140,890,812
Furniture & equipment	2,284,593	348,609	(140,183)	2,493,019
Vehicles	1,577,972	444,396	(203,204)	1,819,164
Computer software	342,054	14,437	-	356,491
Computer hardware	1,131,689	-	-	1,131,689
Work in progress	559,750	1,331,066	(435,161)	1,455,655
Total cost	155,715,699	3,722,638	(778,548)	158,659,789
Accumulated amortization:				
Buildings	72,785,504	3,221,023	-	76,006,527
Furniture & equipment	1,080,833	238,779	(140,183)	1,179,429
Vehicles	590,673	169,857	(203,204)	557,326
Computer software	227,411	70,466	-	297,877
Computer hardware	192,804	226,338	-	419,142
Total amortization	74,877,225	3,926,463	(343,387)	78,460,301
Total net book value	\$ 80,838,474	\$ (203,825)	\$ (435,161)	\$ 80,199,488

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

12. Employee pension plans

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2018 the Teachers' Pension Plan has about 48,000 active members and approximately 38,000 retired members. As at December 31, 2018, the Municipal Pension Plan has about 205,000 active members, including approximately 26,000 from school districts.

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

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2017, indicated a \$1,656 million surplus for basic pension benefits on a going concern basis. As a result of the 2017 basic account actuarial valuation surplus, plan enhancements and contribution rate adjustments were made; the remaining \$644 million surplus was transferred to the rate stabilization account.

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 Mission School district paid \$5,444,245 for employer contributions to the plans for the year ended June 30, 2020 (2019: \$5,492,669).

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

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

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

13. Interfund transfers

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2020, were as follows:

	2020	2019
Assets purchased by School Generated Funds for Capital	\$ 21,714	\$ 16,604
Assets purchased by Operating for Capital	-	1,500
Appropriation from Local Capital Reserve to Operating	-	600,000
Local Capital Allocation from Operating to Capital	61,000	-

14. Related party transactions

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

15. Contractual Obligations

The School District has entered into a number of multiple-year contracts for the delivery of services. 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.

	2021	2022	2023
Computer equipment leases	\$ 251,240	\$ 129,064	\$ 10,449
Dust collector system upgrade (Mission Secondary)	342,412	-	-
	<u>\$ 593,652</u>	<u>\$ 129,064</u>	<u>\$ 10,449</u>

16. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The School District's contractual rights arise because of license to occupy agreements with various operators, and an operating cost sharing agreement with the University of the Fraser Valley. The following table summarizes the contractual rights of the School District for future assets:

	2021	2022	2023	2024	2025
Future license revenue	\$ 212,710	\$ 157,180	\$ 155,080	\$ 128,600	\$ 6,970
Operating use agreement (Heritage Park Middle)	73,309				
	<u>286,019</u>	<u>157,180</u>	<u>155,080</u>	<u>128,600</u>	<u>6,970</u>

17. Contingent Liabilities

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

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

18. Budget figures

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 18, 2020. The Board adopted a preliminary annual budget on June 18, 2019. The amended budget is used for comparison purposes as it is based on actual student enrolment. The following is a reconciliation of the two budgets:

Statement 2	2020 Amended	2020 Preliminary	Budget change
Revenue			
Provincial Grants			
Ministry of Education	\$ 69,808,414	\$ 67,603,421	\$ 2,204,993
Other	427,062	298,881	128,181
Tuition	2,309,000	2,432,000	(123,000)
Other Revenue	2,110,532	2,010,532	100,000
Rentals and Leases	262,040	262,040	-
Investment Income	145,000	145,000	-
Amortization of Deferred Capital Revenue	2,927,680	2,969,194	(41,514)
Total Revenue	77,989,728	75,721,068	2,268,660
Expense			
Instruction	63,667,779	60,555,007	3,112,772
District administration	2,987,764	3,017,525	(29,761)
Operations and maintenance	12,197,700	12,061,770	135,930
Transportation and housing	1,159,188	1,160,383	(1,195)
Total expense	80,012,431	76,794,685	3,217,746
Net revenue (expense)	(2,022,703)	(1,073,617)	(949,086)
Budgeted Allocation (Retirement) of Surplus (Deficit)	506,156		506,156
Budgeted surplus (deficit) for the year	\$ (1,516,547)	\$ (1,073,617)	\$ (442,930)
Statement 4			
Surplus (deficit) for the year	\$ (2,022,703)	\$ (1,073,617)	\$ (949,086)
Effect of change in tangible capital assets			
Acquisition of tangible capital assets			
From operating and special purpose funds			-
From Local capital			-
From deferred capital revenue	(1,373,114)	(2,147,620)	774,506
Total acquisition of tangible capital assets	(1,373,114)	(2,147,620)	774,506
Amortization of tangible capital assets	4,005,870	4,042,811	(36,941)
Total effect of change in tangible capital assets	2,632,756	1,895,191	737,565
Acquisitions of prepaid expenses	(200,000)	(200,000)	-
Use of prepaid expenses	249,762	200,000	49,762
	49,762	-	49,762
(Increase) decrease in net financial assets (debt)	\$ 659,815	\$ 821,574	\$ (161,759)

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

19. Expense by object	2020	2019
Salaries and benefits	\$ 66,252,098	\$ 63,970,423
Services and supplies	8,764,089	9,828,702
Amortization	3,960,685	3,926,463
Total expense by object	\$ 78,976,872	\$ 77,725,588

20. Accumulated surplus	2020	2019
Restricted (appropriated) operating surplus for:		
Schools and departments	\$ 250,183	\$ 236,653
Indigenous Education	157,976	-
Equity Scan	4,180	-
Equity Scan – Video Project	12,597	-
Total restricted (appropriated) operating surplus	424,936	236,653
Unrestricted operating surplus	1,090,663	269,503
Total operating surplus available for future operations	1,515,599	506,156
Restricted local capital reserve available for capital projects	677,607	728,389
Invested in tangible capital assets	26,670,252	27,585,031
Total capital surplus	27,347,859	28,313,420
Total accumulated surplus	\$ 28,863,458	\$ 28,819,576

21. Economic dependence

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

22. Risk management

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

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

a) Credit risk:

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

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

School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2020

22. Risk management (continued)

a) Credit risk (continued):

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

b) Market risk:

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District would be exposed to interest rate risk through investments. It is management's opinion that the School District is not exposed to significant interest rate risk as their current holdings are limited to cash deposits.

c) Liquidity risk:

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

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

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposure from 2019 related to credit, market, or liquidity risks.

School District No. 75 (Mission)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2020

	Operating Fund	Special Purpose Fund	Capital Fund	2020 Actual	2019 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	506,156		28,313,420	28,819,576	30,868,197
Changes for the year					
Surplus (Deficit) for the year	1,070,443	21,714	(1,048,275)	43,882	(2,048,621)
Interfund Transfers					
Tangible Capital Assets Purchased		(21,714)	21,714	-	
Local Capital	(61,000)		61,000	-	
Net Changes for the year	1,009,443	-	(965,561)	43,882	(2,048,621)
Accumulated Surplus (Deficit), end of year - Statement 2	1,515,599	-	27,347,859	28,863,458	28,819,576

School District No. 75 (Mission)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2020

	2020 Budget (Note 18)	2020 Actual	2019 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	62,643,013	63,655,835	59,970,517
Other	318,881	387,232	330,784
Tuition	2,309,000	2,322,031	2,707,297
Other Revenue	340,532	394,065	404,383
Rentals and Leases	262,040	212,095	179,020
Investment Income	145,000	117,462	182,214
Total Revenue	<u>66,018,466</u>	<u>67,088,720</u>	<u>63,774,215</u>
Expenses			
Instruction	55,046,438	54,345,399	53,200,585
District Administration	2,905,494	2,808,366	2,931,819
Operations and Maintenance	7,857,717	7,750,327	7,554,405
Transportation and Housing	1,153,330	1,114,185	1,094,121
Total Expense	<u>66,962,979</u>	<u>66,018,277</u>	<u>64,780,930</u>
Operating Surplus (Deficit) for the year	<u>(944,513)</u>	<u>1,070,443</u>	<u>(1,006,715)</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>506,156</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets - Work in Progress			(1,500)
Local Capital	438,357	(61,000)	600,000
Total Net Transfers	<u>438,357</u>	<u>(61,000)</u>	<u>598,500</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>1,009,443</u>	<u>(408,215)</u>
Operating Surplus (Deficit), beginning of year		506,156	914,371
Operating Surplus (Deficit), end of year		<u>1,515,599</u>	<u>506,156</u>
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 20)		424,936	236,653
Unrestricted		1,090,663	269,503
Total Operating Surplus (Deficit), end of year		<u>1,515,599</u>	<u>506,156</u>

School District No. 75 (Mission)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2020

	2020 Budget (Note 18)	2020 Actual	2019 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	61,065,562	61,222,760	58,855,102
ISC/LEA Recovery	(195,532)	(125,910)	(173,957)
Other Ministry of Education Grants			
Pay Equity	725,901	725,901	725,901
Funding for Graduated Adults		18,795	16,731
Transportation Supplement	188,900	188,900	188,900
Economic Stability Dividend			69,605
Carbon Tax Grant	50,000	61,051	61,051
Employer Health Tax Grant	515,072	515,072	156,520
Strategic Priorities - Mental Health Grant			33,000
Support Staff Benefits Grant	25,110	25,110	13,200
Support Staff Wage Increase Funding	250,000	287,660	
Teachers' Labour Settlement Funding		698,184	
Equity Scan Grant		18,000	
Early Learning Grant		6,848	
Foundation Skills Assessment	13,000	12,964	12,964
Skills Training Grant	5,000		5,000
Children and Youth Video Grant		500	6,500
Total Provincial Grants - Ministry of Education	62,643,013	63,655,835	59,970,517
Provincial Grants - Other	318,881	387,232	330,784
Tuition			
Continuing Education	309,000	308,525	341,409
International and Out of Province Students	2,000,000	2,008,526	2,360,607
Summit Distance Learning		4,980	5,281
Total Tuition	2,309,000	2,322,031	2,707,297
Other Revenues			
Funding from First Nations	195,532	125,910	173,957
Miscellaneous			
Transportation Fees		17,200	12,745
Pay for Service - Riverside	20,000	17,644	28,748
Clarke Theatre Support	100,000	150,000	100,000
Other Revenues	25,000	83,311	88,933
Total Other Revenue	340,532	394,065	404,383
Rentals and Leases	262,040	212,095	179,020
Investment Income	145,000	117,462	182,214
Total Operating Revenue	66,018,466	67,088,720	63,774,215

School District No. 75 (Mission)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2020

	2020 Budget (Note 18)	2020 Actual	2019 Actual
	\$	\$	\$
Salaries			
Teachers	25,926,974	26,617,417	24,989,195
Principals and Vice Principals	3,901,400	3,969,695	3,907,768
Educational Assistants	6,389,500	6,198,765	6,004,018
Support Staff	7,548,640	7,435,287	7,006,633
Other Professionals	2,159,913	2,187,107	2,052,903
Substitutes	3,023,096	2,678,943	3,270,084
Total Salaries	48,949,523	49,087,214	47,230,601
Employee Benefits	11,450,587	10,838,439	10,757,422
Total Salaries and Benefits	60,400,110	59,925,653	57,988,023
Services and Supplies			
Services	1,974,039	1,941,159	1,968,123
Student Transportation	19,000	23,265	35,962
Professional Development and Travel	413,640	398,467	557,662
Rentals and Leases	260,158	255,245	276,656
Dues and Fees	88,100	99,599	116,011
Insurance	163,277	147,132	137,810
Supplies	2,457,950	2,181,740	2,555,097
Utilities	1,186,705	1,046,017	1,145,586
Total Services and Supplies	6,562,869	6,092,624	6,792,907
Total Operating Expense	66,962,979	66,018,277	64,780,930

School District No. 75 (Mission)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	21,369,814	623,031	47,980	308,067		2,050,317	24,399,209
1.03 Career Programs	635,049	128,136	31,906	337,754		4,376	1,137,221
1.07 Library Services	1,055,715					6,958	1,062,673
1.08 Counselling	1,239,766						1,239,766
1.10 Special Education	1,933,188		4,991,115	574,040		332,015	7,830,358
1.30 English Language Learning	125,782	13,891	348,945				488,618
1.31 Indigenous Education	230,872	133,242	744,754	36,407		14,274	1,159,549
1.41 School Administration		2,956,083		1,215,823	58,220	76,290	4,306,416
1.60 Summer School	27,231						27,231
1.62 International and Out of Province Students		115,312	34,065	100,094	99,569	407	349,447
1.64 Other				19,400	162,571		181,971
Total Function 1	26,617,417	3,969,695	6,198,765	2,591,585	320,360	2,484,637	42,182,459
4 District Administration							
4.11 Educational Administration				127,501	537,223		664,724
4.40 School District Governance					85,798		85,798
4.41 Business Administration				378,421	802,104	14,929	1,195,454
Total Function 4	-	-	-	505,922	1,425,125	14,929	1,945,976
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				92,285	363,849	21,504	477,638
5.50 Maintenance Operations				3,309,110		131,340	3,440,450
5.52 Maintenance of Grounds				281,149		95	281,244
5.56 Utilities							-
Total Function 5	-	-	-	3,682,544	363,849	152,939	4,199,332
7 Transportation and Housing							
7.41 Transportation and Housing Administration				33,850	77,773		111,623
7.70 Student Transportation				621,386		26,438	647,824
Total Function 7	-	-	-	655,236	77,773	26,438	759,447
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	26,617,417	3,969,695	6,198,765	7,435,287	2,187,107	2,678,943	49,087,214

School District No. 75 (Mission)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2020 Actual	2020 Budget (Note 18)	2019 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	24,399,209	5,317,897	29,717,106	1,372,319	31,089,425	31,673,241	30,581,814
1.03 Career Programs	1,137,221	249,947	1,387,168	321,278	1,708,446	1,627,818	1,559,630
1.07 Library Services	1,062,673	239,903	1,302,576	50,723	1,353,299	1,278,240	1,236,562
1.08 Counselling	1,239,766	265,985	1,505,751	1,568	1,507,319	1,178,870	1,416,721
1.10 Special Education	7,830,358	1,908,549	9,738,907	120,403	9,859,310	9,979,039	9,783,919
1.30 English Language Learning	488,618	117,894	606,512	7,746	614,258	824,490	664,672
1.31 Indigenous Education	1,159,549	267,030	1,426,579	235,261	1,661,840	1,776,360	1,552,124
1.41 School Administration	4,306,416	893,017	5,199,433	168,792	5,368,225	5,538,290	5,333,134
1.60 Summer School	27,231	5,093	32,324		32,324		18,712
1.62 International and Out of Province Students	349,447	80,086	429,533	486,858	916,391	946,760	808,996
1.64 Other	181,971	28,575	210,546	24,016	234,562	223,330	244,301
Total Function 1	42,182,459	9,373,976	51,556,435	2,788,964	54,345,399	55,046,438	53,200,585
4 District Administration							
4.11 Educational Administration	664,724	133,641	798,365	131,909	930,274	942,820	1,038,906
4.40 School District Governance	85,798	17,730	103,528	49,482	153,010	180,313	179,468
4.41 Business Administration	1,195,454	234,231	1,429,685	295,397	1,725,082	1,782,361	1,713,445
Total Function 4	1,945,976	385,602	2,331,578	476,788	2,808,366	2,905,494	2,931,819
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	477,638	80,304	557,942	288,316	846,258	736,987	656,541
5.50 Maintenance Operations	3,440,450	759,920	4,200,370	1,127,786	5,328,156	5,437,025	5,264,912
5.52 Maintenance of Grounds	281,244	60,644	341,888	188,008	529,896	497,000	487,366
5.56 Utilities	-	-	-	1,046,017	1,046,017	1,186,705	1,145,586
Total Function 5	4,199,332	900,868	5,100,200	2,650,127	7,750,327	7,857,717	7,554,405
7 Transportation and Housing							
7.41 Transportation and Housing Administration	111,623	27,614	139,237	1,471	140,708	134,730	141,943
7.70 Student Transportation	647,824	150,379	798,203	175,274	973,477	1,018,600	952,178
Total Function 7	759,447	177,993	937,440	176,745	1,114,185	1,153,330	1,094,121
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	49,087,214	10,838,439	59,925,653	6,092,624	66,018,277	66,962,979	64,780,930

School District No. 75 (Mission)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2020

	2020 Budget (Note 18)	2020 Actual	2019 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	7,165,401	7,194,714	6,856,545
Other	108,181	87,329	2,939
Other Revenue	1,770,000	1,456,697	1,748,717
Total Revenue	<u>9,043,582</u>	<u>8,738,740</u>	<u>8,608,201</u>
Expenses			
Instruction	8,621,341	8,298,081	8,185,394
District Administration	82,270	85,232	72,490
Operations and Maintenance	334,113	333,713	333,713
Transportation and Housing	5,858		
Total Expense	<u>9,043,582</u>	<u>8,717,026</u>	<u>8,591,597</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>21,714</u>	<u>16,604</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(21,714)	(16,604)
Total Net Transfers	<u>-</u>	<u>(21,714)</u>	<u>(16,604)</u>
Total Special Purpose Surplus (Deficit) for the year	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u><u>-</u></u>	<u><u>-</u></u>

School District No. 75 (Mission)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2020

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			108,221	875,091					
Add: Restricted Grants									
Provincial Grants - Ministry of Education	249,513	226,311			160,790	33,071	97,561	393,607	290,774
Provincial Grants - Other									
Other			31,200	1,499,874					
	249,513	226,311	31,200	1,499,874	160,790	33,071	97,561	393,607	290,774
Less: Allocated to Revenue	249,513	226,311	58,750	1,397,947	160,790	26,998	96,579	381,185	290,774
Deferred Revenue, end of year	-	-	80,671	977,018	-	6,073	982	12,422	-
Revenues									
Provincial Grants - Ministry of Education	249,513	226,311			160,790	26,998	96,579	381,185	290,774
Provincial Grants - Other									
Other Revenue			58,750	1,397,947					
	249,513	226,311	58,750	1,397,947	160,790	26,998	96,579	381,185	290,774
Expenses									
Salaries									
Teachers						15,181			
Principals and Vice Principals							42,628		
Educational Assistants		182,139						295,718	
Support Staff	38,064				105,997				95,534
Substitutes					8,228		2,722	681	146,141
	38,064	182,139	-	-	114,225	15,181	45,350	296,399	241,675
Employee Benefits	9,516	44,172			27,958	3,209	9,602	75,777	40,729
Services and Supplies	201,933		58,750	1,376,233	18,607	8,608	41,627	9,009	8,370
	249,513	226,311	58,750	1,376,233	160,790	26,998	96,579	381,185	290,774
Net Revenue (Expense) before Interfund Transfers	-	-	-	21,714	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased				(21,714)					
	-	-	-	(21,714)	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 75 (Mission)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2020

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	BEST	POPFASD C.A.R.S.	MCFD Early Years	MCFD Middle Years	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year					20,000	7,248	20,733		1,031,293
Add: Restricted Grants									
Provincial Grants - Ministry of Education	4,929,479	826,855	25,858	28,500					7,262,319
Provincial Grants - Other							82,933	22,578	105,511
Other									1,531,074
	4,929,479	826,855	25,858	28,500	-	-	82,933	22,578	8,898,904
Less: Allocated to Revenue	4,929,479	826,855	-	6,230	-	3,762	69,974	13,593	8,738,740
Deferred Revenue, end of year	-	-	25,858	22,270	20,000	3,486	33,692	8,985	1,191,457
Revenues									
Provincial Grants - Ministry of Education	4,929,479	826,855		6,230					7,194,714
Provincial Grants - Other						3,762	69,974	13,593	87,329
Other Revenue									1,456,697
	4,929,479	826,855	-	6,230	-	3,762	69,974	13,593	8,738,740
Expenses									
Salaries									
Teachers	3,981,951	167,103							4,164,235
Principals and Vice Principals									42,628
Educational Assistants									477,857
Support Staff							41,119		280,714
Substitutes						204			157,976
	3,981,951	167,103	-	-	-	204	41,119	-	5,123,410
Employee Benefits	947,528	34,961				6	9,577		1,203,035
Services and Supplies		624,791		6,230		3,552	19,278	13,593	2,390,581
	4,929,479	826,855	-	6,230	-	3,762	69,974	13,593	8,717,026
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	21,714
Interfund Transfers									
Tangible Capital Assets Purchased									(21,714)
	-	-	-	-	-	-	-	-	(21,714)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 75 (Mission)

Schedule of Capital Operations

Year Ended June 30, 2020

Schedule 4 (Unaudited)

	2020 Budget (Note 18)	2020 Actual			2019 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education		280,884		280,884	426,598
Amortization of Deferred Capital Revenue	2,927,680	2,912,410		2,912,410	2,867,953
Total Revenue	2,927,680	3,193,294	-	3,193,294	3,294,551
Expenses					
Operations and Maintenance		280,884		280,884	426,598
Amortization of Tangible Capital Assets					
Operations and Maintenance	4,005,870	3,960,685		3,960,685	3,926,463
Total Expense	4,005,870	4,241,569	-	4,241,569	4,353,061
Capital Surplus (Deficit) for the year	(1,078,190)	(1,048,275)	-	(1,048,275)	(1,058,510)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		21,714		21,714	18,104
Local Capital	(438,357)		61,000	61,000	(600,000)
Total Net Transfers	(438,357)	21,714	61,000	82,714	(581,896)
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		43,376	(43,376)	-	
Tangible Capital Assets WIP Purchased from Local Capital		68,406	(68,406)	-	
Total Other Adjustments to Fund Balances		111,782	(111,782)	-	
Total Capital Surplus (Deficit) for the year	(1,516,547)	(914,779)	(50,782)	(965,561)	(1,640,406)
Capital Surplus (Deficit), beginning of year		27,585,031	728,389	28,313,420	29,953,826
Capital Surplus (Deficit), end of year		26,670,252	677,607	27,347,859	28,313,420

School District No. 75 (Mission)

Schedule 4A (Unaudited)

Tangible Capital Assets

Year Ended June 30, 2020

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	10,512,959	140,890,812	2,493,019	1,819,164	356,491	1,131,689	157,204,134
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		721,983		350,051			1,072,034
Deferred Capital Revenue - Other			67,132				67,132
Special Purpose Funds			21,714				21,714
Local Capital			43,376				43,376
Transferred from Work in Progress		1,231,828					1,231,828
	-	1,953,811	132,222	350,051	-	-	2,436,084
Decrease:							
Deemed Disposals			68,169	145,108	323,033	33,569	569,879
	-	-	68,169	145,108	323,033	33,569	569,879
Cost, end of year	10,512,959	142,844,623	2,557,072	2,024,107	33,458	1,098,120	159,070,339
Work in Progress, end of year		723,126					723,126
Cost and Work in Progress, end of year	10,512,959	143,567,749	2,557,072	2,024,107	33,458	1,098,120	159,793,465
Accumulated Amortization, beginning of year		76,006,527	1,179,429	557,326	297,877	419,142	78,460,301
Changes for the Year							
Increase: Amortization for the Year		3,254,040	252,505	192,164	38,995	222,981	3,960,685
Decrease:							
Deemed Disposals			68,169	145,108	323,033	33,569	569,879
			-	68,169	323,033	33,569	569,879
Accumulated Amortization, end of year		79,260,567	1,363,765	604,382	13,839	608,554	81,851,107
Tangible Capital Assets - Net	10,512,959	64,307,182	1,193,307	1,419,725	19,619	489,566	77,942,358

School District No. 75 (Mission)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2020

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	1,455,655				1,455,655
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	430,893				430,893
Local Capital	68,406				68,406
	499,299	-	-	-	499,299
Decrease:					
Transferred to Tangible Capital Assets	1,231,828				1,231,828
	1,231,828	-	-	-	1,231,828
Net Changes for the Year	(732,529)	-	-	-	(732,529)
Work in Progress, end of year	723,126	-	-	-	723,126

School District No. 75 (Mission)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	50,642,208	213,455	212,011	51,067,674
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,072,034	45,455	21,677	1,139,166
Transferred from Work in Progress	1,142,291			1,142,291
	<u>2,214,325</u>	<u>45,455</u>	<u>21,677</u>	<u>2,281,457</u>
Decrease:				
Amortization of Deferred Capital Revenue	2,854,774	26,499	31,137	2,912,410
	<u>2,854,774</u>	<u>26,499</u>	<u>31,137</u>	<u>2,912,410</u>
Net Changes for the Year	<u>(640,449)</u>	<u>18,956</u>	<u>(9,460)</u>	<u>(630,953)</u>
Deferred Capital Revenue, end of year	<u>50,001,759</u>	<u>232,411</u>	<u>202,551</u>	<u>50,436,721</u>
 Work in Progress, beginning of year	 1,366,118			 1,366,118
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	430,893			430,893
	<u>430,893</u>	<u>-</u>	<u>-</u>	<u>430,893</u>
Decrease				
Transferred to Deferred Capital Revenue	1,142,291			1,142,291
	<u>1,142,291</u>	<u>-</u>	<u>-</u>	<u>1,142,291</u>
Net Changes for the Year	<u>(711,398)</u>	<u>-</u>	<u>-</u>	<u>(711,398)</u>
Work in Progress, end of year	<u>654,720</u>	<u>-</u>	<u>-</u>	<u>654,720</u>
Total Deferred Capital Revenue, end of year	<u>50,656,479</u>	<u>232,411</u>	<u>202,551</u>	<u>51,091,441</u>

School District No. 75 (Mission)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year			45,455	1,030,387	1,350	1,077,192
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	1,783,811					1,783,811
Other				216,482	22,376	238,858
	1,783,811	-	-	216,482	22,376	2,022,669
Decrease:						
Transferred to DCR - Capital Additions	1,072,034		45,455		21,677	1,139,166
Transferred to DCR - Work in Progress	430,893					430,893
AFG Spent on Non-Capital Items	275,109					275,109
SEP Spent on Non-Capital Items	5,775					5,775
	1,783,811	-	45,455	-	21,677	1,850,943
Net Changes for the Year	-	-	(45,455)	216,482	699	171,726
Balance, end of year	-	-	-	1,246,869	2,049	1,248,918

Public Meeting of the Board of Education

Tuesday, September 22, 2020



ITEM 5.3 Action

File No. 7610.43

TO: Board of Education
FROM: C. Becker, Secretary Treasurer
SUBJECT: Public Sector Executive Compensation Report 2019-2020

Recommendation

THAT the Public Sector Executive Compensation Report dated September 22, 2020 be approved and submitted to the BC Public School Employers' Association, along with an Attestation Letter signed by the Board Chair.

Summary:

Boards of Education are required to complete the Public Sector Executive Compensation ("PSEC") Disclosure Report for fiscal 2019-2020, (year ending June 30, 2020). This executive compensation disclosure process was brought into effect in 2008 through the enactment of amendments to the Public Sector Employers Act. Boards completed the first executive compensation reporting at the close of the fiscal year 2007-2008. The disclosure requirements apply to chief executive officers and the next four highest paid executives, where these positions are paid an annual base salary of \$125,000 or more.

Background:

Underlying the Board's compensation philosophy and approach is the understanding that legal and regulatory mandates are considered a baseline for implementing any compensation plan or practice. Compensation administration in the K-12 public education sector currently operates within the following context:

- The Public Sector Employers Act, which establishes the legislative policy framework for exempt staff compensation administration in the public sector.
- The BCPSEA exempt staff compensation management plan (Policy 95-06, Compensation and Employment Standards for School District Employees Not Subject to a Collective Agreement), which is an approved compensation plan under the legislation.

Under the current compensation administration system in the K-12 sector:

- The Board of Education is accountable to the public and must adhere to proper human resources practices with respect to executive and exempt staff compensation.
- The Board of Education is solely responsible for the establishment and maintenance of compensation levels for the position of Superintendent of Schools.
- The Board must submit proposed compensation adjustments for all other executive and exempt positions in the district to BCPSEA for review and approval prior to implementation.

Policy, Regulation, Legislation:

School boards are required annually to prepare the Public Sector Executive Compensation Disclosure Report. BCPSEA facilitates the reporting process with PSEC, to fulfill the intent of the legislative provisions under the Public Sector Employers Act.

Implementation:

Once the report is approved, it will be uploaded to the Provincial Reporting website.

Attachments:

- a) Public Sector Executive Compensation Report
- b) Compensation Summary
- c) Attestation Letter

Public Sector Executive Compensation School District No. 75 (Mission) Disclosure Report 2019-2020

The Board of Education encourages and adopts practices that enable the district to attract, retain, incent, and reward qualified, high-performing employees who are critical to the delivery of quality public education programs to students in School District No. 75 (Mission).

A key component of this approach is the development and maintenance of a framework for executive and exempt staff compensation that is rational, defensible, competitive and able to be effectively administered.

Compensation Philosophy

The Board's compensation philosophy aligns with the statutory system of exempt staff compensation administration in the K-12 public education sector and the British Columbia Public School Employers' Association (BCPSEA) exempt staff compensation management plan (BCPSEA Policy 95-06, *Compensation and Employment Standards for School District Employees Not Subject to a Collective Agreement*), which is an approved compensation plan under the *Public Sector Employers Act*.

Compensation mandates/direction adopted by the Public Sector Employers' Council (PSEC) from time to time are the official policy of BCPSEA and any adjustments to exempt staff compensation levels must align with the parameters of the prevailing compensation mandate/direction.

The Board's compensation philosophy is based upon a set of principles that guide development, maintenance and decision-making with respect to salary structures and total compensation packages and programs.

At its core is an integrated view of compensation and rewards — not only traditional, quantifiable elements such as salary and benefits (compensation), but also more intangible elements such as career opportunities, learning and career development, work challenge, and supportive culture (rewards). The total rewards compensation program further integrates with plans that establish the board of education's overall education, business, and human resources strategies and objectives to facilitate the attraction and retention of qualified, experienced, motivated and high-potential employees who are committed to the board's overarching goal of delivering a high quality public education experience to BC students.

Inherent in the compensation philosophy are the following core principles:

- **Performance:** The compensation structure and administration of the structure supports and promotes meaningful career growth and development opportunities, and a performance-based (merit) organizational culture.
- **Differentiation:** Differentiation of compensation is supported where there are differences in the scope of the position within an organization, and/or due to superior individual/team contributions.
- **Accountability:** Compensation decisions are objective and based upon a clear and well documented rationale that demonstrates the appropriate expenditure of public funds.
- **Transparency:** The compensation program is designed, managed, administered, and communicated in a manner that ensures the program is clearly understood by employees and the public while protecting individual personal information.

Labour Market Comparators

Key to the compensation philosophy is the need to maintain a meaningful level of competitiveness with the relevant external labour market. Consistent with industry standards, “labour market” is defined in the BCPSEA sectoral exempt compensation management plan (Policy 95-06, *Compensation and Employment Standards for School District Employees Not Subject to a Collective Agreement*) as:

- The recruitment pool for these employees
- The destination sector for these employees.

The following considerations guide articulation of the relevant labour market:

- Degree of recruitment from these jurisdictions/organizations
- Size of the organization, as size drives the span of control and scope of accountability
- Geographic location
- Transferability of skills
- Comparability of qualifications and experience
- Comparability of authority and consequence of error.

For executive and exempt staff positions in the BC K-12 public education sector, the relevant labour market includes:

1. Other BC school districts (primary labour market)
2. Other BC public sector organizations
3. Other Canadian school districts where relevant (to the extent that BC school districts recruit from and lose employees to these jurisdictions, this segment of the labour market is weighted to Alberta and Ontario (and to a lesser extent, Saskatchewan) consistent with the industry-standard definition of labour market)
4. Selected private sector organizations where relevant.

The Board’s executive and exempt staff salary structure was developed on a total compensation basis, consistent with governance and technical best practice, as part of the BCPSEA Sectoral Exempt Staff Compensation Review Project conducted with the approval of the PSEC Secretariat. This comprehensive market review ensured development of an executive and exempt staff salary structure for each of the province’s 60 public school districts in alignment with each district’s relevant comparator labour market and internal organizational structure. This approach includes:

- Consideration of the relevant labour market for compensation comparison purposes.
- Linking pay ranges to neutral, relevant factors (e.g., job content (specific duties/responsibilities), required skill level, required competencies, required qualifications).
- Ensuring appropriate relationships exist between positions in the district’s organizational hierarchy.
- Considering the ways in which appropriate organizational and individual performance measures may be linked to the administration of the compensation system.

In balancing external competitiveness with internal equity, the reference point for executive and exempt total compensation is currently the median of the relevant comparator labour market.

The Board’s total compensation package for executive/senior management staff is comprised of the following elements.

Cash Compensation

Total cash compensation includes annual base salary and monthly vehicle allowance.

- **Annual base salary**

Annual base salary is considered in the context of the total compensation package.

- **Vehicle Allowance**

Due to the diverse geography of the district and the need to visit schools and other district worksites, the Board provides a monthly vehicle allowance to the Superintendent and other senior management positions. The monthly vehicle allowance is set at a level competitive with the vehicle allowances provided to Superintendents and other senior managers in districts of similar size and geography.

Non-cash Compensation

The non-cash elements of the total compensation package include:

- **Health and welfare benefits**, such as basic medical, extended medical, dental, group life, short-term and long-term disability, employee and family assistance program, etc. consistent with such benefits as offered in the K-12 sector generally.
- **Pension benefits** — executive/senior management employees are enrolled in either the Teachers' Pension Plan or the Municipal Pension Plan.
- **Paid time off**, including an annual vacation entitlement of 30 to 35 days. Pursuant to the *Public Sector Employers Act*, carry forward of unused accumulated vacation is not permitted. If, however, the individual employment contract does allow for carry forward of unused accumulated vacation, then such vacation may be carried forward for one year only and at the end of that year, the unused accumulated vacation must be used in full, paid out, or a combination of the two.

Compensation Administration

The Board engages in consistent and ongoing administration of the compensation structure to ensure that reality matches philosophy and that equity is maintained. An ongoing system of compensation review conducted and managed through BCPSEA and the PSEC Secretariat ensures that total compensation levels are benchmarked externally against the appropriate labour market and internally against appropriate job criteria.

The Board works with BCPSEA to obtain information and advice relating to the executive and exempt compensation structures and to ensure alignment with the compensation mandates/directions established by PSEC.

- **Annual base salary administration**

The salary structure for executive and exempt positions is based on placement at the appropriate salary range in the structure reflective of labour market competitiveness and internal equity. Placement and progression through the salary range is dependent upon competency growth and performance. The maximum of the salary range typically represents the job rate for the position, defined as the salary that should be paid to an incumbent who has established him/herself as meeting all the goals and expectations of the position in a fully satisfactory manner. New hires are generally not placed at the job rate on commencement of employment, although due to the key leadership roles and responsibilities, such individuals are generally recruited at a highly competent level and are often placed at the mid- to maximum point in the salary range reflective of the required competence, qualifications, and experience.

The decision whether to grant a salary increase to the position of Superintendent only is at the sole discretion of the Board and is the only executive/exempt position for which BCPSEA approval of an increase to any element of the compensation package is not required. In determining whether a salary increase is warranted, the Board considers such factors as performance, competence, external competitiveness, and internal equity including the maintenance of appropriate salary differentials through the organization. The Board typically utilizes market compensation data and salary/compensation structures developed by BCPSEA for this position as well as all other positions in the exempt staff structure. Potential increases are considered within the Board's overall compensation budget.

Accountability

Underlying the Board's compensation philosophy and approach is the understanding that legal and regulatory mandates are considered a baseline for implementing any compensation plan or practice. Compensation administration in the K-12 public education sector currently operates within the following context:

- the *Public Sector Employers Act*, which establishes the legislative policy framework for exempt staff compensation administration in the public sector
- the BCPSEA exempt staff compensation management plan (Policy 95-06, *Compensation and Employment Standards for School District Employees Not Subject to a Collective Agreement*), which is an approved compensation plan under the *Public Sector Employers Act*.
- Compensation mandates/direction adopted by the Public Sector Employers' Council from time to time. Any adjustments to exempt staff compensation levels must align with the parameters of the prevailing PSEC compensation mandate/direction.

Under the current compensation administration system in the K-12 sector:

- the Board of Education is solely responsible for the establishment and maintenance of compensation levels for the position of Superintendent of Schools. As elected school trustees, the Board is accountable to its public and therefore ensures that it adheres to proper human resources practices including statutory requirements with respect to executive and exempt staff compensation.
- proposed compensation adjustments for all other executive and exempt positions in the district must be reviewed and approved by BCPSEA prior to implementation.

Executive Compensation Disclosure

July 1, 2019 thru June 30, 2020

Name, Title	Salary	Benefits	Pension	Vehicle Allowance	2019/2020 Total	2018/2019 Total	2017/2018 Total
Angus Wilson, Superintendent	\$170,176	\$13,896	\$19,230	\$7,200	\$210,501	\$201,497	\$197,135
Karen Alvarez, Assistant Superintendent	\$121,900	\$17,137	\$13,775	\$5,300	\$158,112		
Corien Becker, Secretary Treasurer	\$151,602	\$13,427	\$15,404	\$7,200	\$187,633	\$181,662	\$177,044
Tina Phelps, Director of Human Resources	\$131,918	\$13,267	\$14,907	\$6,000	\$166,092	\$160,635	
Carolynn Schmor, Director, Student Services	\$133,139	\$13,304	\$15,044	\$6,000	\$163,045	\$163,046	

Executive Compensation Disclosure

July 1, 2019 thru June 30, 2020

Name, Title	Salary	Benefits	Pension	Vehicle Allowance	2019/2020 Total	2018/2019 Total	2017/2018 Total
Angus Wilson, Superintendent	\$170,176	\$13,896	\$19,230	\$7,200	\$210,501	\$201,497	\$197,135
Karen Alvarez, Assistant Superintendent	\$121,900	\$17,137	\$13,775	\$5,300	\$158,112		
Corien Becker, Secretary Treasurer	\$151,602	\$13,427	\$15,404	\$7,200	\$187,633	\$181,662	\$177,044
Tina Phelps, Director of Human Resources	\$131,918	\$13,267	\$14,907	\$6,000	\$166,092	\$160,635	
Carolynn Schmor, Director, Student Services	\$133,139	\$13,304	\$15,044	\$6,000	\$163,045	\$163,046	

September 23, 2020

Mr. Chris Rathbone
Acting President and CEO
Public Sector Employers' Council Secretariat
Suite 201, 880 Douglas Street
Victoria, BC V8W 2B7

Dear Mr. Rathbone:

This will confirm that the Board of Education of School District No. 75 (Mission) is aware of the total compensation paid to executive staff during the 2019-2020 fiscal year and further, that we verify the amount of compensation paid was within the compensation plan as approved by the Board and reported to the Public Sector Employers' Council Secretariat.

Yours truly,

Tracy Loffler, Board Chair

ITEM 5.4 Information

TO: Board of Education
FROM: C. Becker, Secretary Treasurer
SUBJECT: Funding Protection – Financial Risk

1. Summary:

In discussing funding options with the Ministry of Education considering the Pandemic, and the fact that parents are selecting alternate education options for their children, the Ministry has regularly referred to the funding protection formula as a measure to protect school districts. This summary provides the specific details on what funding protection would look like for School District No. 75 (Mission) considering reduced enrolment.

As it is still too early to speculate on what enrolment will look like at September 30th, this information is presented as the risk to the MPSD revenue if students do not materialize.

The School District would need to lose 284 students from the 2019/2020 September enrolment count, or 303 students from the 2020/2021 budget (and the revenue for these students), before funding protection would be available. The School District is at risk of losing \$2,287,617 of funding before funding protection is available.

2. Background:

The Ministry guidelines:

TABLE 7 FUNDING PROTECTION

Funding Protection is an additional amount provided to eligible school districts to ensure that districts are protected against any funding decline larger than 1.5% when compared to the previous autumn.

Funding Protection is determined by comparing the total recalculated operating grants from the autumn of the previous school year to total autumn operating grants for the current year. For districts where declines exceed 1.5%, Funding Protection will provide additional funding in an amount that ensures the year-to-year decline is no greater than 1.5%.

Labour settlement funding allocated through the operating grant formula is excluded from the Funding Protection calculation for 2020/21 and is subject to change in the autumn when actual September enrolment is known.

Funding Protection does not include any grants provided outside the general operating grants. In the determination of Funding Protection, audit adjustments will be deducted from districts' previous school year's operating grants. In addition, audit adjustments will be recovered from districts where applicable, including those eligible for Funding Protection.

Funding Protection will only be updated during the recalculation of the operating grants following the September enrolment count and is not recalculated again during the school year.

3. Options:

4. Analysis and Impact:

- a. Strategic Plan Alignment
- b. Enhancement Agreement
- c. Funding Guidelines, Costing & Budget Impact

2019 / 20 September Operating Grant Revenue	\$60,002,767
2020/21 September Budgeted Operating Grant Revenue	\$61,390 342
Anticipated Operating Grant Revenue Increase	\$1,387,575

1% of 2019/2020 September Operating Grant Revenue	\$900,042
Minimum 2020 / 2021 Operating Grant Revenue (Sept 2019 less \$900,042)	\$59,102,725
Anticipated Operating Grant Decrease from Budget before funding protection	\$(2,287,617)

- d. Policy, Legislation, Regulation
- e. Organizational Capacity
- f. Risks
 - i. Organizational
 - ii. Reputational
 - iii. Strategic
- g. Benefits
 - i. Organizational
 - ii. Reputational
 - iii. Strategic

5. Public Participation:

6. Implementation:

7. Attachments:

- a. Funding Protection Example Calculation

Funding Protection Example

	Actual 2019-20	Budget 2020-21	Example 1 2020-21	Example 2 2020-21
Enrolment FTE - September * (Regular/Alternate/ContEd/DL)	6,145	6,164	5,861	5,822
Funding - September Reporting:				
Enrolment - September	45,751,002	46,513,462	44,225,845	43,925,832
Unique students	10,290,217	10,465,562	10,465,562	10,465,562
Salary differential	802,976	805,458	805,458	805,458
Unique geographic factors	3,139,652	3,586,725	3,586,725	3,586,725
Summer learning	18,920	19,135	19,135	19,135
Operating Grant - September	60,002,767	61,390,342	59,102,725	58,802,712
Funding Change \$ (from 2019-20 Actual)		1,387,575	(900,042)	(1,200,055)
Funding Protection Calculation:				
Funding Change %		2.31%	-1.50%	-2.00%
Funding Protection %		0.00%	0.00%	-0.50%
Funding Protection \$		-	0	300,013
Operating Grant - September - Revised	60,002,767	61,390,342	59,102,725	59,102,725
Comparison to 2019/20 Actuals:				
Enrolment Change		19	(284)	(323)
Funding Change \$		1,387,575	(900,042)	(900,042)
Funding Change %		2.31%	-1.50%	-1.50%
Comparison to 2020/21 Budget:				
Enrolment Change			(303)	(342)
Funding Change			(2,287,617)	(2,287,617)
Funding Change %			-3.73%	-3.73%

* Example assumes only change in regular student enrolment, for ease of illustration

Public Meeting of the Board of Education

Tuesday, September 22, 2020



ITEM 6.1 Action

TO: Board of Education
FROM: T. Loffler, Board Chair
SUBJECT: District Restart Plan

Recommendation

THAT the Board of Education endorse the Restart Plan and the Return to School Safety Guidelines for COVID-19 for Mission Public Schools.

1. Summary:

The Restart Plan and the Return to School Safety Guidelines for COVID-19 for Mission Public Schools are developed in alignment with the direction set by the Ministry of Education and Provincial Health Officer.

2. Background:

On August 10, 2020 the Deputy Minister issued a special update regarding September's Stage 2 Restart instructions. Each School District prepared a Stage 2 Restart Plan for the 2020-21 school year and submitted it to the Ministry for review and approval. Mission's Restart Plan was approved on August 26, 2020.

3. Options:

4. Analysis and Impact:

- a. Strategic Plan Alignment
- b. Enhancement Agreement
- c. Funding Guidelines, Costing, & Budget Impact
- d. Policy, Legislation, Regulation
- e. Organizational Capacity
- f. Risks
 - i. Organizational
 - ii. Reputational
 - iii. Strategic
- g. Benefits
 - i. Organizational
 - ii. Reputational
 - iii. Strategic

5. Public Participation:

6. Implementation:

7. Attachments:

- a. [Mission Public Schools Restart Plan](#)
- b. [Mission Public Schools Return to School Safety Guidelines for COVID-19](#)

Public Meeting of the Board of Education

Tuesday, September 22, 2020



ITEM 6.2 Action

TO: Board of Education
FROM: Committee of the Whole
SUBJECT: Holding Seats for Students during COVID-19

Recommendation

THAT the Board defer any action on enrollment space allotment policy and guidelines until the Feb. 2021 enrollment counts are in, at which time the Board and Senior Staff will reevaluate.

Further this motion will be subject to the following requirements.

Requirements:

1. 1 For 20/21 as an emergency measure MPSD will hold seats at schools for students at Summit Learning Centre K-6. The Board and Staff will reevaluate after the Feb. 2021 second enrollment count.
2. Only students enrolled in Summit Learning Centre qualify as they are still within MPSD, students enrolled in other DL's or Home School options will not have their seats retained.
3. Waiting lists for schools of choice are frozen until the Feb. 2021 second count and revaluation, with some possible exceptions which staff identify.
4. Students attending Summit Learning Centre wishing to return to their regular school may only do so at natural junctures, eg: the first of the month or at the discretion of Senior Staff.
5. While the intent is to defer until the Feb. 2021 second enrollment count, MPSD Senior Staff and the Board may pause this exception to policy if demand is unsustainable and cap the variance.

Rationale:

Parents have expressed concerns of losing enrollment space for their child in various schools during this time of restart. We realize the school attendance counts will fluctuate during this time of acclimation. We also realize that holding space for students not attaining curriculum in our school district has further negative financial impacts for the Board and district. We as a Board will have a better idea of attendance and sustainability at the time of the second count in Feb. 2021.

1. Summary:

2. Background:

3. Options:

4. Analysis and Impact:

- a. Strategic Plan Alignment
- b. Enhancement Agreement
- c. Funding Guidelines, Costing, & Budget Impact
- d. Policy, Legislation, Regulation
- e. Organizational Capacity
- f. Risks
 - i. Organizational
 - ii. Reputational

iii. Strategic

g. Benefits

i. Organizational

ii. Reputational

iii. Strategic

5. Public Participation:

6. Implementation:

7. Attachments:

Public Meeting of the Board of Education

Tuesday, September 22, 2020



ITEM 6.1 Action

TO: Board of Education
FROM: C. Becker, Secretary Treasurer
SUBJECT: Borrowing Resolution

Recommendation

THAT the Superintendent and Secretary Treasurer be authorized to borrow on behalf of Mission Public School District (School District #75) from the Scotia Bank for the 2020-21 operating year, up to:

- a) \$1,500,000 in an Operating Line of Credit
- b) \$750,000 in a revolving term / Scotia leasing

1. Background:

The Bank of Nova Scotia requires an updated resolution for the operating line of credit and the leasing program every school year.

2. Options:

The current agreement with the Scotia Bank regarding borrowing is expiring. Should the timing of payments from the Ministry of Education ever be late, the School District would need to draw upon the line of credit in order to manage the payment for supplies or employees. With the School District's reserves almost depleted, the risk of needing to draw on the line of credit increases. As such, the document with the Scotia Bank must be updated.

3. Analysis and Impact:

- a. Strategic Plan Alignment
- b. Enhancement Agreement
- c. Funding Guidelines, Costing, & Budget Impact
- d. Policy, Legislation, Regulation
- e. Organizational Capacity
- f. Risks
 - i. Organizational
 - ii. Reputational
 - iii. Strategic
- g. Benefits
 - i. Organizational
 - ii. Reputational
 - iii. Strategic

4. Public Participation:

5. Implementation:

6. Attachments:

ITEM 6.4 Action

TO: Board of Education
FROM: Committee of the Whole
SUBJECT: Anti-Racism Policy

Recommendation

THAT the Board look to implement an anti-racism policy in Mission Public Schools, then have staff develop one in conjunction with appropriate partner groups and bring back to the Board for consideration.

1. Rationale

While I believe this should be adhered to under our current Respectful Schools policy, I do not think that is enough to ensure that all people in our district are treated with dignity and respect. People in the school system are negatively impacted by systemic racism, no different than in society at large. I feel we did the same thing to protect people when we put together our Sexual Minority policy.

The Respectful Schools Policy does not include an education platform on this policy. In my view if you are not educated of the aspects of the human rights code and the negative impacts of violation to others and society, nothing changes. I believe everyone in the Mission Public School system should have a course on the policy and a refresher every two years.

So, for these reasons and others I believe a policy to support and ensure anti-racism in our district and a sense of belonging for everyone is necessary.

2. Background:

3. Options:

4. Analysis and Impact:

- a. Strategic Plan Alignment
- b. Enhancement Agreement
- c. Funding Guidelines, Costing, & Budget Impact
- d. Policy, Legislation, Regulation
- e. Organizational Capacity
- f. Risks
 - i. Organizational
 - ii. Reputational
 - iii. Strategic
- g. Benefits
 - i. Organizational
 - ii. Reputational
 - iii. Strategic

5. Public Participation:

6. Implementation:

7. Attachments:

ITEM 6.5 Action

TO: Board of Education
FROM: Committee of the Whole
SUBJECT: BCSTA and FNEESC Conflicting Conference Dates

Recommendation

THAT the Board of Education recommend that BCSTA in the future move the dates of the BCSTA Academy Conference in November, so it does not conflict with the FNEESC Conference dates.

1. Summary:

The motion was originally approved at the Public Board meeting on October 15, 2019 and was forwarded to the British Columbia School Trustees Association to be debated at the AGM. Due to COVID, the AGM was cancelled, and the motion is being brought forward one more time to be resubmitted to the BCSTA for debate at this year's AGM.

2. Rationale:

The First Nations Education Steering Committee Conference over many years has been on the same dates as the BCSTA Trustee Academy. I believe one year both groups tried to connect the two conferences. What now is concerning is if a Trustee or Board wants to be an Indigenous ally, they have to decide which conference to attend. If we truly embrace Truth and Reconciliation and want to improve educational outcomes for Indigenous students, we should listen to concerns and strategies at FNEESC. Elders in the Mission School District notice if Trustees do not attend as they also believe in our support.

3. Background:

4. Options:

5. Analysis and Impact:

- a. Strategic Plan Alignment
- b. Enhancement Agreement
- c. Funding Guidelines, Costing, & Budget Impact
- d. Policy, Legislation, Regulation
- e. Organizational Capacity
- f. Risks
 - i. Organizational
 - ii. Reputational
 - iii. Strategic
- g. Benefits
 - i. Organizational
 - ii. Reputational
 - iii. Strategic

6. Public Participation:

7. Implementation:

8. Attachments:

ITEM 6.6 Action

TO: Board of Education
FROM: Committee of the Whole
SUBJECT: Strategic Plan Review

Recommendation

THAT the Board direct Staff to report on the measures as stated in the Strategic Plan throughout the 2020/2021 school year.

Rationale

The Strategic Plan is a living document that directs the work of the Board. The Board is committed to ensuring that the goals and objectives of the Strategic Plan are monitored for indicators of success &/or areas for improvement.

1. Summary:

With the approval of the Strategic Plan in 2019, the Board committed to annually reviewing the plan, and any progress made to advance the plan.

2. Background:

At the Committee of the Whole meeting on September 15, 2020, the Committee discussed options for reviewing the plan and reporting on the measures. The Board is requesting that Staff report on the data and results related to the plan measures.

3. Options:

4. Analysis and Impact:

- a. Strategic Plan Alignment
- b. Enhancement Agreement
- c. Funding Guidelines, Costing & Budget Impact
- d. Policy, Legislation, Regulation
- e. Organizational Capacity
- f. Risks
 - i. Organizational
 - ii. Reputational
 - iii. Strategic
- g. Benefits
 - i. Organizational
 - ii. Reputational
 - iii. Strategic

5. Public Participation:

6. Implementation:

7. Attachments:

a. Strategic Plan

Public Meeting of the Board of Education

Tuesday, September 22, 2020



ITEM 6.7 Action

TO: Board of Education
FROM: C. Becker, Secretary Treasurer
SUBJECT: Public Interest Disclosure Act

Recommendation

THAT the Board advise BCSTA regarding the School District's ability to comply with the Public Interest Disclosure Act, if the Act is applied to School Boards.

1. Summary:

The Province of BC approved the Public Interest Disclosure Act (PIDA) in 2019, providing a framework for public employees to report certain kinds of serious wrongdoing with protection from reprisal. Through BCPSEA, the Province is trying to determine whether Public School Districts would be able to comply with the PIDA legislation before December 31, 2021.

2. Background:

The PIDA provides whistleblower protection for public sector employees.

The School District has a whistleblower protection policy 2.6, which is scheduled to be updated. As such, the School District should be able to comply with the legislation, if the act is extended to be applicable to school Districts.

3. Options:

4. Analysis and Impact:

- a. Strategic Plan Alignment
- b. Enhancement Agreement
- c. Funding Guidelines, Costing, & Budget Impact
- d. Policy, Legislation, Regulation
- e. Organizational Capacity
- f. Risks
 - i. Organizational
 - ii. Reputational
 - iii. Strategic
- g. Benefits
 - i. Organizational
 - ii. Reputational
 - iii. Strategic

5. Public Participation:

6. Implementation:

7. Attachments:

**School District #75 (Mission)
Public Meeting of the Board of Education Minutes**

**June 16, 2020, 1:00 pm
Zoom Videoconference**

Members Present: **Board Chair, Tracy Loffler
Trustee, Shelley Carter
Vice Chair, Randy Cairns
Trustee, Julia Renkema
Trustee, Rick McKamey**

Staff Present: **Superintendent of Schools, Angus Wilson
Assistant Superintendent, Karen Alvarez
Secretary Treasurer, Corien Becker
Executive Assistant Aleksandra Crescenzo (Recorder)**

1. CALL TO ORDER

The meeting was called to order at 1:00 pm by the Chairperson. The Chair acknowledged that Mission Public Schools is held on Stó:lō Territory. There are four First Nation Bands within the boundaries of the Mission School District: Leq:a'mel, Sq'èwlets, Kwantlen, and Matsqui First Nations.

2. ADOPTION OF AGENDA

MOVED and Seconded that the Agenda be adopted as presented.

CARRIED

5. STAFF REPORTS

5.1 Reporting out from Closed Meeting

The Superintendent reported out that personnel and property matters were discussed at the Closed Board meeting earlier today.

5.2 Report on School District function during CoVid Pandemic

The Superintendent provided an update on the school district function during the CoVid pandemic. Currently, we are in stage 3 with the re-entry of students. Our childcare sites are amalgamating to one site as the need for childcare has decreased with the re-entry of students. Other areas of

discussion focused on cleaning sites, PPE supplies, and an outlook for September. We will be waiting to hear from the Ministry on updates regarding this status in August.

5.3 Yearend Superintendent Report

Successes for this year include the adaptability of staff through the pandemic, meals provided to families and donation by MSS, continued work with the Complex Trauma Team in training our Staff, support from unions and the successful completion of bargaining, a new wellness page, and implementation of Boardmaker.

Challenges include the overall 6-year completion rate was 75%; the aboriginal rate was 70%. These rates are lower than the rates of neighbouring School Districts. Between the snow days, sewer pump issues at Albert McMahon, and the coronavirus, the School District lost a few school days. This year has had significant financial challenges. Between the initial shortfalls, uncertainty around enrolment of international students and spiraling COVID related costs. Amazing work has been done by the Secretary-Treasurer, Assistant Secretary-Treasurer and other staff with addressing the budget.

The Superintendent acknowledged and thanked several district staff members for their efforts and support throughout the year.

The Assistant Superintendent provided a presentation on curriculum support initiatives that included highlights of Joyful literacy, Novel Approach, Jump Match, Teacher Librarians, French Immersion, studio time at Mission Senior Secondary, and remote learning.

A question was presented related to virtual learning and professional development. It is definitely a possibility to offer some remote pro-d.

5.4 2020-21 Board Meeting Schedule

MOVED and Seconded that the 2020-2021 Committee of the Whole/ Board of Education Meeting Schedules be approved.

CARRIED

5.5 BAA Courses

MOVED and Seconded that the following Board Authority Authorized courses be reviewed and considered for approval by the Board of Education:

Esthetics – Introduction to Esthetics
Esthetics – General Sciences
Esthetics – Specific Sciences
Esthetics – Advanced Treatment - Nails and Feet
Esthetics – Advanced Treatment - Skin
Esthetics – Client Services
Esthetics – World of Makeup
Esthetics – Business Skills

CARRIED

6. NEW BUSINESS

6.1 Different Together Pledge

MOVED and Seconded that the Board of Education take the #Different Together Pledge:

***Mission Public Schools is inclusive** and respects people of all ethnicities, cultures and faiths and their contributions to our collective well-being.*

***Mission Public Schools holds diversity as a fundamental** value at the heart of success, strength and resilience of our communities, workplaces, schools, public and private institutions.*

We Pledge to uphold and promote these values and to commit to speaking up to oppose racism and hate in all its forms.

CARRIED

British Columbia's Lieutenant Governor, Janet Austin is encouraging leaders in BC to pledge and uphold the Canadian values of diversity and inclusion and to oppose racism and hate in all its forms. We are stronger when we are #differenttogether. The Board of Education values Working Together, Lifelong Learning, Thinking Beyond Today and Doing the Right Thing. The #differenttogether pledge is representative of these values. Taking the pledge as a Board demonstrates our commitment to being leaders in embracing diversity and acting against racism.

7. MINUTES OF PREVIOUS MEETINGS

7.1 Board of Education Public Meeting Minutes, May 19, 2020

MOVED and Seconded that the Board of Education Public meeting minutes dated May 19, 2020 be approved.

CARRIED

10. COMMITTEE MINUTES/LIAISON REPORTS

Trustees reported on:

May 27, 2020 Blanket event, Si'Wal Si'Wes meeting, budget meetings, Pathways to Employment presentation, meeting with Chief Maureen Chapman, meetings with Leq'a:mel First Nations, Mission Community Foundation virtual art collection of an Indigenous Artist, BC Sports Association AGM, and conference calls with Board Chairs from other Schools Districts.

11. ANNOUNCEMENTS

11.1 BCPSEA Trustee Liaison

Trustee Carter will be the liaison representative for BCPSEA.

13. ADJOURNMENT

MOVED and Seconded that the Board adjourn the meeting.

CARRIED

The meeting adjourned at 1:53 pm.

Chair, Board of Education

Secretary-Treasurer
The minutes were approved on
[DATE] at the [NAME] meeting.

**School District #75 (Mission)
Special Public Meeting of the Board of Education**

**June 30, 2020, 3:30 pm
Zoom Videoconference**

Members Present: Board Chair, Tracy Loffler
Vice Chair, Randy Cairns
Trustee, Shelley Carter
Trustee, Rick McKamey
Trustee, Julia Renkema

Staff Present: Superintendent of Schools, Angus Wilson
Secretary Treasurer, Corien Becker
Assistant Superintendent, Karen Alvarez
Executive Assistant, Aleksandra Crescenzo (Recorder)

1. CALL TO ORDER

The meeting was called to order at 3:30 pm by the Chairperson. The Chair acknowledged that Mission Public Schools is held on the shared Stó:lō Territory. There are four First Nation Bands within the boundaries of the Mission School District: Leq:a'mel, Sq'èwlets, Kwantlen, and Matsqui First Nations.

2. ADOPTION OF AGENDA

MOVED and Seconded that the Agenda be adopted as presented.

CARRIED

3. STAFF REPORTS

3.1 2020 - 2021 Annual Budget Bylaw

MOVED and Seconded that the required three (3) readings and adoption of School District No. 75 (Mission) Annual Budget Bylaw for fiscal year 2020/2021 be carried out in one meeting.

MOVED and Seconded that School District No. 75 (Mission) Annual Budget Bylaw for fiscal year 2020/2021 be approved as read a first time.

MOVED and Seconded that School District No. 75 (Mission) Annual Budget Bylaw for fiscal year 2020/2021 be approved as read a second time.

MOVED and Seconded that School District No. 75 (Mission) Annual Budget Bylaw for fiscal year 2020/2021 be approved as read a third time and finally adopted.

CARRIED

The 2020/2021 budget includes the changes that were discussed extensively at several Special Committee of the Whole meetings. A supplemental budget document was emailed out today and is available on the school district website. The Board of Education acknowledged that this year's budget underwent a comprehensive review and that Staff worked tirelessly to prepare additional information for the Special meetings.

3.2 2021/2022 Five Year Capital Plan

MOVED and Seconded that the draft 2021 – 2022 Five Year Capital Plan be reviewed and approved.

CARRIED

An overview was provided on the summary of capital projects. The plan is based on the draft Long-Range Facilities Plan (LRFP) and other capital needs identified by the Facilities department. The LRFP will be presented to the Board for updates in the fall of 2020.

5. MINUTES OF PREVIOUS MEETINGS

5.1 Board of Education Special Public Meeting Minutes, May 26, 2020

MOVED and Seconded that the Board of Education Special Public meeting minutes dated May 23, 2020 be approved.

CARRIED

8. COMMITTEE MINUTES/LIAISON REPORTS

Trustees reported on attending the graduation ceremonies for MSS, Fraserview Learning Centre, and Riverside College, BCSTA Zoom meeting, special meetings regarding the 2020-21 budget, Mission Community Foundation AGM, ELL Consortium meeting and the 2019-2020 Retirement event.

8.1 Committee of the Whole Meeting Minutes June 5, 2020

MOVED and Seconded that the Committee of the Whole meeting minutes dated June 5, 2020 be approved.

CARRIED

8.2 Special Committee of the Whole Meeting Minutes, June 9, 2020

MOVED and Seconded that the Special Committee of the Whole meeting minutes dated June 9, 2020 be approved.

CARRIED

8.3 Special Committee of the Whole Meeting Minutes, June 23, 2020

MOVED and Seconded that the Special Committee of the Whole meeting minutes dated June 23, 2020 be approved.

CARRIED

10. QUESTION PERIOD

Clarification was requested about the Capital Plan. It was noted that the plan is included in the agenda package. It is a one-page document.

A question was presented regarding the multi-age class at Silverdale. The Chair recommended that specific questions regarding individual schools be emailed to the Board.

11. ADJOURNMENT

MOVED and Seconded that the Board adjourn the meeting.

CARRIED

The meeting adjourned at 4:13 pm.

Chair, Board of Education

Secretary-Treasurer
The minutes were approved on
[DATE] at the [NAME] meeting.