



**Conseil scolaire
francophone de la
Colombie-Britannique**

Financial Statement Discussion and Analysis

30 juin 2022

Conseil Scolaire Francophone de Colombie Britannique
Financial Statement Discussion & Analysis
For the Year Ended June 30, 2022

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

OVERVIEW OF THE SCHOOL DISTRICT

The Conseil Scolaire Francophone serves about 6,400 student FTE in in several communities through the province of British Columbia: 32 elementary schools, 1 virtual school, 10 secondary schools and 4 K-12 Schools.

Strategic Plan 2021 guides the Board of Education and its employees and partners in delivering educational programs through the period 2021/22 to 2025/26. The Strategic Plan is organized around the following three pillars (our students, our staff, our families and our communities) and two themes (recruitment and retention, inclusion).

The Board of Education has begun the process to develop this strategic plan with community consultation in the fall of 2021. Under the *School Act* and Policy 2 (Role of the Board), the Board is responsible for the improvement of student achievement, and the strategic plan is the means to achieving this objective.

COMPOSITION OF THE FINANCIAL STATEMENTS

The two key statements are:

- A statement of financial position (Statement 1), which summarises the assets and liabilities at June 30th. This provides an indication of the financial health of the District.
- A statement of operations (Statement 2), which summarises the revenues received and expenses incurred during the twelve months between July 1 and June 30. This provides an indication of the funding received by the District and how the District spent that funding.

The Statement of Changes in Net Financial Assets Debt (Statement 4), the Statement of Cash Flows (Statement 5) and the notes to the financial statements provide further analysis of the District's finances.

The District manages its financial activities in three distinct areas, being the

- Operating fund,
- Special purpose funds,
- Capital fund.

The schedules at the end of the notes to the financial statements are in a format prescribed by the Ministry of Education. These schedules provide more detail specific to each of these funds. The balances in these schedules are consistent, when combined together, with the financial statements.

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- Schedule 1 illustrates the sum of the funds.
- Schedule 2 provides detail on the Operating Fund.
The Operating Fund accounts for the District’s operating grants and other operating revenues. Legislation requires that the District present a balanced budget for the Operating Fund, whereby budgeted expenditure does not exceed the total of budgeted revenue and any surplus in the operating fund carried forward from previous years.
- Schedule 3 provides detail on the Special Purpose Funds
The Special Purpose Funds account for grants and contributions that the provider directs towards specific activities. As these are targeted grants, the Board accounts for any unspent funding as deferred revenue, not as accumulated surplus.
- Schedule 4 provides detail on the Capital Fund. The capital fund accounts for:
 - The capital assets of the District, including buildings, furniture, computers and equipment.
 - Grants directed by agreement with a third party for the purchase of capital assets.
 - Funds restricted by the Board for future capital asset purchases (local capital).

FINANCIAL HIGHLIGHTS

Capital Investment

During the year ended June 30, 2022, the district invested \$40.9 million in capital additions that were funded by: Provincial capital funding (\$38.0 million), ministry restricted capital (\$0.3 million), the operating fund (\$1.7 million), and the special purpose fund (\$0.9 million). Capital additions during the year included the following projects:

Land in Burnaby \$24.4 million	
Buildings \$13.3 million	Beausoleil \$6.3M New portables in different schools \$2.4M General ventilations improvements \$2.0M
Computers Hardware \$1.8 million	

Significant Financial Events

In 2021/22, the pandemic was still significant event impacting school district operations resulting in numerous financial impacts including the following:

- **Enrolment and Funding**
The annual enrolment represented +16 FTE.
The CEF enrolment increased +23FTE.
While enrolment based funding increased overall, net financial pressure resulted because of the need for more staff and because staffing levels were maintained in neighbourhood schools as enrolment fluctuation occurred following school start-up.
- **Targeted Pandemic Funding**

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In 2021/22 the district received \$0.4 million in funding from the Federal and Provincial governments targeted to pandemic costs including additional educational program and health and safety costs. This funding and related costs were reported in the special purpose fund.

- **Educational Programs**

The district implemented one Seamless kindergarten pilot program. In April 2022, when the COVID restrictions stopped, the schools took this opportunity for doing more cultural and community activities.

- **Health and Safety**

Additional health and safety measures were still implemented in 2021/22 including: enhanced cleaning, personal protective equipment, plexiglass barriers, improved hand hygiene, upgraded HVAC filters and increased fresh air circulation.

- **New schools**

For 2021/22, the district will open two new schools: Kimberley elementary and Kamloops secondary. The CSF pursues the expansion by buying one new land in Victoria: Lansdowne project. During the construction of this new building, the school will be temporary on Breafoot land. This last one is also build.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT

In this section, actual results are compared to the prior year and budget (where applicable) in more detail. For the statement of operations, the analysis is performed for each of the three funds.

Statement of Financial Position

The table below includes explanations for significant variances in the statement of financial position (statement 1) relative to the prior year.

Cash and cash equivalents

At June 30, 2022, the District held \$10.3 million in cash, deposited in financial institutions and the Province's central deposit system. This cash balance offsets the liabilities of the District and unspent funds restricted for use on specific projects.

Accounts receivable

The District collects funds from various entities during the year, including the Ministry of Education, unions for the cost of replacing union leaves, and various other reasons. The District had not collected some amounts by the year-end, which is normal.

The table below provides further detail as to the origin of these receivable amounts.

As at June, 30	2022 \$	2021 \$	Comments
Due from Province - Ministry of Education	2 968 416	4 612 470	This relates to capital costs incurred on projects that had yet to be reimbursed by

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As at June, 30	2022	2021	Comments
			the MoE. The increase from the prior year reflects the level of construction activity prior to the fiscal year-end.
Due from First Nations	193 767	387 711	First Nations pay the School District directly for the education of students who live on reserves. This amount represents the amount yet to be paid for the education of students.
Other (Note 3)	2 999 346	1 467 006	Due from Federal Gov : Relates to sales tax rebates and some funds to be paid. Other : various other costs that the School District recovers from third parties. Most of the increase is explained by the Reimbursement of legal costs.
<i>Due from Federal Government</i>	388 664	429 893	
<i>Other</i>	2 610 682	1 037 113	
Prepaid licence	245 169	265 600	Licence paid for École Jules Vernes to access to the location

Accounts payable and accrued liabilities

Accounts payable and accrued liabilities represent expenses that the District has incurred but not paid. They comprise the following amounts:

As at June, 30	2022	2021
	\$	\$
Other (Note 4)	11 992 388	11 540 300
<i>Trade Payables</i>	7 023 554	6 712 450
<i>Salaries and Benefits Payables</i>	4 278 360	4 138 301
<i>Accrued Vacation Pay</i>	690 474	689 549

Trade Payables

Trade and other amounts Payable primarily relate to service, supply and asset purchase costs incurred before the year-end that the District had not yet paid at June 30. This amount is slightly above of this one in 2021 because we used deferred schedules to pay some debts.

Salaries and Benefits Payables

Wages payable – teachers’ 12-month instalment plan represents the amounts teaching staff have elected the District to withhold from their pay during the school year. The District then pays these amounts to those teachers in July and August.

Salaries and Pension contributions payable and payroll taxes payable relate to pension contributions and tax withholdings for June payroll. The District paid these amounts to the employees, the pension plan providers and CRA in early July, in the usual manner.

Accrued vacation pay increased due to staff being unable to, or choosing not to, take vacation in the summer after the commencement of the pandemic.

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Deferred Revenue

Deferred revenue represents the unspent portion of grants that the provider targets, by legislation or contractual obligation, for a specific purpose.

As at June, 30	2022 \$	2021 \$	Comments
Deferred Revenue (Note 5)	583 594	661 745	
Special Education Equipment	9 942	9 942	Funding allocated for supporting students with special education needs where the need for specific equipment is recommended by a qualified professional.
Service Delivery Transformation	457	457	Funding allocated for identifying opportunities that could be further explored.
School Generated Funds	326 836	322 577	This represents amounts raised in 2021/22 for activities to occur in schools.
Strong Start	18 461	138 162	Funding allocated for young children and not yet in school.
Ready, Set, Learn	174 389	106 440	Funding allocated for young children in kindergarden and grade 1. Due to the pandemic, this fund could not be fully used.
Classroom Enhancement Fund	14 443	20 387	The balance relates to amounts allocated for the provision of remedies to teachers that were not utilised by the end of the school year.
First Nation Student Transportation	1 290	701	Funding allocated for transportation assistance and transportation to / from extra-curricular activities was not utilised
Changing Results for Young Children	20 814	13 072	Funding allocated for social and emotional well-being to improve outcomes for young children. Due to the pandemic,

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As at June, 30	2022	2021	Comments
			this fund could not be fully used.
Federal Safe Return to School	13 548		Funding allocated for ventilation system
Adopt a school	3 414		Grant from the Society's Adopt-a-School Project to be used food security /emergency funds

Deferred capital revenue and tangible capital assets

The deferred capital revenue balance is closely linked to the tangible capital asset balance. Tangible capital assets are things owned by the District that have a lifespan of more than one year. This includes school buildings and sites, furniture and most computer equipment.

As at June, 30	2022 \$	2021 \$
Deferred Capital Revenue (Note 6)	145 419 391	137 190 053
Tangible Capital Assets (Note 9)	239 605 696	205 323 554

Specific grants provided by the Ministry of Education fund the majority of the District's capital expenditure, such as the construction of new schools. Once an asset is built or acquired and is in use, the cost of that asset is amortized over the expected life of that asset. Any grants targeted towards the acquisition of that asset are also amortized over the expected life of that asset.

After allowing for amortization, the District has \$239.6 million of tangible capital assets. Of this, \$145.4 million (being the deferred capital revenue balance) of assets were purchased with targeted grants. Operating revenues and other non-targeted funding funded the remainder.

The capital fund section, included later in this document, provides a more detailed explanation of the accounting for capital assets and associated grants.

Employee future benefits

The employee future benefits liability of \$2 million accounts for amounts or benefits earned by current employees during past service.

As at June, 30	2022 \$	2021 \$
Employee Future Benefits (Note 7)	2 003 051	2 008 767

The biggest part of this amount accounts for retirement benefits. Support staff and certain members of school and district administration are entitled to a one-time payment from the District on their retirement. The amount of payment depends on years of service and final salary.

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The District will recognise an additional annual expense of about \$324 thousand to reflect the increase, compensated by the paid retirement benefits to employees.

Capital Lease Obligations

A capital lease obligation is the amount of rent owed by the school district to the bank for taking capital assets on hire under a capital lease. A capital lease is essentially a means of financing a capital asset.

As at June, 30	2022	2021
	\$	\$
Capital Lease Obligations	3 161 873	3 039 651

The school district uses this for financing most of the hardware. For 21-22, we bought for \$1.8 million of hardware with capital leases, and \$0.4M are not yet received the lease funding.

Prepaid expenses

A prepaid expense is a type of asset on the balance sheet that results from a business making advanced payments for goods or services to be received in the future.

As at June, 30	2022	2021
	\$	\$
Prepaid Expenses	2 315 176	2 408 959
<i>In operating</i>	1 069 268	1 466 664
<i>In Capital</i>	1 245 908	942 296

This year, we started and pursued different projects. Most of the other expenses are for engineers, consultants and lawyers.

Accumulated surplus

Broken down by fund, the accumulated surplus comprises the following amounts:

June 30, 2022	Operating	Special Purpose	Capital	Total
	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	4 094 339	52 000	68 681 989	72 828 328
<u>Changes for the year</u>				
Surplus (Deficit) for the year	(1 232 221)	871 696	23 098 082	22 737 557
Tangible Capital Assets Purchased	(365 374)	(324 223)	689 597	-

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Other	(805 713)	(547 473)	1 353 186	-
Net Changes for the year	(2 403 308)	-	25 140 865	22 737 557
Total	1 691 031	52 000	93 822 788	95 565 885

This analysis discusses these surpluses in more detail later in this document.

Statement – Operating Fund

	Amended Budget 2021/22	Actual 2021/22	Actual 2020/21
Revenues	101,175,225	101,501,913	96,978,859
Expenses	<u>102,300,723</u>	<u>102,734,134</u>	<u>100,970,026</u>
Annual Operating Surplus (Deficit)	(1,125,498)	(1,232,221)	(3,991,167)
Fund transfers	(1,172,191)	(1,171,087)	(1,307,341)
Opening Accumulated Surplus	4,094,339	4,094,339	9,392,847
Closing Accumulated Surplus	1,796,650	1,691,031	4,094,339

The 2021/22 Amended Budget included Internally restricted surplus for \$966,094.

Detailed information on the operating fund is presented in schedules 2 to 2C following the notes to the financial statements. Revenues, expenditures and accumulated operating surplus are analysed in greater detail below.

Operating Fund Revenues

A summary of operating fund revenues is presented below and explanations of significant variances follows. A more detailed presentation of operating revenues is presented in schedule 2A following the notes to the financial statements.

	Amended Budget 2021/22	Actual 2021/22	Amended Budget 2020/21	Actual 2020/21
Operating Grant	98,334,816	98,395,509	93,239,348	93,665,734
Other Grants	1,059,713	1,161,023	2,966,692	3,022,425
Other Revenue	1,625,696	1,739,362	191,246	230,809
Rentals and Leases	80,000	152,327	0	0
Investment Income	75,000	53,692	75,000	59,891
Total Revenues	101,175,225	101,501,913	96,472,286	96,978,859

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Grant Revenues:

96% of the District’s operating revenue is from Provincial Ministry of Education (‘MoE’). The MoE provides the majority (\$98.3 million) of this funding using a funding formula. The primary inputs into this formula are student enrolment and demographics, and the geographic circumstances of the School District.

Budgeted operating grant revenues in 2021/22 were \$5.2 million higher than the 2020/21 grant primarily due to: increased funding rates (+4.3%), September enrolment growth (-0.7%).

Actual 2021/22 grant revenues exceeded 2021/22 budget by less than \$0.1 million because of other grant adjustments.

Other Grants Revenues:

Budgeted tuition revenues in 2021/22 were \$1.8 million under 2020/21 due to the negative impact of the absence of “Teachers’ Labour Settlement Funding”, \$1,8M. Actual 2021/22 revenues were about the expected amounts.

Other Revenues:

The Board received various grants and revenues during the year that management did not anticipate during the budget creation. It is common for miscellaneous revenues to exceed budget, as it includes unbudgeted grants which vary from year to year. We planned to receive \$1.2M for reimbursement of legal costs.

Rentals and Leases:

The Board rents certain facilities, such as school gyms, for community and commercial use by third parties. In a typical year, the Board generates about \$100,000 in revenue for these rentals. Due to the end of pandemic restrictions, we rent to third parties more than expected.

Operating Fund Expenses

Expenses in the financial statements are presented both by object (category of expense) and by function (program). Operating fund expenses are presented below using each method with explanations of significant variances following. A more detailed presentation of operating expenses is presented in schedules 2B and 2C following the notes to the financial statements.

The District spent 73% of operating expenditure on salaries and benefits. As expected for a school district, the majority of this staff cost (about 52% of salaries and benefits) is for teachers.

Funding criteria means the district distributes staff costs among the operating fund and the special purpose funds. The classroom enhancement fund, for example, covers the salary and benefit cost for \$6.3M of the District’s teachers.

Analysis of Variances by Object

Operating Fund Expenditure by Object	Amended Budget 2021/22	Actual 2021/22	Amended Budget 2020/21	Actual 2020/21

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Salaries				
Teachers	33,004,194	32,724,943	32,223,905	32,660,541
Principals and Vice Principals	6,884,043	6,654,621	6,254,846	6,155,901
Education Assistants	6,724,269	6,816,621	5,754,569	6,901,700
Support Staff	6,102,360	6,058,486	6,343,843	5,582,405
Other Professionals	3,978,952	4,156,882	3,446,100	3,987,178
Substitutes	3,195,511	3,795,653	3,203,648	3,167,271
Total Salaries	59,889,329	60,207,526	57,226,911	58,454,996
Employee Benefits	13,771,328	13,808,864	13,354,604	14,561,905
Total Salaries and Benefits	73,660,657	74,016,390	70,581,515	73,016,901
Service and Supplies expense	28,640,066	28,717,744	28,663,340	27,953,125
Fund transfers (schedule 2)	1,172,191	1,171,087	1,533,520	1,307,341
Total Service and Supplies and fund transfers	29,812,257	29,888,831	30,196,860	29,260,466
Total Operating Expenditure	103,472,914	103,905,221	100,778,375	102,277,367

Salaries – Teachers

Budgeted teacher salary expense in 2021/22 was \$0.4 million higher than budgeted expense in 2020/21 due to: wage increases (+2% and step salary increase).

Actual teacher salary cost in 2021/22 was \$0.3 million under budget. Actual 2021/22 expense was consistent with budget.

The district is funded for 63 teacher FTE through the Classroom Enhancement Fund (CEF) for the restoration of class size and composition language. The CEF and related costs are reported in the special purpose fund and are not reflected in the operating fund figures reported above.

Salaries – Principals and Vice Principals (PVP)

Budgeted PVP salary expense in 2021/22 was higher than budgeted expense in 2020/21 by \$0.7 million due to inflationary and step salary increases. Actual 2021/22 expense was consistent with budget.

Salaries – Education Assistants (EA)

Actual EA salary expense in 2021/22 exceeded budgeted expense in 2020/21 by \$1 million. This net increase was due to: wage increases; budgeted FTE augmentation in 2021/22 (+12 EFT).

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Salaries – Support Staff

Budgeted salary expense in 2021/22 was lower than budgeted expense in 2020/21 by \$0.2 million, due to budgeted FTE diminution in 2021/22. Actual 2021/22 expense was lower than budget because we didn't hire the expected staff.

Salaries – Other Professionals

Actual other professional salary expense in the 2021/22 amended budget exceeded the 2020/21 due to inflationary and step salary increases, and increased educational excluded staff FTE including increased staff in specialized education. Actual 2021/22 expense was higher because we made effort to designate students with difficulties.

Salaries –Substitutes

Actual substitute expenditures can exceed or not budget for three reasons: (1) another budget is used to fund additional substitute expenditure; or (2) replacement cost for illness exceeds budget; or (3) the employees are more or less sick.

Other budgets are commonly used to fund additional substitute cost. For example, a school or department may use a service and supplies budget to fund additional substitute cost so that teachers can work on curriculum implementation or other projects.

Actual expense in 2021/22 was higher than budgeted expense in 2020/21 due to employees sick more than expected with the pandemic.

Employee Benefits

Actual expense in 2021/22 was in coherence with the total salaries.

Total Service and Supplies and Fund Transfers

For the purpose of this analysis, fund transfers are combined with service and supply expense because fund transfers relate primarily to the purchase of capital assets from service and supply budgets in the operating fund.

It is expected actual service and supply expenditures will be less than budget as most surplus carry-forward balances are included as service and supply expenditure in the budget and are not fully spent. Also, service and supply budgets commonly fund other expenditures such as substitute costs.

Budgeted expense in 2021/22 was equal to the budgeted expense in 2020/21.

In 2021/22, actual service and supply expenditures including fund transfers were consistent with budget.

Analysis of Variances by Function

Operating Fund Expenditure by Function	Amended Budget 2021/22	Actual 2021/22	Amended Budget 2020/21	Actual 2020/21
Instruction	73,326,351	73,381,068	71,635,530	72,959,419

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District Administration	6,479,772	6,128,713	5,937,019	5,937,148
Operations and Maintenance	12,921,942	13,905,262	12,713,697	12,608,652
Transportation	9,572,658	9,319,091	8,958,609	9,464,807
Fund transfer	1,172,191	1,171,087	1,533,520	1,307,341
Total	103,472,914	103,905,221	100,778,375	102,277,367

Instruction

2021/22 budgeted expenditures exceed 2020/21 expenditures by \$1.7 million. This reflects the increased staffing budgets (particularly teachers) and supply budgets. In 2021/22 instruction expense was consistent with budget.

District Administration

Actual district administration expense in 2021/22 were consistent with budget.

Operations and Maintenance and Fund Transfer

Fund transfers primarily represent operations and maintenance expenditures that meet the criteria for capitalization. When Operations and Maintenance expense is combined with fund transfers, expenditure was \$0.9 million above budget, attributable primarily to inflation.

Transportation

In 2021/22, actual transportation expenditures were lower than budget by \$0.2 million due to our monitoring.

Accumulated Operating Surplus

Understanding the components of accumulated operating surplus is necessary for knowing how much of the balance relates to multi-year funding of programs and how much of the balance is available to reduce financial risk associated with unforeseen expenditures or to fund additional expenditures in the future. The components of closing accumulated surplus are presented in the table below:

	2021/22 Financial Statements		2020/21 Financial Statements
Aboriginal projects	45,346		301,010
Professional Development	104,595		22,355
Mentorat	140,112		145,000
Artstart	0		3,522
Schools Budget	245,427		657,015

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School Generated Funds	326,835		322,577
Recruitment and retention	57,583		
Total Internally Restricted	919,898		1,451,480
Unrestricted Surplus	771,133		2,642,859
Total Accumulated Surplus	1,691,031		4,094,339

The internally restricted surplus decreased by \$0.5 million due to the effort to engage all expected activities, in particular for the aboriginal projects and schools budget.

The unrestricted surplus reduced to \$1.7 million because our expenditures were above the total revenues.

Statement – Special Purpose Fund

Grant revenues and expenditures in the special purpose fund decreased significantly due to the reduction of funding received for pandemic response.

Detailed information on the special purpose fund is presented in schedules 3 to 3A following the notes to the financial statements.

Fund	Surplus from previous year	Grants & revenue received	Expenses	Surplus at end of year
Annual facility grant	0	271,954	271,954	0
Learning Improvement	0	347,088	347,088	0
Special Education Equipment	9,942	0	0	9,942
Service Delivery Transformation	457	0	0	457
School generated funds	322,577	1,700,073	1,695,814	326,836
Strong Start	138,162	192,000	311,701	18,461
Ready, Set, Learn	156,447	80,850	62,908	174,389
OLEP	0	5,571,880	5,571,880	0
Community LINK	0	133,009	133,009	0
Classroom Enhancement Fund – Overhead	0	335,128	335,128	0
Classroom Enhancement Fund – Staffing	0	6,299,915	6,299,915	0

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Classroom Enhancement Fund – Remedies	20,387	29,810	13,367 and 20,387 recovered	14,443
First Nation Student Transportation	701	589	0	1,290
Mental Health in Schools	0	122,845	122,845	0
Changing Results for Young Children	13,072	11,250	3,508	20,814
Safe Return to School	0	241,226	241,226	0
Federal Safe Return to Class	0	113,000	99,452	13,548
Seamless day kindergarten	0	50,000	50,000	0
Adopt a school	0	27,000	23,586	3,414
BC Settlement Program	0	458,591	458,591	0
Total	661,745	15,986,208	16,064,359	583,594

Annual Facility Grant (AFG)

The Annual Facility Grant was established to account for Ministry of Education grants and expenditures relating to annual facility maintenance projects. The AFG allocation is comprised of both a special purpose fund allocation and a bylaw capital allocation. This funding is first allocated to fund province-wide initiatives and the balance is distributed to school districts.

The AFG special purpose funding allocation for the CSF School District for 2021/22 is \$0.27 million. The AFG bylaw capital allocated to the CSF for 2021/22 is \$1.1 million.

AFG funds may be spent for the purpose of:

- upgrading or replacing existing facility components throughout the expected economic life of an existing capital asset;
- enhancing the service potential of an existing capital asset or a component of an existing capital asset by correcting deficiencies in design or construction and unsafe conditions;
- significantly lowering the associated operating costs of an existing capital asset; or
- extending the life of an existing capital asset or a component of an existing capital asset beyond its original life expectancy.

Learning Improvement Fund

The Learning Improvement Fund (LIF) was established by the province for the purpose of providing additional resources, specifically targeted to support complex classes that present challenging learning conditions.

For 2021/22, the LIF support staff component is \$0.3 million.

Districts are required to submit a spending plan to the Ministry of Education by October 2021 for approval. To develop the spending plans, district staff work collaboratively with CUPE.

School generated funds

School generated funds account for fees and contributions raised at the school level. Examples of such fees and contributions include school supply fees paid by parents and caregivers; school trip fees; PAC contributions; graduation celebration fundraising; cafeteria revenue, vending machine revenue and athletics fees. The schools target these funds for the purpose that the fee payers or donors intended.

Fees, contributions and donations are consistent with the previous year.

Strong Start

The Ministry of Education funded StrongStart program allows parents to participate with their young child (aged birth to five) in play-based early learning activities, including stories, music and art. At no cost to families, this early learning drop-in program helps prepare children for success in kindergarten.

CSF has 9 StrongStart centres, located at the following schools: Mer et Montagnes, Voyageurs, Sentiers Alpins, Bois Joli, Entre-Lacs, Pionniers, La Vérendrye, Sept Sommets and Anne Hébert.

The total StrongStart funding for 2021/22 was \$192,000.

This year, due to the end of pandemic restrictions, 9 programs were able to open and to use most of the surplus.

Ready Set Learn

The Ready Set Learn special funding provided by the Ministry of Education allows the district to facilitate community events targeted towards 3-year-old children. The events are about providing good information on how to support a young child's early learning and development, and how to help develop positive connections between families, the school system and local community agencies.

The total Ready Set Learn funding for 2021/22 was \$80,850. This year, the schools could not make all expected activities.

Official Language Education Program (OLEP)

The Ministry of Education administers federal funding intended to support incremental costs resulting from offering French as a second official-language instruction in BC.

All French funding is to be spent by June 30th of each year. The district receives 70% of the funding in the autumn of each year, and the 30% balance in the autumn of the following year after it has submitted a report outlining how the funds were spent and what benefits were derived from this funding.

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At this point, the amount of funding the district received for 2021/22 is \$5,57 million.

We use this grant in 6 axis:

- Learner Participation
- Program Offer
- Learner's Educational Success
- Enriched Learning Environments
- Support For Educational Staff
- Research

Community LINK

The Community LINK grant from the Provincial Government is to support programs and services to improve the educational performance of vulnerable students, including both academic achievement and social functioning. This includes promoting partnerships and an integrated approach to supporting vulnerable students with families, communities and service providers.

It primarily funds staff from community organisations who work with our vulnerable students to improve their educational performance. It also partially funds lunch meal programs at certain schools in the District.

Grant funding was \$133,009 to provide these services.

Classroom Enhancement Funds

The grants from the three Classroom Enhancement Funds totalled \$6,6 million. The MoE provides these grants to offset the additional costs associated with the restoration of historical collective agreement language regarding class size and composition.

Direct staffing costs associated with the changes to class size and composition are accounted for within the 'Classroom Enhancement Fund – Staffing'. They include:

- 39.8 FTE additional teachers needed to offset the reduction in class sizes;
- 13.9 FTE additional teachers allocated in special education staff;
- 7.7 FTE teacher librarians needed to meet non-enrolling ratios.

The MoE calculates the grant based on initial forecasts provided to the MoE by the School District. The School District is only able to utilise these funds to meet necessary costs of the restored language.

Schedule 3A accounts for indirect costs, or overheads, associated with these changes within the 'Classroom Enhancement Fund – Overhead'. They include:

- TTOC coverage for sick and other leaves for the additional teachers;
- Additional Educational Assistants needed to support the increased number of classes; and
- Other miscellaneous costs associated with data tracking, increased class space and staff recruitment.

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To receive the grants, the District must be able to demonstrate to the Provincial Government that the associated direct or indirect costs are a result of the restoration of the collective agreement language.

Certain classes exceeded the class size and composition limits outlined in the Collective Agreement. The School District is required to provide remedy, typically in the form of additional preparation time or collaboration time, to teachers of such classes. The ‘Classroom Enhancement Fund – Remedies’ provides grant funding to cover the associated expense.

The classroom enhancement funds, although new in the 2021/22 year, are a core part of the District’s funding. This funding is tied to the application of historical language restored to the collective agreement.

Safe Return to School and Federal Safe Return to Class funds

The Provincial and Federal governments provided a total of \$0.3 million of grants targeted to the purpose of addressing the cost impact of the pandemic. They required that school districts spend the funds during the fiscal year.

Seamless day kindergarten (pilot program in one school)

The Seamless Day Kindergarten pilot program will employ certified early childhood educators to provide before- and after-school care in kindergarten classrooms and to support learning alongside the classroom teacher. The program makes use of existing classrooms, outside of school hours, and does not require new rooms or buildings.

The Ministry provided \$50k of grants targeted to the purpose of addressing the cost impact.

BC Settlement Program

For Canada to realize the economic, social and cultural benefits of immigration, newcomers must integrate successfully into Canadian society. The Citizenship and Immigration Canada Settlement Program, plays a major role by assisting immigrants and refugees to overcome barriers specific to the newcomer experience so that they can undertake their longer-term integration on a similar footing to other Canadians.

The CSF is engaged with Travailleuses et travailleurs en établissement des familles immigrantes dans les écoles (TEFIE) program.

Statement – Capital Fund

The capital fund, including the local capital fund, accounts for assets owned by the District and the funds used to purchase them or set aside to acquire them in the future.

Provincial grants targeted for the purchase of assets (for example, a grant to renovate a school) are recorded in the capital fund.

If the District purchases an asset using operating funds, then the District treats the cost of the asset as a transfer from the operating fund to the capital fund.

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The Province does not provide capital grants for asset acquisitions such as computer equipment, school furniture and equipment, vehicles, maintenance equipment, photocopiers, classroom renovations or district administration buildings. The only source of funding available for these assets is typically operating funds. To set aside funds to allow the future purchase of major assets, the district may transfer funds from the operating fund to the local capital fund.

During the year ended June 30, 2022, the district invested \$40.9 million in capital additions.

Detailed information on the capital fund is presented in schedules 4 to 4D following the notes to the financial statements.

Schedule	Overview
4	Summarises amortization, local capital balances, and transfers to the capital fund from other funds.
4A	Outlines *the cost of assets acquired during the year. *the amortization of assets by asset class. *the original cost of assets owned by the District, by asset class *the total amortization of each asset class. This is an estimate of the value of the wear-and-tear of assets over their lifetime. *the net book value of assets, being the cost less amortization.
4B	Outlines costs to date on construction that is still in progress.
4C	Accounts for targeted funding spent on the acquisition of capital assets.
4D	Accounts for funding received which is targeted towards capital asset purchases.

Capital assets

Schedule 4A summarises the capital assets owned by the District.

The District has \$40.9 million invested in its capital. Further details are presented in the Financial Highlights section.

The vast majority of the District's capital assets are the school land/buildings and the computers. The amortization expense recognises the depreciation of an asset over its useful life.

Deferred capital revenue

Schedule 4C accounts for grants received for capital asset purchases that the District has spent.

Schedule 4D accounts for grants received for capital asset purchases that the District has yet to spend.

Schedule 4D illustrates that the District received \$40.9 million of grants in the year from the Ministry of Education in the form of bylaw capital. This includes the capital portion of the annual facilities grant.

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The District engaged \$13.0 million of grant funded capital projects during the year. This includes the purchase of installations, HVAC upgrades, a playground and the building improvements. \$25.1 million were for land acquisitions and \$3.1 million for paying leases costs.

The \$13.0 million of bylaw capital that the District spent on completed projects is accounted for as deferred capital revenue on schedule 4C. Deferred capital revenue balances are accumulated over the years, and amortized over the estimated lifespan of the assets acquired with the grant money.

The district received, last year, \$2.6 million from Ministry of Children and Family Development for creating daycare facilities. These projects were starting during Summer 2022.

Transfers

Schedule 4 includes a column showing the transfers to and from the capital asset and the local capital fund, and the balance at the end of the year.

The table below discusses the transfers to capital made during the year, and the utilisation of the local capital amounts.

Purpose	Transferred amounts	Notes
Leases Computers	1,353,186	The District deployed the Finance module element of the computer replacement.
School equipment	511,149	The Board allocated fund year to the replacement of school equipment.
AFG	178,448	The district approved the transfer of surplus targeted fund to local capital to fund facility improvements. This will help provide the means to perform any capital projects identified by the long- range facilities plan that is currently in development.
Total	2,042,783	

FACTORS BEARING ON THE SCHOOL DISTRICT’S FUTURE

The CSF pursue the expansion by buying one new land in Victoria: Lansdowne project. During the construction of this new building, the school will be temporary on Breafoot land. This last one is also build.

For Burnaby and Pemberton, the CSF will start the studies for building new schools.

CONTACTING THE SCHOOL DISTRICT’S FINANCIAL MANAGEMENT

This financial report is designed to provide the School District’s stakeholders with a general overview of the School District’s finances and to demonstrate the School District’s accountability for the money it

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receives. If you have questions about this report or need additional financial information, please contact the Office of the Secretary Treasurer at 614-214-2600.