



FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2021

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INTRODUCTION

The following is a discussion and analysis of the School District's financial performance for the fiscal year ending June 30, 2021. This report is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. The results of the current year are discussed in comparison with the current year budget and prior year results. This report should be read in conjunction with the School District's audited financial statements for this same period.

OVERVIEW

The Delta School District is a leading district for innovative teaching and learner success. We are a District of more than 16,300 student FTEs and a headcount of approximately 2,800 staff. The District's 31 schools, located in Ladner, North Delta, and Tsawwassen, nurture caring relationships, connections and a sense of belonging to our local and global communities. The District's mission is to enable all learners to succeed and contribute their full potential to the future. We value Caring, Respect, Responsibility, Community and Excellence.

Our Vision



During the 2010-11 school year, the Delta School District embarked on a journey to truly identify its future direction. All schools and school sites took part in a visioning process where they were asked to define their Big Bold Vision. Students, teachers, parents, and staff actively came together under the direction of a professional facilitator to brainstorm and narrow their focus. A graphic artist captured the ideas in drawings along the way. In the end, a concrete mission, vision and set of values were determined.

Vision

The Delta School District is a leading district for innovative teaching and learner success.

Vision Subthemes

1. Students are engaged through stimulating, relevant and inspiring educational experiences that ignite a lifelong passion for learning.
 1. Multiple pathways to learner success.
 2. Sustainable, accessible technology supports innovative instruction.
 3. Education takes place in all parts of the community.
 4. Teachers work collegially to use best practices.
2. Learners are fully prepared and empowered to contribute their personal best to society and become tomorrow's citizens and leaders.
 1. Engaged and inspired learners achieve success.
 2. Delta graduation rates soar!
 3. Well-rounded global citizens emerge from our schools.
3. Our schools nurture caring relationships, connections and a sense of belonging to our local and global communities.
 1. Safe and supportive learning community.
 2. A culture of inclusion.

Our Mission

To enable all learners to succeed and contribute their full potential to the future.

Our Values

Caring, Respect, Responsibility, Community, and Excellence

- **CARING:** Compassion, Empathy, Acceptance, Dedication
- **RESPECT:** Equality, Fairness, Dignity, Inclusion, Trust
- **RESPONSIBILITY:** Integrity, Accountability, Social Responsibility, Safety
- **COMMUNITY:** Teamwork, Partnership & Collaboration, Connectedness
- **EXCELLENCE:** Innovation, Creativity, Achievement, Engagement

During the latter part of 2020-21, the District and its education stakeholders began the **2030 Visioning** process which includes the creation of a new **Strategic Plan** (to be completed by September 2021). Awareness and experiences gained over the past ten years and lessons learned during the COVID-19 pandemic informed the look forward. Resulting themes included wellbeing, belonging, diversity, inclusion, equity, indigenous ways of learning, collaboration, resilience, and a deep passion for all to thrive and flourish.

Academic Achievements for the Year

Background

In 2017, the District engaged schools in a planning process to identify key school and District goals under the Ministry of Education's new Framework for Enhancing Student Learning (FESL). Most of 2017 was an opportunity for school teams to work collaboratively to identify key student learning needs at the school that required further focus and improvement. In the fall of 2017, schools provided their school goals to the District for review and a scan of the school goals resulted in four key goal areas that formed the District FESL (as follows on next page).



Current State

The District is presently developing its vision for the next nine years. Staff, students, families and community partners have been invited to participate in the visioning process through Zoom events, and online surveys and vision boards. The District anticipates launching **Vision 2030** in fall 2021.

Academic Achievement of Note for the Year 2020-21

The District Framework for Enhancing Student Learning Goals that were established back in the 2017-18 school year continue to be a focus for our District and school leaders. The 2020-21 school year was our third full year of work focused on the goals of: **1) Increasing students' sense of connectedness, 2) Reading – All students reading at grade level by grade three, 3) Assessment – Building teacher capacity in quality assessment practices and, 4) Graduation – 100% of students graduating with dignity, purpose, passion and options.**

For most of this school year, the zone Assistant Superintendents continued to work with school leaders to go deeper into their school goals and continue to support teachers in their ongoing learning. At the District level, District leaders are responsible for the four goal areas and have been working with their teams to review and report out on progress. During this year, the District continues to maintain a strong focus on tracking data associated with each of the goals.

Literacy Initiatives

2020-2021 saw the continuation of a significant emphasis on student literacy. The third year of widespread reading data collection in Kindergarten to Grade 3 allowed all levels of the system to take significant action on the patterns that had emerged over the past three years. This was particularly the case in work facilitated by the Coordinators of Inquiry who led fourteen schools through collaborative inquiry around the Kindergarten to Grade 3 reading data.

From those conversations, a District-wide inquiry around reading in the intermediate grades began which has resulted in improvement in students' reading comprehension. Classroom teachers collaborated with District staff in using short text bundles incorporating specific reading strategies.

To support teacher in working with students throughout the pandemic, Curriculum, Instruction and Assessment (CIA) staff provided digital resources such as a weekly story time, short instructional videos around phonemic awareness, and a series on Powerful Pedagogies that focused on the science of learning.

Coordinator of Inquiry (COI) Program

The COI Program continued in 2020-2021, marking the tenth year of this initiative in Delta. The COI program continues to deepen in impact, responding to the context of each school. This year's end of year celebration showed a deeper focus on connectedness, relationship, and inclusive learning practices.

Other Curriculum, Instruction and Assessment (CIA) Initiatives in 2020-21

We continued to support existing programs including:

- Outdoor learning: There was an increased demand for supporting teachers in outdoor pedagogies. These initiatives were supported with resources and curricular innovations such as Story Strolls and a Finding Cedar on-site field trip offering led by Coordinators and Teacher Candidates. In just two weeks they managed to lead 78 Finding Cedar Field Trips, a feat to be sure.
- Decision Making Skills: This year an increased number of teachers engaged their class in learning how to make thoughtful decisions, collaboratively and individually:
<http://www.deltalearns.ca/decisions>
- MyBlueprint: An online tool used by secondary schools as career education support and portfolio space.
- Support was also given to the new curriculum areas across K-12.
- Technology tools including Google Apps for Education and Microsoft Teams.

Indigenous Education

Our Monday Land Acknowledgment sessions, hosted by our Cultural Facilitator, Nathan Wilson, had a significant impact District-wide. Sessions were broadcast on Zoom and viewed by hundreds of classrooms in Delta on a weekly basis.

2020-21 saw an increase of three new positions to address the learning needs of students with Indigenous ancestry. One of these positions is the Indigenous Teacher Coordinator, who is responsible for overseeing the cultural teachings and how these teachings can be incorporated in the classroom. This same teacher, who has Indigenous ancestry, also took on the role of Chair for the District's Equity in Action Committee. The other two new positions, both Indigenous Behaviour Specialists, have been provided to oversee, and advocate for, those Indigenous students who are experiencing learning and/or behavioural challenges in the classroom context.

Learning Services During the COVID-19 Pandemic-19

The main focus for the 2020-21 school year was to maintain a healthy and safe environment for all students, families and staff. The District navigated a wide range of health and safety guidelines and protocols, many of which changed several times over the year, and often at short notice. Staff, students and families adjusted to a myriad of measures including physical distancing, hand washing, following directional signage, completing health checks, wearing masks and participating in countless Zoom meetings. Fortunately, a return to a more normal school year is looking likely for the 2021-22 school year.

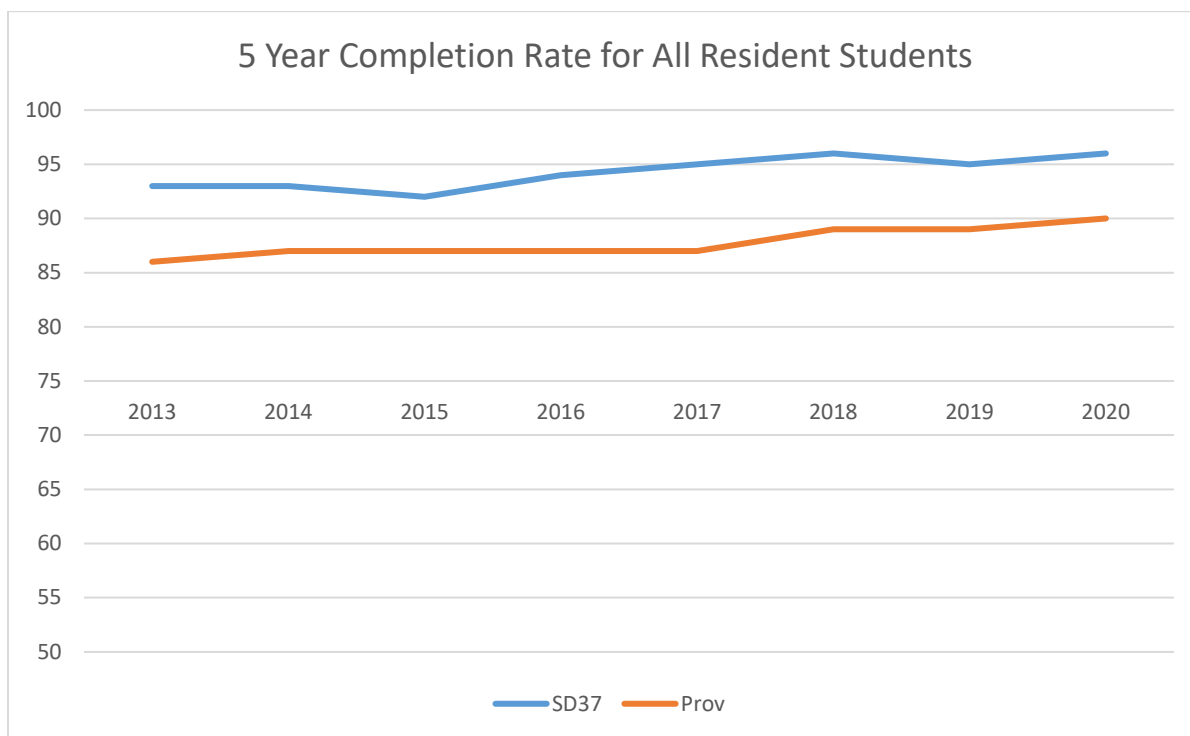
Our two Distributed Learning Programs, Delta Access (10-12) and Home Quest (K-9), saw massive growth in enrolment, primarily due to the COVID-19 pandemic. Delta Access saw an enrolment increase of approximately 80% and we were fortunate to be able to hire enough teachers to meet the student

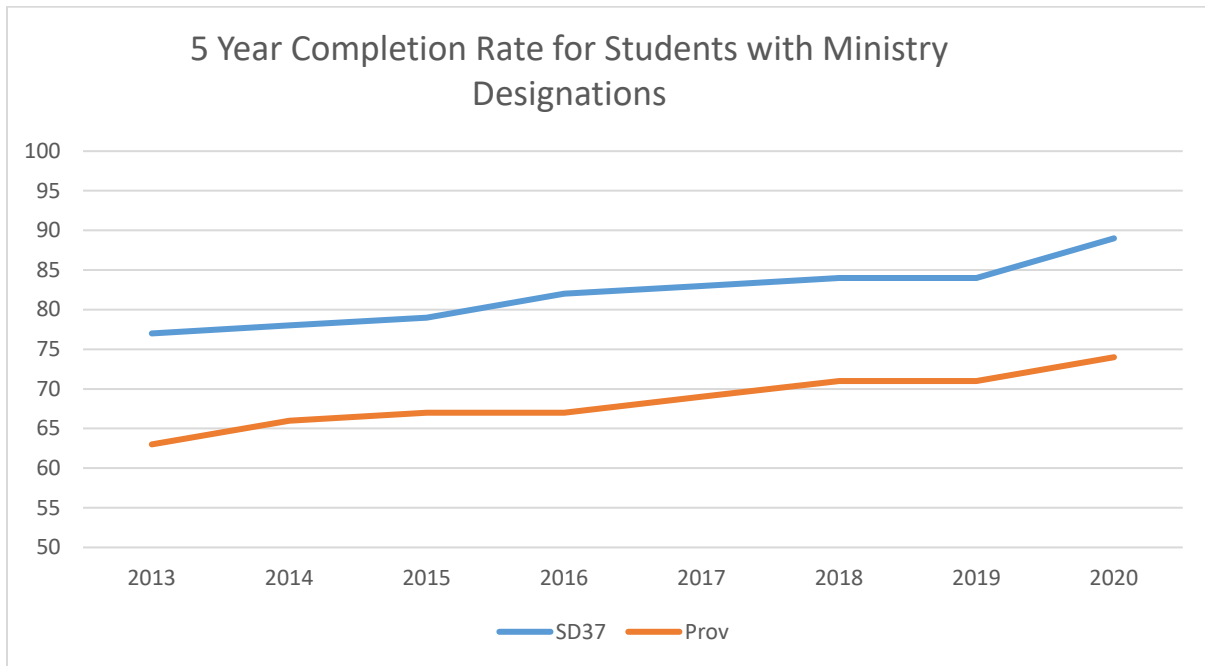
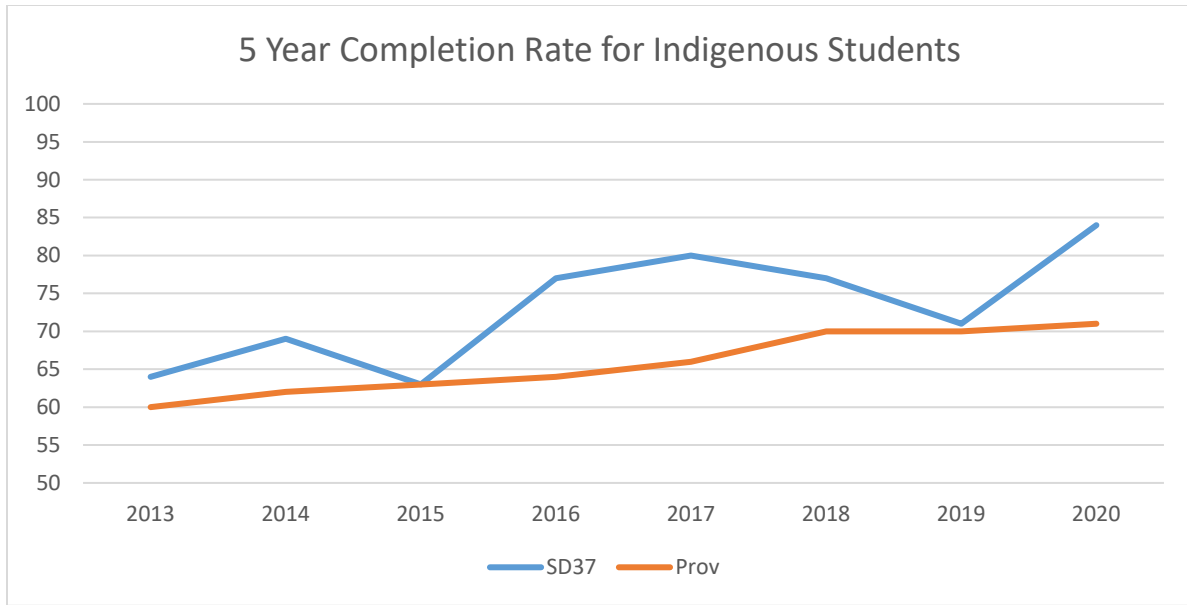
demand. Home Quest, which averages approximately ninety students per year, grew to over eight-hundred-fifty students. We addressed this growth through hiring an additional twenty-four teachers, all of whom provided remote learning opportunities for students while coordinating with Inclusive Learning to ensure all student needs were met. Additional teaching costs were covered from COVID-19 pandemic related grant funding.

One upside of the pandemic is that it enabled the District to reach more students and parents than ever before. Free online workshops on a variety of topics including mental and emotional wellness, managing stress, resiliency and navigating adolescence have been offered. More than one-thousand parents took part in these sessions, and hopefully felt better able to support their children as a result.

Five Year Completion Rates

The Delta School District continues to have completion rates well above the provincial average as shown in the five-year completion graphs below. We are deeply committed to parity and equity for all students.





International Student Program

The COVID-19 pandemic had a significant impact on our schools and students during the 2020-21 year. Largely due to the travel restrictions put in place during the pandemic, the number of international students welcomed into the District decreased over last year. The 2020-21 year hosted 183 students through quarantine, and at its peak had 354 international students attending school in the District.

The decreased international student enrolment allowed for the International Student Program to engage in initiatives on a provincial and national level, including participation in meetings to determine arrival protocols for international students, and in working with the Ministry of Education on mental health resources for international students. The smaller international student body also allowed for more time to be dedicated to program staff coordinating with every student and their parents via Zoom video conferencing, as well as increasing the program's engagement in the community and District.

While international student enrolment numbers dropped significantly for the 2020-21 school year, inquiries and applications for the 2021-22 school year have surpassed our capacity for accommodating international students for the year.

Maintenance and Operations

During the year, District school buildings continued to be refurbished on a cyclical schedule. In 2020-21, Maintenance and Operations continued to focus on providing safe and clean buildings to enhance the student and staff experience, from repairs to new roofs and flooring, updated parking lots, generators, electrical upgrades and carpet wall removal to name but a few.

The team provided support to all of our District sites, from barriers for offices and classrooms to improved HVAC, and enhanced cleaning procedures, frequency of cleaning schedules and increased supplies.

After 15 years with our legacy email system, District IT Services implemented Microsoft Office 365 as a new form of communication and collaboration. IT Services improved the District's network security position with the Next Generation Network – a Firewall Hardening project in cooperation with the Ministry of Education. IT Services also continued to refresh District computers. By fall 2021 IT Services expects to finish replacing all stationary labs in secondary schools.

Year in Review

The COVID-19 pandemic continued throughout the school year, significantly impacting education initiatives everywhere in the District and international student travel. Many parents chose full-year online learning for their children, instead of in-person attendance at school. The District, along with all other BC districts, implemented provincial Public Health Officer health and safety guidelines, including the creation of student cohorts, increased outdoor education, increased hand hygiene, mask wearing and other distancing and health and safety measures. Funding made available by the Provincial and Federal Governments enabled the addition of 24 custodians, the creation of numerous safety barriers, purchase of touchless faucets, ventilation improvements, the addition of District-on-call TTOCs, additional online learning teachers, a First Nations mini school, and added mental health supports.

Throughout the year, hourly facility rentals were cancelled. Academy courses and the District's Farm Roots mini school courses were suspended.

The District partnered with the City of Delta to upgrade and resurface the track at North Delta Secondary, which not only benefits the school body but the community as well. The Grand Opening of the track took place on August 14, 2021.

The School District also partnered with the City of Delta and the Delta Police Department to develop the [End the Stigma](#) campaign, which aims to share the message that substance use is a reality in our communities, neighbourhoods and to encourage people to ask for help.

In April 2021, cedar trees were planted at every District school and site as part of [The Giving Tree Project](#) partnership with the City of Delta as a way to show appreciation and respect for local Indigenous culture.

In June 2021, the District was awarded a grant of \$11,000 from the Vancouver Fraser Port Authority and the Delta Foundation to enhance the District's Giving Tree project. With the help of this grant, the District will install three-foot signs with QR codes linking to information about the project as well as the significance of cedar trees for local Indigenous peoples.

During the 2020-21 school year, the District forged ahead with its anti-racism work, forming an Antiracism Committee and establishing an [Anti-Racism website](#). In April 2021, the District was awarded a grant of \$10,000 from the BC Multiculturalism Grants Program to support an anti-racism initiative that will leverage a student-initiated study which took place at Sands Secondary school this year.

FINANCIAL HIGHLIGHTS

About BC School District Financial Statements

BC School District financial statements are prepared in accordance with section 23.1 of *the Budget Transparency and Accountability Act* of the Province of BC which requires that financial statements are prepared in accordance with Canadian public sector accounting standards with some exceptions as explained in Note 2 to the financial statements. Public sector accounting emphasizes accountability, not profitability. **School District Financial Statements have a prescribed common format**, and they are consolidated into the Provincial Financial Statements.

Further, **Financial Statements of BC School Districts are reported as a consolidation of three separate funds: Operating, Special Purpose and Capital**. In the financial statements, these three separate funds are reported collectively in statements 1 through 5 and separately in schedule 2 (Operating Fund), schedule 3 (Special Purpose Funds) and schedule 4 (Capital Fund). To gain a full understanding of statements 1 through 5, it is important to also review each of the funds separately.

Change in Enrolment

It all starts with our students...

BC Education funding is largely enrolment driven. Enrolment related funding made up 96.8% of the District's 2020-21 Ministry Operating Grant and 74.01% of overall District revenue. Shifts in enrolment can have significant impacts on School District operations.

Student Enrolment

The Delta School District's FTE enrolment presently ranges upward of 16,300 students of which 98.4% are school-aged K-12 students. The 2020-21 actual enrolment count for school-aged students exceeded the amended budget by 193.5 FTE, while adult students came in 19.63 FTE under the amended budgeted amount.

School-aged and summer school enrolments increased over the prior year by 411.19 and 4.88 student-FTE respectively.

DELTA SCHOOL DISTRICT - #37							
Overall Student Enrolment							
AS AT JUNE 30, 2021							
	Total 2020-21	A. Budget 2020-21	Total 2019-20	\$ Variance from A.Budget	Variance from Prior Year		
School Age	16,051.5938	15,858.0938	15,640.4067	193.500	1.2%	411.187	2.6%
Adult	49.0313	68.6563	56.5000	(19.625)	-34.7%	(7.469)	-10.9%
Summer School	208.5000	208.5000	203.6200	-	0.0%	4.880	2.3%
Total	16,309.1251	16,135.2501	15,900.5267	173.875		408.598	

...and the students within our students

Currently, BC's Ministry of Education provides additional supplemental funding for students with disabilities or diverse abilities. The Ministry of Education has grouped these into three categories with the following associated funding amounts.

Categories and funding amounts include:

- **Level 1 designations** include physically dependent (A) and deaf blind (B) students; Funding Amount: \$43,000
- **Level 2 designations** include moderate to profound intellectual disability (C); physical disability/chronic health impairment (D); visual impairment (E); deaf or hard of hearing (F); autism spectrum disorder (G) students; Funding Amount: \$20,400
- **Level 3 designations** include students requiring intensive behavior interventions or students with serious mental illness (H); Funding Amount: \$10,300
- **Unfunded Ministry of Education other designations** include mild intellectual disability (K); students requiring moderate behavior support or students with mental illness (R); gifted (P); or learning disabilities (Q).

Students enrolled in September are funded the full amount. Students enrolled after September are counted in February and are funded half of the full-year amount.

Additionally, the Ministry of Education provides funding for students identified as English Language Learners (ELL) at \$1,520, for students with Indigenous Ancestry at \$1,500, for Newcomer Refugees at \$3,780 and for Adult Students at \$4,823.

Student enrolment varies from school year to school year. The total number of students with Level 1, 2 and 3 Ministry designations, and the variation in the amount of students within the three levels, determine the amount of Ministry funding received.

The nature of the supports that students require also varies from school year to school year and as a result, so do the associated costs for providing students with the required supports and services.

The Ministry funding levels do not reflect and do not provide for the full spectrum and associated cost of addressing actual student learning needs.

- **For example**, in a given school year the number of students identified with Level 2 designations may decrease, resulting in less funding than the previous school year while, at the same time, the costs to provide student supports and services may increase as the number of students requiring intensive and costly supports in this category may increase.
- **For example**, an increase in students with Level 3 Ministry designations is often associated with an increase in complex and costly support needs. A student with a Level 3 designation may require a full complement of supports including counsellor, specialized teacher and full time EA support. For example, a full time EA support is provided at a cost of approximately \$49,000 per school year, as compared to supplemental funding of \$10,250 for a student identified as meeting Level 3 designation criteria.

The types and amounts of support services for individual students is driven by their Individual Education Plans, not by the Ministry designation category.

Unique Student Need Enrolment

In 2020-21, enrolment for students identified with Level 1, 2 and 3 Ministry designations decreased by 18 students over the prior year. However, per pupil funding amounts increased. As a result of the combined impact of enrolment and per pupil funding changes, funding increased by \$378 thousand. This in turn resulted in increased support for students' needs.

ELL Students increased by 39 student FTE and there was an increase of 25 students with Indigenous Ancestry.

The table below shows 2020-21 versus 2019-20 Enrolment for Designated Students:

ENROLMENT FOR STUDENTS WITH UNIQUE STUDENT NEEDS	2020-21		Total	2019-20		Total	2020-21 vs 2019-20	
	FTE	\$ / ea	Revenue	FTE	\$ / ea	Revenue	FTE	Revenue
Level 1 Students - Sep	14.000	43,000	602,000	11.000	42,400	466,400	3.000	135,600
Level 1 Students - Feb	1.000	21,500	21,500	1.000	21,200	21,200	-	300
Level 1 Students - Total	15.000		623,500	12.000		487,600	3.000	135,900
Level 2 Students - Sep	750.000	20,400	15,300,000	746.000	20,200	15,069,200	4.000	230,800
Level 2 Students - Feb	24.000	10,200	244,800	12.000	10,100	121,200	12.000	123,600
Level 2 Students - Total	774.000		15,544,800	758.000		15,190,400	16.000	354,400
Level 3 Students - Sep	387.000	10,300	3,986,100	411.000	10,250	4,212,750	(24.000)	(226,650)
Level 3 Students - Feb	21.000	5,150	108,150	34.000	5,125	174,250	(13.000)	(66,100)
Level 3 Students - Total	408.000		4,094,250	445.000		4,387,000	(37.000)	(292,750)
ELL	1,764.000	1,520	2,681,280	1,725.000	1,495	2,578,875	39.000	102,405
Indigenous	615.000	1,500	925,500	590.000	1,450	855,500	25.000	70,000
Newcomer Refugees	2.000	3,780	7,560	-	3,734	-	2.000	7,560
ELL Supplement for Refugees	1.000	760	760	-	748	-	1.000	760
Sub-total	3,579.000		23,877,650	3,530.000		23,499,375	49.000	378,275
Unfunded Students	991.000			1,027.000			(36.000)	-
Total Enrolment & Funding	4,570.000		23,877,650	4,557.000		23,499,375	13.000	378,275

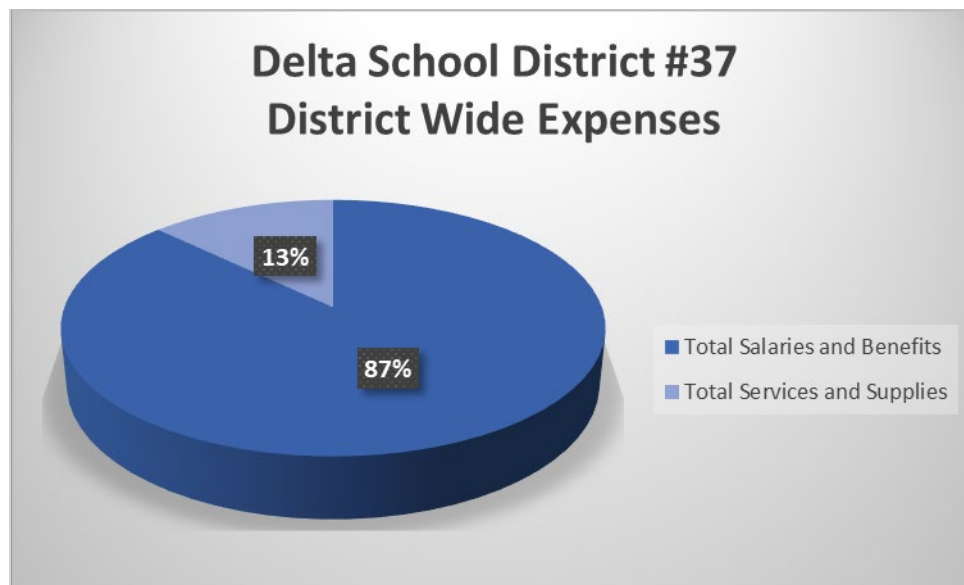
The 2020-21 school year saw the actual number of inclusive education students enrolled closely mirror the budgeted amount. However, Level 3 students saw decreases compared to budget, while both Level 1 and Level 2 students saw increases over budget.

During the 2020-21 school year, Inclusive Learning continued to prioritize staffing, learning resources, the provision of supports and students directly impacting student success, professional learning and subject-area expert consultation, and the ongoing review and adjustment of structures and processes furthering the District goals of inclusion, equity and the success of all students. Inclusive Learning maintained an array of Kindergarten to Grade 12 support services offered through the tiers of foundational and universal strategies supporting the success of all students through to increasingly targeted and highly individualized supports.

Throughout the 2020-21 school year, to further the goal of continuing to build system-wide capacity to implement universal and inclusive learning environments in support of student success, Inclusive Learning worked with several community-based and internationally renowned subject-area experts in the fields of education, inclusion and equity.

Change in Staffing

The majority of School District funding is expended on staffing costs. In 2020-21, 87% of total District expenditures were staffing related.



Teachers

The 2020-21 school year saw a dramatic change to the recruitment landscape. In-person career fairs were replaced with virtual events providing for an alternative way to recruit individuals from across Canada. This resulted in a more efficient means of recruiting teachers although the costs associated with these events remained consistent with in-person career attendance. Positions requiring special qualifications continue to be challenging given the province-wide shortage of French Immersion, Tech Ed and Inclusive Learning teachers. With the addition of a District Principal of Recruitment, Retention and Wellness, Delta will focus its efforts on hiring to hard-to-fill positions.

Teachers Teaching on Call (TTOC's)

TTOC's are included in the Substitute Labour category, which also includes casual EA's, Clerical, Maintenance and Custodial Labour.

Although maintaining a robust list of TTOCs is challenging at times due to hiring needs, Delta had fewer shortages during the 2020-21 school year. This allowed for less disruption in our schools and also permitted some professional learning opportunities to take place during the instructional day.

TTOC's provide release time in the case of teacher illness and to cover teacher collaboration and professional development initiatives.

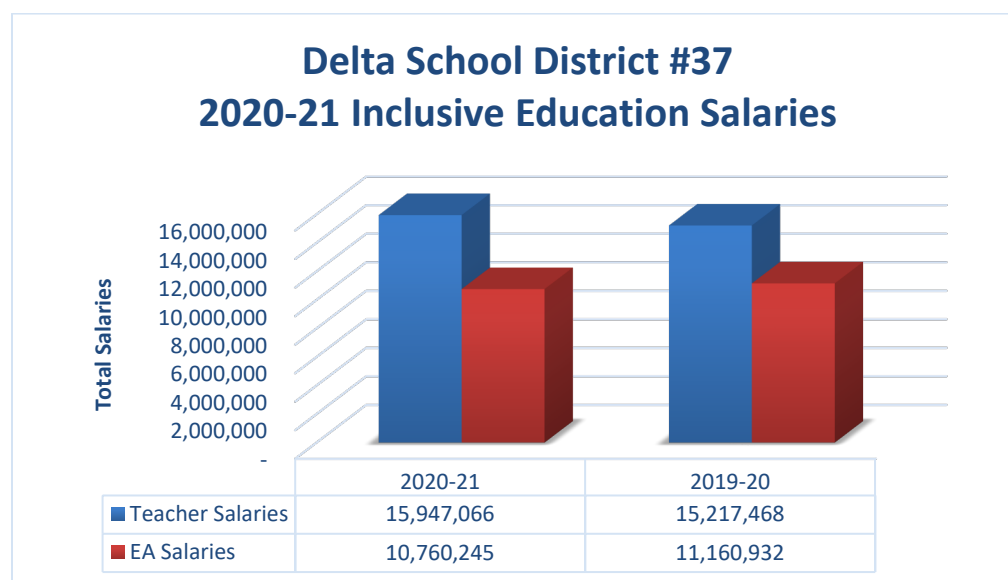
Since 2017-18, the class size and composition restored language provides teachers with relief where a certain threshold of class size or class compositions have been reached. This relief, referred to as "remedy", can be provided to teachers in several variations, including TTOC release time and pooled

minutes to create posted positions. During the 2020-21 school year, several schools were able to buy additional staffing paid through accrued remedy funds.

Education Assistants (EA's)

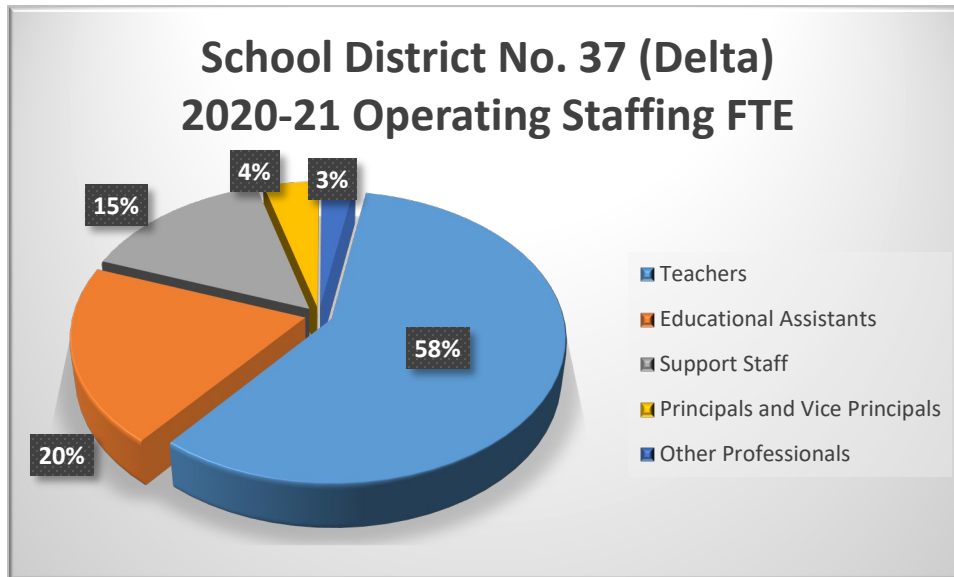
The Education Assistants category includes Child and Youth Care Workers. Education Assistants and Child and Youth Care Workers are employed in a variety of education areas in the District, including Inclusive Education (89%), Career Programs, the International Student Program, in Continuing Education and in a variety of education programs, including English Language Learners (ELL) and Indigenous Education.

Education Assistant numbers vary with changing individual student needs and enrolment. As already mentioned, 2020-21 enrolment numbers for students with unique student needs decreased compared to the prior year (please refer to pages 11-13 for details). In 2020-21 Inclusive Education related Education Assistant FTE decreased due to the mentioned changes in enrolment and service provision needs. International Education Assistant costs declined due to an enrolment decrease resulting from the COVID-19 pandemic related travel bans.



Overall Staffing Composition

At 58%, the largest contingent of the 2020-21 District staffing consisted of teachers, followed by education assistants, who made up 20% of the District's staffing FTE, and support staff at 15%. Principals and vice principals made up 4% of overall staffing and other professionals, who include management and trustees, made up 3% of the FTE distribution (please see below).



Operating Accounts

The circumstances of 2020-21 resulted in an **Operating Surplus of \$153 thousand** which **increased the Operating reserve from \$18.86 million to \$19.01 million.**

The primary factors that contributed to the Surplus:

- Late receipts or unbudgeted revenues set aside for next year - **Total: \$2.442 million**
- Net department variances in International, Inclusive Ed, Cont. Ed, Maintenance, Distr. Admin. - **Total: \$1.160 million**
- Bricks & Mortar Teachers (\$1.009) million v. Online Learning Teachers +\$785 thousand - **Total: \$224 thousand**
- Various added costs: Illness (\$568) thousand; Clerical (\$107) thousand; Grad BC Cost (\$94) thousand - **Total: (\$769) thousand**
- Technology and other Asset Purchases from reserve and department budgets - **Total: (\$2.907) million**

DELTA SCHOOL DISTRICT - #37**Operating Fund Net Change**

AS AT JUNE 30, 2021

	Total 2020-21	A. Budget 2020-21	Total 2019-20	\$ Variance from A.Budget	Variance from Prior Year
Total Revenue	168,309,148	166,003,356	169,921,261	2,305,792	(1,612,113)
Total Expenses	165,248,870	167,088,705	164,959,574	(1,839,835)	289,296
Net Change	3,060,278	(1,085,349)	4,961,687	4,145,627	(1,901,409)
Total Net Transfers	(2,907,500)	(2,474,189)	(1,650,168)	(433,311)	(1,257,332)
Total Net Change	152,778	(3,559,538)	3,311,519	3,712,316	(3,158,741)
Acc. Surplus Opening Balance	18,859,948	18,859,948	15,548,429	-	3,311,519
Acc. Surplus Ending Balance	19,012,726	15,300,410	18,859,948	3,712,316	152,778

Special Purpose Funds

Special Purpose Funds financial statement schedules provide information on “restricted contributions” where the term “restricted contributions” is defined as legislative or contractual stipulations, or restrictions, as to the use of funds. This, among other funds, includes funds that are designated to be Special Purpose Funds by the Ministry of Education (e.g.: Annual Facilities grant) and it includes Scholarship Funds.

At the beginning of the year, the District’s Special Purpose Funds had a combined opening balance of \$4.732 million. Receipts of \$24.574 million and spending of \$24.801 million resulted in a \$227 thousand decrease in the balance to be carried forward. The total carry-forward balance as at June 30, 2021 was \$4.505 million. For more information, please see the section called “Financial Analysis” Subsection “Special Purpose Funds” on page 30.

DELTA SCHOOL DISTRICT - #37

Special Purpose Funds

AS AT JUNE 30, 2021

	ACTUAL	Prior Year	Variance from Prior Year
Provincial Grants - Ministry of Education (net)	21,699,590	15,052,081	6,647,509
Provincial Grants - Other	104,674	292,397	(187,723)
Other	2,762,049	5,633,502	(2,871,453)
Investment Income	8,098	17,964	(9,866)
Total Restricted Grants	24,574,411	20,995,944	3,578,467
Allocated to Revenue	24,801,441	20,558,332	4,243,109
Total Net Change	(227,030)	437,612	(664,642)
Beginning Balance	4,732,177	4,294,565	437,612
Ending Balance	4,505,147	4,732,177	(227,030)

Capital Accounts

Capital Fund financial statement schedules provide information on the District's tangible capital asset acquisitions and the net book value of these acquisitions. Additionally, these schedules provide information on externally restricted capital revenues provided to the District for the acquisition of tangible capital assets, and on funds transferred in from the operating or special purpose funds for the purpose of acquiring tangible capital assets.

During the school year ended June 30, 2021, the District invested \$8.288 million in capital assets and capital leases.

Funding used to make these additions possible consisted of the following sources: \$4.728 million from the Ministry of Education, \$2.900 million from District Operating Funds, and \$660 thousand from Special Purpose Funds and other sources.

The funding was used to make \$4.829 million in building and playground upgrades, invest \$2.08 million in technology and technology infrastructure projects, \$672 thousand in facilities equipment replacements and \$613 thousand in capital lease payments.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT

Statement of Financial Position

Definition: “An overarching statement that summarizes an entity’s financial position. It presents an entity’s financial assets and liabilities at a point in time. The statement layout provides two key performance measures of the entity’s ability to finance its operations and provide future services”. (Quoted from: “Understanding Canadian Public Sector Financial Statements” by the Office of the Auditor General of BC)

The two financial measures are: 1) Net Financial Assets (Debt) and 2) Accumulated Surplus (Deficit).

1) Net Financial Assets (Debt)

“Net debt is a term that is unique to public sector financial reporting. It is the difference between an entity’s financial assets and liabilities at a point in time. This performance measure provides readers with important information regarding the entity’s requirement to generate future revenues to fund past services and transactions.” (Quoted from: “Understanding Canadian Public Sector Financial Statements” by the Office of the Auditor General of BC)

School Districts will show a “net debt” position due to the funding provided, primarily by the Ministry of Education, for large capital projects and school acquisitions, but also by other external Ministries and organizations. These types of funding carry the term “Deferred Capital Revenue”. Differently from a debt, these contributions do not have to be repaid but are amortized over time. A net debt position therefore is not an indicator of insufficient financial assets to settle existing liabilities.

When District net debt is offset by non-financial assets, which include net capital assets, the resulting positive measure denotes a District’s accumulated surplus. Under the *School Act*, School Districts must not incur any accumulated deficits.

2) Accumulated Surplus (Deficit)

An accumulated surplus position means that a District has net positive resources for the provision of future services. District-wide “Accumulated Surplus” consists of “Accumulated Operating Surplus” and “Accumulated Capital Surplus”.

Conceptually, special purpose funds do not incur surpluses because the deferred revenues remaining in these funds are liabilities that are owing back to the provider of the funds in the event that the stipulations attached to the funds are not met.

As an exception, when special purpose funds make capital expenditures, they create a surplus by recognizing more revenues than expenses. This surplus is then transferred to the capital fund in payment of the capital acquisition (see Schedules 3 and 3a). The revenue recognized thus exactly covers operating and capital expenditures, leaving no surplus.

An accumulated operating surplus consists of accumulated surpluses and deficits over the years. The balance must always be positive, however, school districts can incur an annual deficit when they are in an accumulated surplus position. The deficit is a way to access the prior accumulated surplus balances.

The use of accumulated operating surplus balances is guided by District policy and is authorized, monitored, and reviewed by the Board and the Audit Committee through the year.

SCHOOL DISTRICT No. 37 (DELTA) STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2021				
	TOTAL 2020-21	TOTAL 2019-20	Variance from Prior Year	% of Change
FINANCIAL ASSETS				
Cash and Cash Equivalents	50,778,597	47,511,080	3,267,517	7%
Accounts Receivable				
Due from Province - Ministry of Education	170,149	104,856	65,293	62%
Due from Province - Other	41,955	22,516	19,439	86%
Due from LEA/Direct Funding	267,503	249,850	17,653	7%
Other Receivables	993,041	1,293,203	(300,162)	-23%
TOTAL FINANCIAL ASSETS	52,251,245	49,181,505	3,069,740	6%
LIABILITIES				
Bank Overdraft	-	-		
Accounts Payable and Accrued Liabilities				
Due to Province - MOE	23,537	-		
Due to Province - Other	152	49	103	210%
Other	14,476,071	12,956,332	1,519,739	12%
Unearned Revenue	6,664,556	5,761,661	902,895	16%
Deferred Revenue	4,505,147	4,732,177	(227,030)	-5%
Deferred Capital Revenue	107,909,062	107,291,662	617,400	1%
Accrued Employee Future Benefits	4,665,747	4,443,084	222,663	5%
Capital Lease Obligations	4,379,651	4,798,686	(419,035)	-9%
Other Liabilities	1,483,285	1,334,646	148,639	11%
TOTAL LIABILITIES	144,107,208	141,318,297	2,788,911	2%
NET FINANCIAL ASSETS (DEBT)	(91,855,963)	(92,136,792)	280,829	0%
NON-FINANCIAL ASSETS				
Tangible Capital Assets - Net	142,662,103	141,660,003	1,002,100	1%
Prepaid Expenses	586,734	767,256	(180,522)	-24%
Supplies Inventory	28,761	39,041	(10,280)	-26%
TOTAL NON-FINANCIAL ASSETS	143,277,598	142,466,300	811,298	1%
ACCUMULATED SURPLUS (DEFICIT)	51,421,635	50,329,508	1,092,127	2%

Financial Assets

Definition: “Financial Assets are the financial resources an entity controls and can use to pay what it owes to others. These assets include cash, accounts receivable, investments and assets that are convertible to cash or that generate cash so that the entity can pay its liabilities as they come due”.

(Quoted from: “Understanding Canadian Public Sector Financial Statements” by the Office of the Auditor General of BC)

Cash and Investment Balance

Cash and investments are required to settle the District’s liabilities after deducting its receivables. The District’s cash and investment balance is always sufficient to cover these costs and the initiatives that are fundable from Accumulated Operating Surplus.

The District’s cash balance increased by \$3.268 million (or 7%) over the prior year. The reconciliation below provides details regarding the change in cash and cash equivalents from the prior year and shows how the cash balance will be used to meet District requirements. Most significant among these are an increase of \$1.520 million due to the timing of Accounts Payable and a \$903 thousand increase in tuition and facility rental advance payments for the coming year.

2020-21 CASH RECONCILIATION				
CASH & INVESTMENT BALANCE AT JUNE 30, 2021	2020-21		2019-20	
CASH BALANCE FOR ALL FUNDS	16,077,498		18,246,907	
INVESTMENT WITH PROV. TREASURY	34,701,099	68%	29,264,173	
PORTFOLIO INVESTMENTS	-		-	
TOTAL CASH & INVESTMENTS	50,778,597		47,511,080	
FUNDS NEEDED FOR				
Accounts Payable	14,499,760		12,956,382	
<i>Includes: Wages, Payroll Deductions</i>				
<i>Amounts due to Vendors, Taxes</i>				
Tuition and Facility Rental Advance Payments	6,664,556		5,761,661	
Restricted Special Purpose Funds	4,505,147		4,732,177	
Unspent Deferred Contributions - Capital Funds	1,750,150		1,657,117	
Accrued Employee Benefits - Mercer	4,665,747		4,443,084	
Vacation and Overtime Banks	1,483,285		1,334,646	
Operating Reserve Initiatives	19,012,727		18,859,948	
Capital Reserves Initiatives	285,368	19,298,095	242,787	19,102,735
LESS: FUNDS TO BE RECEIVED FOR OR SAVED FROM				
Accounts Receivable	(1,472,648)		(1,670,425)	
<i>Includes: GST Refund, TFN & Other Billings</i>				
<i>Amounts receivable fr. PAC and SGF</i>				
Prepaid Expenses	(586,734)		(767,256)	
Maintenance Inventory	(28,761)		(39,041)	
TOTAL USES OF CASH & INVESTMENTS	50,778,597		47,511,080	

Accounts Receivable decreased overall by (\$198) thousand due to various year-end timing differences between the current and prior fiscal years from transactions pertaining to the ordinary course of business. Included in this amount are \$65 thousand in increased receivables from the Ministry of Education due to the receipt of funding for capital projects, decreases of (\$300) thousand in other receivables.

Liabilities

Definition: “Liabilities are existing financial obligations to outside parties at the date of the financial statements. They result from past transactions and events and will lead to the future sacrifice of economic benefits”. (Quoted from: “Understanding Canadian Public Sector Financial Statements” by the Office of the Auditor General of BC)

Accounts Payable increased by \$1.543 million. This amount comprises various year-end timing differences including the following: \$373 thousand increase in funds due to the federal government, and (\$263) thousand decrease in trade payables. It also includes an “Other” payables variance which includes a \$1.086 million increase in International Student Program homestay and amounts due to the province, increase of \$67 thousand in construction holdbacks, a (\$197) thousand decrease in year-end accruals, and a \$477 thousand increase in wages payable (clearing).

Unearned Revenue consists of advance tuition fees received for the upcoming school year. As the education services paid for by these fees have not yet been provided by the District, the fees have not yet been earned. Unearned revenues increased by \$903 thousand due to the impact enrolment increases on the International Student Program.

Deferred Revenue is another form of liability consisting of advance payments that have not been earned yet. Deferred revenues mainly include capital and special purpose funds that have been restricted by the provider of the funds for a particular use. This funding is recorded as revenue when the deliverables have been provided. Deferred revenue decreased by (\$227) thousand as a result of changes in the unspent carry-forward balances of various special purpose funds.

Deferred Capital Revenue (DCR) consists of deferred revenue that is earmarked for capital projects. Deferred capital revenue is taken into income via amortization. DCR increased by \$617 thousand from the prior year. This was related to an increase of \$4.988 million in deferred capital revenue employed in capital projects, and a decrease of (\$4.370) million through the amortization of deferred capital revenue.

Accrued Employee Future benefits include post-employment benefits, compensated absences and termination benefits. Liability balances are determined by an actuarial process and are reduced when entitlements are taken through leaves or payouts. The liability amount for 2020-21 increased by \$223 thousand from the prior year.

Capital Lease Obligations Lease payments made during the 2020-21 school year reduced principal owing on District leases by (\$419) thousand.

Other Liabilities increased by \$149 thousand due to an increase of accruals for vacation and overtime banks.

Non-Financial Assets

Definition: “Non-financial assets are assets that an entity will use up when providing future services to the public. These assets are not normally used by an entity to settle its liabilities with external parties. As a result, they are shown separately in the Statement of Financial Position”. (Quoted from: “Understanding Canadian Public Sector Financial Statements” by the Office of the Auditor General of BC)

Tangible Capital Assets increased by \$1.002 million from the prior year. This change consisted of \$6.053 million in capital asset additions (net of disposals), primarily in the areas of buildings and to a lesser extent in furniture and equipment and vehicle replacements with a decrease in vehicles and technology from deemed disposition exceeding new acquisitions. The asset additions were offset by amortization of (\$5.051) million (net of disposals).

Prepaid Expenses decreased by (\$180) thousand due to decreases in utility expenses and international travel expenses due to the COVID-19 pandemic.

Supplies Inventory saw a small variance resulting from the normal course of doing business.

Accumulated Surplus or Deficit

Definition: “The accumulated surplus or deficit represents the net recognized economic resources (all assets and liabilities) of the entity at the date of the financial statements. This measure provides the net economic position of the entity from all years’ operations at a point in time. An accumulated surplus position means that the entity has net positive resources that could be used to provide future services. An accumulated deficit position means that the entity has borrowed to finance annual operating deficits”. (Quoted from: “Understanding Canadian Public Sector Financial Statements” by the Office of the Auditor General of BC)

Accumulated Surplus totals \$51.42 million and consists of \$19.013 million in accumulated operating surplus and \$32.409 million in accumulated capital surplus balances.

Accumulated Operating Surplus of \$18.860 million at the beginning of the year, increased by \$153 thousand during the year as described on page 16 of this report. Financial statement Note 18 “Internally Restricted Surplus” on page 27 of the financial statement package provides details of the composition of these reserve funds.

Accumulated Capital Surplus of \$31.470 million at the beginning of the year, increased during the year by \$939 thousand. It is composed of investments in capital assets in the amount of \$32.124 million and of local capital reserves of \$285 thousand. For greater detail on the activity in these areas throughout the year, please refer to Schedule 4 on page 41-of the financial statement package.

DELTA SCHOOL DISTRICT - #37

Operating Fund Net Change

AS AT JUNE 30, 2021

	Total 2020-21	A. Budget 2020-21	Total 2019-20	\$ Variance from A.Budget	Variance from Prior Year
Total Revenue	168,309,148	166,003,356	169,921,261	2,305,792	(1,612,113)
Total Expenses	165,248,870	167,088,705	164,959,574	(1,839,835)	289,296
Net Change	3,060,278	(1,085,349)	4,961,687	4,145,627	(1,901,409)
Total Net Transfers	(2,907,500)	(2,474,189)	(1,650,168)	(433,311)	(1,257,332)
Total Net Change	152,778	(3,559,538)	3,311,519	3,712,316	(3,158,741)
Acc. Surplus Opening Balance	18,859,948	18,859,948	15,548,429	-	3,311,519
Acc. Surplus Ending Balance	19,012,726	15,300,410	18,859,948	3,712,316	152,778

Statement of Operations

Definition: “The Statement of operations explains the change in the accumulated surplus or deficit from the prior year. Financial elements of the statement of operations include revenues and expenses. The performance and accountability measures are the annual surplus or deficit and the comparison of budgeted to actual results”. (Quoted from: “Understanding Canadian Public Sector Financial Statements” by the Office of the Auditor General of BC)

Revenues

Definition: “Revenues are increases in economic resources that result from the entity’s operations, transactions and events during the accounting period. Revenues result from decreases in liabilities or increases in assets”. (Quoted from: “Understanding Canadian Public Sector Financial Statements” by the Office of the Auditor General of BC)

DELTA SCHOOL DISTRICT - #37

Operating Fund Revenues

AS AT JUNE 30, 2021

	Total 2020-21	A. Budget 2020-21	Total 2019-20	\$ Variance from A.Budget	Variance from Prior Year		
Ministry of Education	157,767,962	155,608,137	151,564,362	2,159,825	1%	6,203,600	4%
Provincial Revenue	725,156	659,039	931,147	66,117	10%	(205,991)	-22%
Federal Revenues	1,057,741	1,010,154	922,700	47,587	5%	135,041	15%
Tuition	5,888,996	6,083,873	12,515,025	(194,877)	-3%	(6,626,029)	-53%
Other Revenues	1,995,515	1,725,778	2,452,322	269,737	16%	(456,807)	-19%
Facility Rental	440,127	482,375	689,485	(42,248)	-9%	(249,358)	-36%
Interest Income	433,651	434,000	846,220	(349)	0%	(412,569)	-49%
Total Operating Fund Revenues	168,309,148	166,003,356	169,921,261	2,305,792	1%	(1,612,113)	-1%

[Ministry of Education Funding](#) increased by \$2.160 million over the Amended Budget and by \$6.204 million over the prior year. Please see an explanation of the most significant items below.

- **Variance to the Amended Budget included:** Inclusive Education and Continuing Education funding for mid-year enrolment increased by \$386 thousand and \$1.082 million respectively. Graduated adults funding came in \$224 thousand over expectations while we saw an increased LEA clawback of (\$24) thousand. The District received targeted funding for COVID-19 pandemic learning impacts, called the Holdback Allocation, of \$488 thousand late in the year which was not included in the amended budget.

[Ministry of Education funding levels are known up to the time of finalizing the Amended Budget at the end of February. Funding in excess of the Amended Budget tends to be for amounts unknown at the time of preparing the Amended Budget or is estimated low due to reasons of uncertainty.](#)

- **Variance to the Prior Year included:** [Regular Instruction Block Funding](#) increased by \$2.967 million over 2019-20. This increase resulted from two factors: 1) a per pupil amount increase of \$92 from \$7,468 in 2019-20 to \$7,560 in 2020-21 and 2) an enrolment increase of 205 students. Inclusive Education saw an increase of 56 funded student FTE at increased per pupil amounts resulting in an increase of \$378 thousand over 2019-20 for the District's inclusive Education program. Continuing Education Academic Program funding increased by \$1.194 million over 2019-20, largely due to changes in DL enrolment, and additionally due to a standard per pupil rate change from \$7,468 in 2019-21 to \$7,560 in 2020-21, which is applicable to school-aged Cont. Ed. student FTE. Graduated Adult Program funding decreased by (\$97) thousand compared to 2019-20.

In the prior year Employer Health Tax funding of \$1.279 million was received to help offset the transition from MSP (MSP costs we simultaneously incurred until December 2019). With the conversion now complete, no EHT funding was received in the current year. In 2020-21 additional funding of \$1.944 million was received in labour settlement funding compared to the prior year. As had been previously announced, Ed Plan funding decreased by \$307 thousand. Conversely, Holdback funding of \$488 thousand was received in 2020-21 and \$355 thousand for the Letter of Understanding No. 16 regarding Early Career Mentorship.

[Provincial Revenues](#) decreased overall by (\$206) thousand compared to the prior year but increased by \$66 thousand in comparison to the Amended Budget mainly in connection with the following grants: Language Challenge, Life Skills, POPARD Teacher Training program.

[Federal Revenues](#) increased by \$135 thousand compared to the prior year for the Federal LINC and SWIS programs and by \$48 thousand compared to the Amended Budget. Approved funding for these programs is received based on service provision.

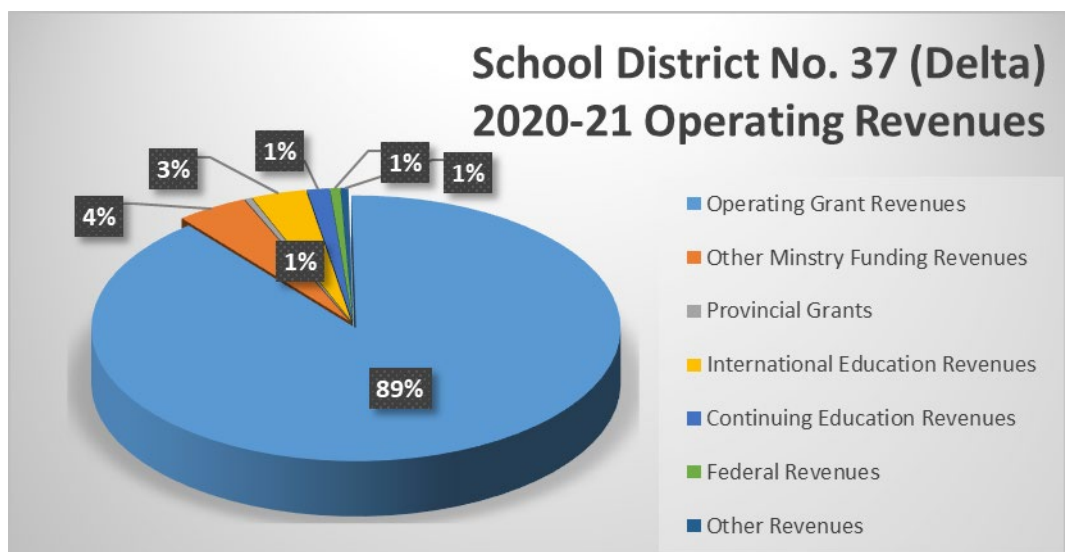
Tuition Revenues decreased by (\$6.626) million compared to the prior year and by (\$195) thousand over the Amended Budget. The decrease was primarily due to the inability of International Students to Travel to Canada and Academies not running during the COVID-19 pandemic.

Other Revenues decreased by (\$457) thousand compared to the prior year and increased by \$270 thousand over the Amended Budget largely due to the impacts of the COVID-19 pandemic. Variances from prior year included a decrease in revenue for Teaching Cafeterias and suspension of Academies due to the COVID-19 pandemic. In addition, CSP summer programs did not run and resulted in a decrease of (\$83) thousand.

Facility Rentals were lower than Amended Budget by (\$42) thousand and decreased from the prior year by (\$249) thousand. The decrease is due to the COVID-19 pandemic which resulted in facility rental cancellations to community groups.

Interest Income decreased by (\$413) thousand over the prior year and by (\$349) dollars over the Amended Budget.

Revenue distribution by source:



Expenses

Definition: “Expenses are decreases in economic resources that result from the entity’s operations, transactions and events during the accounting period. Expenses result from decreases in assets or increases in liabilities”. (Quoted from: “Understanding Canadian Public Sector Financial Statements” by the Office of the Auditor General of BC)

OPERATING SALARIES

DELTA SCHOOL DISTRICT - #37							
Operating Fund Salaries and Benefits							
AS AT JUNE 30, 2021							
	Total 2020-21	A. Budget 2020-21	Total 2019-20	\$ Variance from A. Budget		Variance from Prior Year	
Teachers	80,373,655	80,355,597	80,210,770	18,058	0%	162,885	0%
Principals and Vice Principals	9,230,971	9,046,464	9,044,711	184,507	2%	186,260	2%
Educational Assistants	12,113,155	12,461,781	12,408,203	(348,626)	-3%	(295,048)	-2%
Support Staff	12,554,891	12,462,015	12,005,096	92,876	1%	549,795	5%
Other Professionals	4,008,095	3,942,046	3,613,077	66,049	2%	395,018	11%
Substitutes	3,983,201	4,482,554	3,440,736	(499,353)	-11%	542,465	16%
Total Salaries	122,263,968	122,750,457	120,722,593	(486,489)	0%	1,541,375	1%
Benefits	30,732,921	30,805,515	30,044,406	(72,594)	0%	688,515	2%
Total Salaries and Benefits	152,996,889	153,555,972	150,766,999	(559,083)	0%	2,229,890	1%

Teacher Salaries increased by \$18 thousand over the Amended Budget, which is less than a 1% increase, and increased by \$163 thousand over the prior year. There was a significant shift between classroom teachers (a \$1.009 million decrease) and online Distance Learning teachers \$654 thousand increase. Additionally, teacher illness exceeded the Amended Budget by \$254 thousand, Summer School Teacher costs exceeded budget by \$120 thousand, Psychologists, SLPs and Consultants increased by \$109 thousand, while all other teaching costs came in under budget by (\$90) thousand.

Principal and Vice Principal salary costs increased by \$184.5 thousand over the Amended Budget and by \$186 thousand over the prior year. A salary increase of 2% had been anticipated in the Amended Budget; however, the actual increase of approx. 5% was announced/approved after the Amended Budget. A drop in director salaries compared to the prior year is due to Academy overhead having been incurred out of Federal COVID-19 pandemic funding this year due to Academy programs not running during the COVID-19 pandemic.

Education Assistant (EA) salaries decreased by (\$349) thousand from the Amended Budget and by (\$295) thousand compared to the prior year largely related to the COVID-19 pandemic and the related shift to online learning.

[Support Staff](#) salaries came in higher than the Amended Budget by \$93 thousand and by \$550 thousand over the prior year in large part due to Collective Agreement increases and increased Maintenance and Facility Services staff costs related to Provincial and Federal COVID-19 pandemic funding.

[Collective Agreement Increases for 2020-21](#)

Teachers, education assistants and support staff received a collective agreement increase of 2%, effective July 1, 2020; and no Economic Stability Dividend was given this year. Additionally, teachers received a retroactive increase of 2% upon Collective Agreement ratification effective July 1, 2019, and a 1% increase to the top of step of the teacher salary grid effective July 1, 2020.

Salaries for [Other Professionals](#) increased by \$66 thousand compared to the Amended Budget due to the timing of vacation accruals. Costs in this category increased by \$395 thousand compared to the prior year resulting from exempt staff salary increases authorized under the Provincial compensation framework, small increase in FTE and timing of vacation accruals.

[Substitute Labour](#) includes TTOCs, Casual EAs, Casual Maintenance and Facility Service workers, Casual Clerical, Cafeteria staff and Crossing Guards. Costs in this category decreased by (\$499) thousand compared to the Amended Budget and increased by \$542 thousand compared to the prior year. Key factors for this include:

- [Illness & Absence](#): Short term illnesses and absences increased over the prior year by \$405 thousand. Some of this cost increase was anticipated in the Amended Budget but full-year trends are not entirely visible at the time of the Amended Budget creation. COVID-19 pandemic impacts on staff wellness and illness costs increased over time.
- [Substitute Teachers](#): DOC TTOC costs incurred for the purpose of improved health and safety of school staff through improved distancing measures resulted in a \$291 thousand cost increase over the prior year, as not all costs could be absorbed by the available COVID-19 pandemic grant dollars. At the Amended Budget time, it could be seen that the amount to be absorbed by District operations trended higher. However, adjustments made subsequently caused actual costs to fall below expectation, resulting in a decrease to the Amended Budget of (\$776) thousand.
- [Casual Maintenance](#): Decreased costs of (\$88) thousand somewhat offset the regular Maintenance staffing cost increase incurred this year. This cost saving was anticipated in the Amended Budget.
- [Community School Partnership programs](#) incurred no substitute labour costs this year as a result of reduced operations due to the COVID-19 pandemic. By comparison, \$75 thousand were incurred last year.

[Benefits](#) decreased by (\$73) thousand compared to the Amended Budget and increased by \$688.5 thousand compared to the prior year, as follows:

- [Extended Health Costs](#) increased by \$307 thousand over the prior year and by \$356 thousand over the Amended Budget, as the possible COVID-19 pandemic connection was not anticipated, and trends were not available.

- The Medical Services Plan (MSP) has now been fully phased out. This resulted in a savings compared to the prior year of (\$309) thousand.
- Pension costs increased by \$309 thousand over the prior year. As greater salary costs had been anticipated in the Amended Budget however, and as Pension costs are wage sensitive (% of salaries), the Amended Budget was underspent by (\$193) thousand.
- Significant costs falling under the “All Other” category were:
 - A WorkSafe rate increase of \$130 thousand over the prior year.
 - The District Employee Assistance Program \$20 thousand, the District Sub-Plan \$63 thousand, and Compassionate Leave \$42 thousand.

OPERATING SERVICES & SUPPLIES

DELTA SCHOOL DISTRICT - #37							
Operating Services and Supplies							
AS AT JUNE 30, 2021							
	Total 2020-21	A. Budget 2020-21	Total 2019-20	\$ Variance from A. Budget		Variance from Prior Year	
Services Total	4,122,718	4,075,237	5,186,194	47,481	1%	(1,063,476)	-21%
Student Transportation Total	971,762	1,038,671	1,075,634	(66,909)	-6%	(103,872)	-10%
Professional Development and Travel Total	384,663	487,828	703,626	(103,165)	-21%	(318,963)	-45%
Rentals and Leases Total	18,923	54,463	37,173	(35,540)	-65%	(18,250)	-49%
Dues and Fees Total	160,249	158,355	184,213	1,894	1%	(23,964)	-13%
Insurance Total	320,194	325,001	315,418	(4,807)	-1%	4,776	2%
Supplies Total	3,761,385	4,811,449	4,098,876	(1,050,064)	-22%	(337,491)	-8%
Utilities Total	2,512,087	2,581,729	2,591,441	(69,642)	-3%	(79,354)	-3%
Total Services and Supplies	12,251,981	13,532,733	14,192,575	(1,280,752)	-9%	(1,940,594)	-14%

Services budget allocations and transfers from other budget areas after the Amended Budget date (end of February), for instance, from supplies, have not been captured in the Amended Budget. These timing differences explain many of the variances in spending to the Amended Budget. Services increased by \$47 thousand over the Amended Budget and decreased by (\$1.063) million compared to the prior year.

Variances to the Prior Year:

- International Student Program agent commissions decreased by (\$567) thousand due to the COVID-19 pandemic.
- Advertising/Marketing/Recruitment, also significantly associated with the International Student program decreased by (\$112) thousand due to the COVID-19 pandemic.
- Legal/Grievance decreased by (\$52) thousand due to a lesser case load.
- Academies Contract Instructors decreased by (\$155) thousand due to Academies not running this year in connection with the COVID-19 pandemic.
- Consulting Fees – general consulting fees decreased by (\$77) thousand but consulting fees in connection with the Vision 2030 increased by \$87 thousand.
- All other services in the District collectively decreased by (\$188) thousand.

Variances to the Amended Budget:

- International Student Program agent commissions also decreased below mid-year expectation by (\$179) thousand due to the COVID-19 pandemic.
- Communication Line contract service costs decreased by (\$160) thousand due to advantageous contractual rate changes.
- Inclusive Instruction costs exceeded Amended budget by \$222 thousand due to specific costs incurred to meet unique student needs.
- Vision 2030 costs were not considered in the Amended Budget due to timing of costs after the Amended Budget.

Student Transportation costs decreased due to the COVID-19 pandemic. This meant that in 2020-21 overall, costs decreased by (\$67) thousand compared to the Amended Budget and by (\$104) thousand compared to the prior year. Cost reductions were primarily due to reduced travel by Academy Program students and reduced field trips. “To and from school” transportation costs increased by \$191 thousand compared to the prior year and by \$57 thousand compared to the Amended Budget due to the suspension of in-class learning in the months of April and May of the prior year.

Professional Development and Travel decreased by (\$103) thousand compared to the Amended Budget and by (\$319) thousand compared to the prior year. This decrease is due to reductions in travel and in-person attendance at professional development seminars and conferences due to the COVID-19 pandemic, as well as decreases in recruitment activities due to the COVID-19 pandemic in the International Student Program.

Rentals and Leases decreased (\$36) thousand compared to the Amended Budget due to timing of expenditures and by (\$18) thousand compared to the prior year.

Dues and Fees increased by \$2 thousand over the Amended Budget due to timing of expenditures incurred and decreased by (\$24) thousand compared to the prior year.

Insurance costs matched budgeted expectation and increased by \$5 thousand compared to the were the same as prior year.

Supplies variances in spending to the Amended Budget are heavily influenced by the timing of the Amended Budget, which captures only the first half of the year. Budget dollars transferred to the capital fund after the approval and submission of the Amended Budget (end of February), for instance, to fund capital asset acquisitions, are not considered in the Amended Budget.

Additionally, budget allocations and transfers to other budget areas after the Amended Budget date, for instance, for services, have not been captured in the Amended Budget. These timing differences explain many of the variances in spending from the Amended Budget.

Finally, unspent school supply and service balances are traditionally carried forward at the District, for spending in the coming year.

Supply costs decreased by (\$1.050) million compared to the Amended Budget and by (\$337) thousand under the prior year.

- **Variance to the Amended Budget:** This variance is mostly due to underspending in technology and school accounts. School carry-forward balances increased due to the COVID-19 pandemic and the inability to purchase items during this time.
- **Variance to the Prior Year:** Variances to prior year are largely related to the COVID-19 pandemic. Learning Services and Supplies were underspent due to decreases in activity in Academies and Continuing Education programs, as well as the absence of District Day. COVID-19 pandemic related variances were also seen in Facility Services, Grounds, Fee for Service and Local Capital. The Provincial and Federal COVID-19 pandemic grants provided a funding source for many of these COVID-19 pandemic related costs.

Utilities Uncertain weather conditions and fluctuations in utility unit rates are a standard cause for variability in utility costs from budget and prior years. Green initiatives can help to control emissions and cost increases. 2020-21 utility costs were lower than the Amended Budget by (\$70) thousand and were less than in the prior year by (\$79) thousand. This decrease in cost is also due, in part, do a reduction in gas costs during a mild winter, and 13 schools were put on water meters which reduced costs.

Special Purpose Funds

DELTA SCHOOL DISTRICT - #37 Special Purpose Funds AS AT JUNE 30, 2021						
	Opening Balance	Receipts	Spent	MOE Recovery	Ending Balance	Change
Annual Facilities Grant	10,426	617,687	628,113		-	(10,426)
Learning Improvement Grant	8,639	534,907	543,546		-	(8,639)
Scholarships	269,647	51,807	52,090		269,364	(283)
School Generated Funds	2,734,892	2,533,788	2,514,283		2,754,397	19,505
Strong Start	-	224,000	224,000		-	-
Ready, Set, Learn	13,809	58,800	46,932		25,677	11,868
Federal French Grant	-	253,419	253,419		-	-
Community Link	47,367	585,488	543,746		89,109	41,742
Community Schools Partnership	-	50,000	50,000		-	-
New Horizons for Seniors	11,498	-	-		11,498	-
Changing Results for Youth	11,443	6,750	7,949		10,244	(1,199)
Safe Return to Schools Grant	-	1,155,892	1,155,892		-	-
Safe Return to Class Grant	-	6,158,409	6,158,409		-	-
Mental Health Grant	-	51,000	51,000		-	-
First Nations Student Transportation	-	420	368		52	52
POPARD	-	3,355,120	3,355,120		-	-
CEF Remedies	1,184,598	1,561,258	589,081	1,184,598	972,177	(212,421)
CEF Staffing	-	6,373,105	6,373,105		-	-
CEF Overhead	-	767,671	767,671		-	-
ESWIS-Settlement Workers	61,214	-	1,266		59,948	(1,266)
Youth Train in Trades	39,940	48,400	88,340		-	(39,940)
NOIIE	338,704	186,490	212,513		312,681	(26,023)
GRAND TOTAL	4,732,177	24,574,411	23,616,843	1,184,596	4,505,147	(227,030)

Commentary on Special Purpose Funds:

<p>Annual Facilities Grant \$628 thousand available and spent this year</p>	<p>The Annual Facilities Grant provides funding for planned repair and maintenance costs. This funding can also be used for Capital projects. The expectation is that funding is fully spent during the year, as seen here.</p>
<p>Learning Improvement Grant \$544 thousand available and spent this year</p>	<p>This grant is intended for increasing weekly EA time by 45 or 60 minutes to enhance consultation, collaboration, and planning time, to attend IEP and other school-based meetings. It is allocated in annual consultation with CUPE.</p>
<p>Scholarships \$52 thousand spent this year; \$269 thousand available for future scholarships</p>	<p>The District manages a group of scholarship and memorial funds on behalf of various families and groups of individuals wishing to provide funding for specific educational initiatives in the memory of special educators and loved ones. The individual funds have different stipulations. Some scholarships are paid from investment income, others draw down the main contribution itself.</p>
<p>School Generated Funds \$2.514 million spent; \$2.754 million March 31, 2021 year-end balance</p>	<p>School Generated Funds (SGF) are collected and managed directly at our schools with financial oversight by the District. Fundraisers, parent contributions to school trips, PAC donations to the school, etc. are reported in these funds. The District reports SGF on its financial statements with a 3-month delay.</p>
<p>Various Annual Education Grants A total of \$1.118 million spent; \$115 thousand carry forward – see details above</p>	<p>Several annual, education initiative specific funds, largely provided in advance by the Ministry of Education meet the criteria of a special purpose funds and are reported as such. These include the following: Strong Start and Ready-Set-Learn for early learning initiatives, the Federal French Grant which provides supplemental funding for Official Language Education initiatives, Community LINK funding which supports academic achievement and social functioning of vulnerable students and funding from the United Way to help support Community Schools programs, such as after school and summer programs for students and community youth.</p>
<p>Safe Return to Schools Grant \$1.156 million received and spent</p>	<p>This one-time funding was provided by the province to manage COVID-19 pandemic related Health & Safety costs. The funding had to be spent fully during 2020-21. See chart below for spending details.</p>
<p>Safe Return to Class Grant \$6.158 million received and spent</p>	<p>This one-time funding was provided by the Federal Government to manage a wide range of COVID-19 pandemic related costs. The funding had to be fully spent during 2020-21. See chart below for spending details.</p>

POPARD \$3.355 million spent	The Provincial Outreach Program for Autism Related Disorders (POPARD) provides professional support for school districts around BC with respect to autism related orders. The program is administered by the Delta School District for the Province of BC. The fund is to be spent fully each year.
CEF Staffing, Remedies and Overhead Funds A total of \$7.730 million spent – see details above	Three Special Purpose Funds, provide the Ministry of Education funding support for the additional costs of teacher staffing, teacher remedies and overhead costs provided by the restored collective agreement language dating back to 2002 under LOU 17.
ESWIS Settlement Workers and Youth At Risk grants \$1,266 was spent; \$60 thousand available	These grants date back several years and are used to supplement ESWIS programs while funds last.
Youth Train in Trades \$88 thousand spent; no carry forward	The Youth Train in Trades program is the in-class component of a high school apprenticeship. Youth Train in Trades students are youth apprentices registered with the Industry Training Authority. The Youth Train in Trades programs are usually offered by a partnership between school districts and post-secondary institutions.
Mental Health Grant \$51 thousand fully spent	Grant to provide students with access to support when needed and to feel safe and connected at school.
Network of Inquiry and Indigenous Education \$213 thousand spent; \$313 thousand carry-forward	The District provides financial services to the Network of Inquiry and Indigenous Education (NOIIE), which is a voluntary network of inquiry-based schools and school districts in British Columbia, with partner networks around the world. Using an inquiry-oriented, evidence-based approach to learning and teaching through the Spiral of Inquiry, teams work towards improving outcomes for all learners in their settings and submit case studies to share their progress in a spirit of generosity, curiosity and growth.

Safe Return to Schools and Safe Return to Class spending details:

COVID REPORTING - as at June 30, 2021	Provincial Grant	Federal Grant	
Initiative Description	Total	Total	Total
EDUCATION PROGRAM DELIVERY	-	3,514,051	3,514,051
VULNERABLE STUDENT & MENTAL HEALTH SUPPORTS	-	850,942	850,942
TECHNOLOGY & TECHNOLOGY RELATED	85,760	268,083	353,843
HEALTH & SAFETY	1,070,132	1,154,281	2,224,413
OTHER SUPPORT COSTS	-	371,052	371,052
GRAND TOTALS	1,155,892	6,158,409	7,314,301
AVAILABLE FUNDING	1,155,892	6,158,409	7,314,301
UNSPENT REMAINDER	-	-	-
% Spent	100.0%	100.0%	100.0%

Capital Fund

Site Projects: No additional sites were acquired or disposed of this year.

Facility Improvement Projects of \$4.829 million included \$4.728 million in Ministry Funded Bylaw projects, and \$71 thousand for various smaller building upgrades and classroom enhancements, and \$30 thousand for Annual Facilities Grant improvement projects. Additionally, the final \$94 thousand was incurred for the SDSS Track resurfacing, a joint District and City project.

Capital Lease payments in connection with the District's copier fleet and thermal energy plant amounted to \$613 thousand. For further detail, please also consult Note 9 of the financial statements.

Maintenance Equipment Replacement: The District purchased grounds vehicles and service equipment in the amount of \$592 thousand and \$79 thousand in facility services cleaning equipment.

Technology included \$2.08 million in replacement education technology, server replacements and infrastructure upgrades. The District is guided in its technology purchases by a Technology Roadmap that meets the District's 3-fold objective of investing in education technology, cybersecurity and the timely replacement of aging infrastructure.

The schedule below provides a summary of the projects mentioned on the previous page:

DELTA SCHOOL DISTRICT - #37 CAPITAL PROJECTS AS AT JUNE 30, 2021	
	TOTAL
Facility Improvement Projects	4,828,507
Copier & Thermal Energy Plant Lease	613,272
Education Technology & Equipment	2,080,487
Maintenance Equipment Replacement	671,517
SDSS Track	94,305
	<u>8,288,088</u>

Funding sources utilized to make the above additions possible consisted of the following: \$4.7 million from the Ministry of Education, \$2.9 million from District Operating Funds, and \$660 thousand from special purpose funds and other sources.

External and Internal Capital Funds – per schedules 4 and 4D of the Financial Statements:

DELTA SCHOOL DISTRICT - #37 Available Capital Funds AS AT JUNE 30, 2021			
	Total 2020-21	Total 2019-20	Variance from Prior Year
Ministry Bylaw Funds	264,096	190,409	73,687
Ministry Restricted Funds	1,486,054	1,466,708	19,346
Other External Funds	-	-	-
Total Deferred Revenue	1,750,150	1,657,117	93,033
Capital Reserve Funds	285,368	242,787	42,581
Total Available Funds	2,035,518	1,899,904	135,614

The above unspent Capital Reserve and Ministry Bylaw Funds carry forward for earmarked in-progress projects.

Ministry of Education's Restricted Capital (also shown on the above table) consists of proceeds from land sales, funding remainders of completed projects and investment income on the restricted capital. This funding can be accessed with authorization from the Ministry.

FUTURE CONSIDERATIONS

The 2021-22 school year brings with it formalized new reporting requirements for Boards of Education under the Ministry's Framework for Enhancing Student Learning (FESL) regulation. This regulation calls on Boards of Education to set, create and maintain a strategic plan, annually report on student outcomes, and put systems in place to continuously improve the educational outcomes for all students as well as improve equity for Indigenous students, Children/Youth In Care, and students with Ministry designations.

The District is currently in the process of finalizing its vision and strategic plan, which build upon the District's achievements from our previous three-year strategic plan (FESL 2018-2021) and the District's Vision 2020, respectively. The strategic plan aligns with our school plans and with the Ministry of Education's Framework for Enhancing Student Learning, the goals and objectives reflected in the Ministry of Education's Service Plan and the province's vision and Policy for Student Success that B.C. has educated citizens who thrive in a changing world.

The re-introduction of the Early Learning and Childcare (ELCC) act by the Provincial Government will see the transition of childcare and early learning to the Ministry of Education by 2023 with work currently underway in preparation for this change.

Phase 2 of the Funding Model Review, which was anticipated to be rolled out for 2021-22, is now anticipated to be rolled out sometime in 2022-23. The formula details of this phase of the Funding Model Review and its impact on BC school district budgets is not yet known.

While it remains uncertain what the future holds given the ongoing COVID-19 pandemic, the District remains committed to meeting the needs of its student, parent, staff and stakeholder community.

CONTACTING 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 receives. If you have questions about this report or need additional financial information, please contact the Secretary Treasurer's office.
