



Executive Summary



Organizational Section



Financial Section



Informational Section

EXECUTIVE SUMMARY



MESSAGE FROM THE BOARD OF EDUCATION AND SENIOR STAFF

During this year’s budget process, we continue to find ourselves in an unusual and challenging time. In building the 2020/21 budget, we sought to think ahead and strategically build systems that both meet the needs of our school communities and mitigate the impact of external challenges. Because of the ongoing uncertainty in our new landscape, we must continue along this path as a part of the 2021/22 budget process.

The 2021/22 budget process must again respond to the ongoing increase in enrolment at the elementary level, a reduction in provincial funding, a reduction of international education revenue precipitated by a global health crisis, and the continued reorientation of school district services in response to COVID-19.

In preparing the 2021/22 budget balancing proposals, we have worked to protect the structures and supports that best serve our students, even as we implement the reductions demanded by our current context.

We know that we must continue to build skillful supports across each of our schools to address the social, emotional and learning needs of our learners. We also know that we must continue to invest in proactive, early intervention measures to address individual student needs in the formative years when these investments will have the greatest impact. These and many other considerations have shaped the thoughtful development of our proposals, which attempt to balance the needs of the system against the demands of our context.

Thank you for taking the time to review our 2021/22 Proposed Preliminary Budget. We welcome and look forward to your feedback on the Proposed Preliminary Budget for 2021/22.



BOARD *of* EDUCATION

SCHOOL DISTRICT NO.42



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SECRETARY TREASURER / CFO





BUDGET OVERVIEW

School District No. 42 meets the learning needs of over 15,000 students of all ages in Maple Ridge and Pitt Meadows, and is defined by its determination to keep student learning and growth at the heart of all its decisions. The district provides K-12 educational services in 22 elementary schools, six secondary schools and two alternate schools. It also provides a variety of certificate programs and relevant, quality, life-long learning opportunities through Ridge Meadows College and Continuing Education.

All decisions made by Maple Ridge – Pitt Meadows School District are guided by its vision and core values, and are based on research and consultation. Similarly, the district’s initiatives and resources are all aligned to support its firm commitment to fostering a culture of care and belonging where the well-being and success of all learners is supported; providing intentional support for a growth mindset, collaboration, interdependence, and staff development; and being a forward-thinking, research-based, ethical, effective, efficient, sustainable, and connected organization.

School District No. 42 (Maple Ridge – Pitt Meadows) is estimating that a funding shortfall of \$1.74 million will have to be addressed in 2021/22. This is estimated to be followed by budget funding shortfalls of approximately \$1.43 million for 2022/23, \$0.58 million for 2023/24, and \$1.22 million for 2024/25.

The school district operates under authority of the School Act of British Columbia as a corporation and receives over 90% of revenue from the B.C. provincial government through the Ministry of Education. Any changes to provincial grants will consequently have a significant impact on the school district’s budget. The school district is exempt from federal and provincial corporate income taxes.

In accordance with the School Act, school districts in the province must approve a balanced budget for the 2021/22 fiscal year (July 1, 2021 - June 30, 2022) and submit it to the Ministry of Education by June 30, 2021. The Maple Ridge – Pitt Meadows School District aims to develop a preliminary budget that supports its vision, and that considers not only its shared priorities but also the needs of its community of learners.

This budget has been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

As required by the Ministry of Education and Public Sector Accounting Standards (PSAB), the Maple Ridge - Pitt Meadows School District tracks and reports revenue and expenditures under three separate funds: the operating fund, the special purpose fund, and the capital fund.

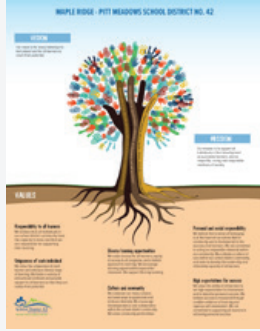
OPERATING FUND: The operating fund includes operating grants and other revenues used to fund instructional programs, school and district administration, facilities operations, maintenance, and transportation.

SPECIAL PURPOSE FUND: The special purpose fund is comprised of separate funds established to track revenue and expenditures received from the Ministry of Education and other sources that have restrictions on how they may be spent (e.g. Classroom Enhancement Fund, Annual Facilities Grant, Community LINK, Ready Set Learn and School Generated Funds).

CAPITAL FUND: The capital fund includes capital expenditures related to facilities (purchases and enhancements) and equipment (purchases) that are funded by Ministry of Education capital grants, operating funds, and special purpose funds. An annual deficit in the capital fund that is a result of amortization expense and budgeted capital assets purchased from operating and special purpose funds exceeding the amortization of deferred capital revenue plus budgeted local capital revenue is permitted under the Accounting Practices Order of the Ministry of Education.

For detailed information, please refer to the Organizational section of the budget document.

STRATEGIC DIRECTION



VISION

The district vision is for every individual to feel valued and for all learners to reach their potential.

MISSION

Our mission is to support all individuals in their development as successful learners, and as respectful, caring, and responsible members of society.

STRATEGIC DIRECTIONS

1. Inclusive culture of care and belonging where the well-being and success of all learners is supported and celebrated.
2. Intentional support for a growth mindset, collaboration, interdependence, and staff development.
3. Forward-thinking, research-informed, effective, efficient, sustainable, value-based, and connected school district.

STRATEGIC GOALS

The strategic goals for the Maple Ridge - Pitt Meadows School District are established on a rolling four-year planning cycle and are summarized in departmental operational plans and school growth plans.

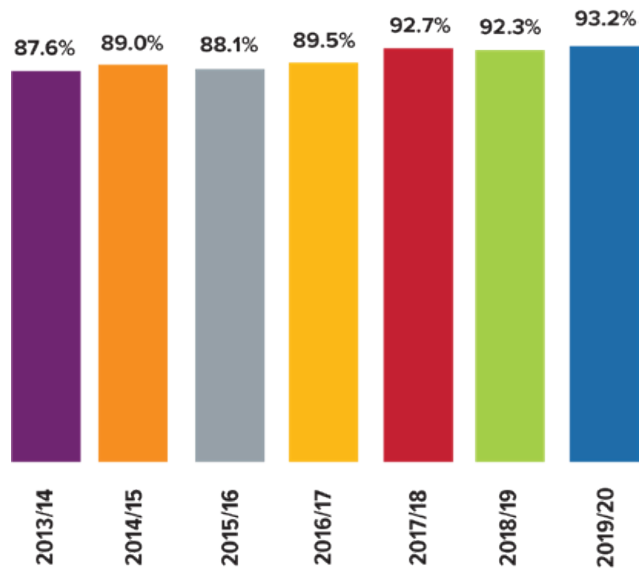
The board-approved budget supports the specific strategic goals identified in operational plans and school growth plans. Specifically, the board has made allocations that support collaborative teaching, safe and caring schools, social emotional learning, curriculum implementation, early learning, literacy, educational leadership, and technology infrastructure. For additional information on these allocations, please refer to the budget changes table on page 7.

STUDENT ACHIEVEMENT

The six-year completion rate for B.C. students for the 2019/20 school year was 93.2% - exceeding the provincial average and within the range of the highest performing school districts in the province with regard to school completion. In fact, the school district results place us as one of the top districts in the province with a graduating class in excess of 1,000 students.

Six years ago, in 2014/2015, the school district overall six year completion rate was 89.0%. Considerable focus and effort has been dedicated to improving both the numbers of students completing high school and the quality of the programming that students have encountered during their high-school experience. There continues to be about a 2.4% gap between the overall performance of female to male students, with the females completing high school more often. This gap, however, has also improved from six years ago, at which time the performance gap between females and males was approximately 5.9%.

2019/20 6-YEAR GRADUATION RATES BC STUDENTS



* 2019/20 provincial average 89.6%

BUDGET PROCESS

Wednesday, January 27, 2021	BOARD MEETING <ul style="list-style-type: none"> Presentation and approval of the Proposed Budget Process/Timeline.
Wednesday, January 27, 2021	BUDGET COMMITTEE OF THE WHOLE <ul style="list-style-type: none"> Partner groups presentation of impact on budget-driven changes implemented as part of the 2020/21 Preliminary Budget.
Wednesday, February 17, 2021	BOARD MEETING <ul style="list-style-type: none"> Presentation of projected enrolment for 2021/22, 2022/23, 2023/24, 2024/25.
Wednesday, February 17, 2021	BOARD MEETING <ul style="list-style-type: none"> Presentation and board approval of the 2020/21 Amended Annual Budget.
Wednesday, March 31, 2021	BUDGET COMMITTEE OF THE WHOLE <ul style="list-style-type: none"> Presentation of the 2021/22 preliminary budget estimates to partner groups
Wednesday, April 7, 2021	BUDGET COMMITTEE OF THE WHOLE <ul style="list-style-type: none"> Partner groups individual presentations to the board of the 2021/22 budget considerations.
Wednesday, April 14, 2021	BOARD MEETING <ul style="list-style-type: none"> Presentation of the Proposed 2021/22 Preliminary Budget.
Thursday, April 15 - Thursday, April 29, 2021	ONLINE BUDGET SURVEY <ul style="list-style-type: none"> Take the survey at https://letstalksd42.ca/2021-22-budget-process
Wednesday, April 20, 2021	PROVINCIAL BUDGET 2021 IS ANNOUNCED
Wednesday, April 28, 2021	BUDGET COMMITTEE OF THE WHOLE <ul style="list-style-type: none"> Public and partner group input on the Proposed 2021/22 Preliminary Budget.
Wednesday, May 5, 2021	BOARD MEETING <ul style="list-style-type: none"> Approval of 2021/22 Budget Balancing Proposals
Wednesday, June 16, 2021	BOARD MEETING <ul style="list-style-type: none"> Adoption of 2021/22 Preliminary Budget.

Individuals who wish to present their views on the Proposed Preliminary Budget at the April 28, 2021 Budget Committee-of-the-Whole meeting will need to register at budget@sd42.ca no later than April 26, 2021.

Please send written submissions no later than two (2) working days before the meeting. You may send your submissions through email budget@sd42.ca.

Individuals who wish to share their views on the Proposed Preliminary Budget are invited to participate in the online budget survey opened from April 15, 2021 to April 29, 2021.

Please note: All submissions to the board are considered public documents. The board, therefore, reserves the right to make any submissions available to public and to place them on the district website.



Take the survey at <https://letstalksd42.ca/2021-22-budget-process>

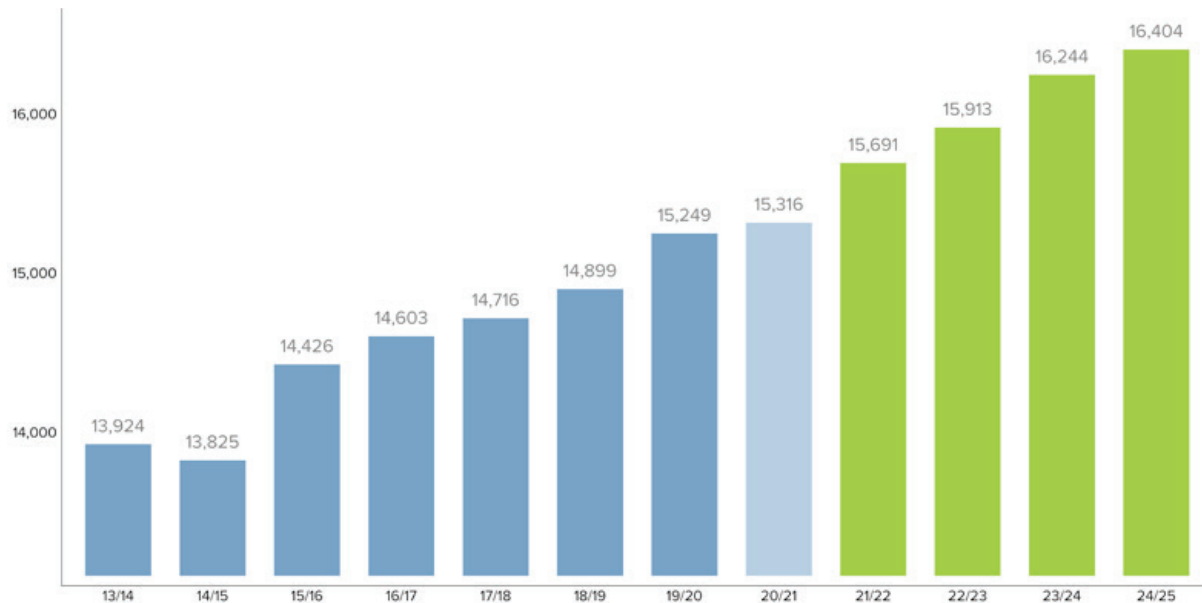


Download the budget document at:
<https://www.sd42.ca/board-of-education/budget-process/2021-budget-process/>



STUDENT ENROLMENT TRENDS AND FORECAST

The enrolment information presented below is based on actual full-year enrolment (regular, alternate, distributed learning, continuing education, summer school, and non-graduated adult learners) for 2013/14 to 2019/20, actual enrolment for September and estimated February and May for 2020/21, and forecasted enrolment for 2021/22, 2022/23, 2023/24, and 2024/25.



STAFFING

Since 2013/14, total operating staffing in the Maple Ridge – Pitt Meadows School District has increased by approximately 249 FTE. Also, there are an additional 122 FTE positions funded from the Classroom Enhancement Fund (CEF).

While teaching staff, principals/vice-principals, other professionals, and support staff have been reduced due to funding shortfalls and enrolment decline in some years, education assistants have increased, principally due to higher enrolment of students with special needs. In recent years all categories of staffing have increased to support the operations of the district.

	2013/14 FTE	2014/15 FTE	2015/16 FTE	2016/17 FTE	2017/18 FTE	2018/19 FTE	2019/20 FTE	2020/21 FTE	2020/21 with CEF	2020/21 Student to staff ratio
Teachers	771.95	763.35	785.46	804.24	807.15	811.60	825.53	834.36	951.92	16.21
Principals/VPs - Admin	42.10	39.48	40.31	43.97	42.00	45.44	49.24	48.72	48.72	316.67
Principals/VPs - Teaching	11.90	10.70	10.82	10.00	11.10	11.40	13.60	14.20	14.20	1,086.48
Other Professionals	30.00	30.50	31.71	35.71	32.30	36.30	39.30	40.30	41.30	373.56
Education Assistants	293.34	300.81	317.91	337.60	343.08	368.43	418.43	446.91	446.91	34.52
Support Staff	316.22	297.14	302.62	308.66	310.23	313.18	325.26	329.99	333.28	46.29
Trustees	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	2,203.99
Total	1,472.51	1,448.98	1,495.83	1,547.18	1,552.86	1,593.35	1,678.36	1,721.48	1,843.33	8.37
Student to Staff Ratio	9.71	9.90	9.95	9.72	9.76	9.60	9.29	8.96	8.37	

Source: 1530 report submissions for each year as restated to reflect calculation of budgeted hours per week divided by full-time hours per week per position, child care worker FTE removed for all prior years as paid from Special Purpose Funds. 2013/14 has been restated to remove FTE attached to custodial and labourer banks as well as contract instructors at International Education and Ridge Meadows College. 2016/17 to 2020/21 FTEs have been restated to reflect ongoing allocations only.



SUMMARY: PRELIMINARY OPERATING BUDGET 2021/22

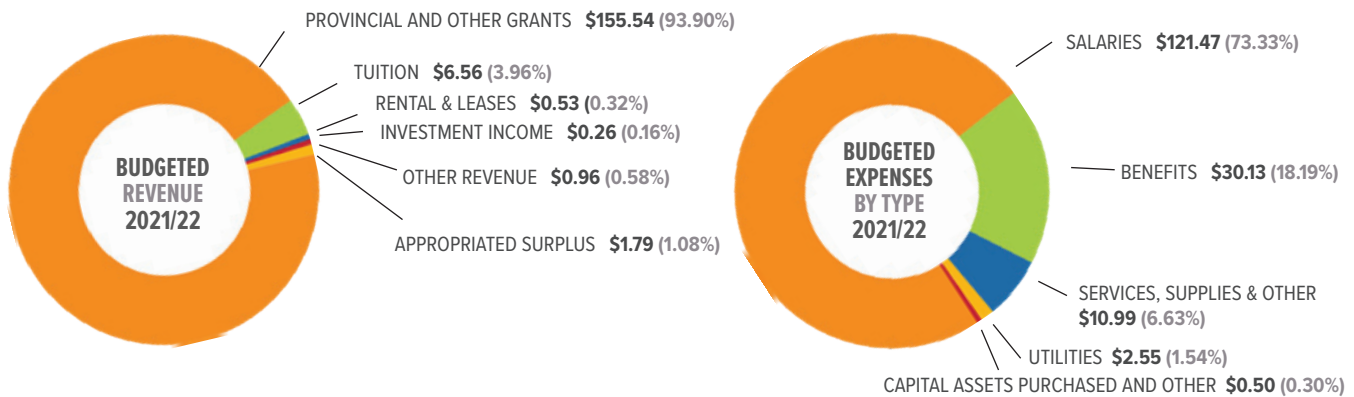
The operating fund includes operating grants and other revenues used to fund instructional programs, school and district administration, facilities operations, maintenance, and transportation.

The following table summarizes revenue and expenses by object for the Operating Fund: actual for 2019/20 and budgeted for fiscal years 2020/21 - 2024/25.

(\$millions)	2019/20 ACTUAL	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET
Revenues						
Provincial Grants - Ministry of Education	145.49	149.90	155.27	158.57	163.16	166.43
Provincial Grants - Other	0.33	0.26	0.23	0.23	0.23	0.23
Federal Grants	0.17	0.01	0.04	0.04	0.04	0.04
Tuition	9.10	4.38	6.56	8.17	9.69	10.27
Other Revenue	0.84	0.78	0.96	0.91	0.91	0.91
Rentals and Leases	0.64	0.55	0.53	0.63	0.63	0.63
Investment Income	0.63	0.33	0.26	0.26	0.26	0.26
Total Revenue	157.20	156.21	163.85	168.81	174.92	178.77
Expenses						
Salaries and Benefits	139.93	146.80	151.60	155.22	159.64	163.63
Services and Supplies	12.28	14.28	13.54	13.58	14.35	14.85
Total Expenses	152.21	161.08	165.14	168.80	173.99	178.48
Capital Purchases and Other	2.13	2.64	0.50	1.51	1.51	1.51
Surplus (Deficit) for the year	2.86	(7.51)	(1.79)	(1.50)	(0.58)	(1.22)
Accumulated Surplus (Deficit), beginning of year	4.65	7.51	-	-	-	-
Use of Prior Year Appropriated Surplus			1.79	-		
Accumulated Surplus (Deficit), end of year	7.51	(0.00)	0.00	(1.50)	(0.58)	(1.22)

Source: 2019/20 Annual Audited Financial Statements and 2020/21 Amended Annual Budget.

School District No. 42 (Maple Ridge - Pitt Meadows) is estimating to receive 93.90% of its operating revenue from province and other grants, 3.96% from tuition, 1.08% from prior year appropriated surplus, and 1.06% from other sources. The proposed operating budget for 2021/22 is allocated to be spent on salaries and benefits (91.52%); services, supplies and other (6.63%); utilities (1.54%); and capital assets purchased and other (0.30%).



The table below summarizes the changes to operating budget four-year projections. Additional information about these estimates can be found in the financial section of the budget document.

OPERATING BUDGET FOUR-YEAR PROJECTIONS (\$ millions)	2021/22	2022/23	2023/24	2024/25
Incremental Cost Increases				
Changes in Salaries and Benefits				
Salary and benefit changes (excluding labour settlement)	(0.69)	(0.34)	(0.34)	(0.34)
Labour settlement cost	(2.69)			
Other benefit cost changes	(0.41)	(0.56)	(0.56)	(0.56)
Services, Supplies & Utilities	(0.09)	(0.25)	(0.25)	(0.25)
New School Operating Costs				(0.58)
	(3.88)	(1.15)	(1.15)	(1.73)
Enrolment Driven Changes	3.22	0.41	0.61	0.29
Ministry of Education Funding Changes	1.93			
Revenue and Expense Changes				
Impact of previous year's budget	(1.93)	(0.20)		
International education				0.22
Other ongoing revenue and expenses	(0.05)			
	(1.98)	(0.20)	-	0.22
Total Projected Surplus / (Shortfall) Before One-time Items	(0.71)	(0.94)	(0.54)	(1.22)
One-Time Revenue and Expenditures				
International education	(1.32)	(0.56)	(0.04)	
One-time revenue and expenses	0.29	(0.29)		
Total Projected Surplus / (Shortfall)	(1.74)	(1.79)	(0.58)	(1.22)
2020/21 Available Surplus and Contingency Reserve	1.79	(0.34)		
Total Projected Surplus / (Shortfall)	0.05	(2.13)	(0.58)	(1.22)
Proposed Ongoing Budget Changes	0.51			
Proposed One-Time Budget Changes	(0.56)	0.63		
Total Projected Surplus / (Shortfall)	-	(1.50)	(0.58)	(1.22)

BUDGET CHANGES 2021/22

The operating context for our school district has changed significantly in the past four years. After almost a decade of enrolment decline and budget reductions, in 2015/16 enrolment in the Maple Ridge – Pitt Meadows School District started to increase and this trend is projected to continue for the foreseeable future.

To effectively support the projected continued enrolment increase and the changed operational context, the school district has to review existing systems and structures and, where necessary, implement the changes required.

The Proposed Preliminary Budget changes summarized below were developed through a review of all current school district budget allocations, and restored MRTA collective agreement language and associated funding. The review included meetings with all partner groups, managers, principals, and the board. The budget review process also aimed to ensure the alignment of budget allocations with the strategic directions set in the board's strategic plan, divisional operational plans, and school growth plans.

In March 2020, the World Health Organization declared coronavirus COVID-19 a pandemic. The impact of COVID-19 on the global economy and on school district finances and operations is very difficult to estimate. This proposed budget reflects the need for flexibility in addressing emergent issues over the next year.

**ONGOING PRELIMINARY BUDGET CHANGES 2021/22**

Support for School Growth Plans	
Educational Leadership - French Immersion and French Second Language	10,916
Educational Leadership - Elementary Administration Staffing	(21,832)
	(10,916)
Support for Operational Plans	
Human Resources Staff	(80,115)
Human Resources Services	(60,000)
Reallocation of Existing Budgets	83,845
Facilities - Operational Savings	98,053
Other Operational Savings	
Education Leadership	94,779
Business Operations and Governance	62,074
Secondary School Supplies	27,505
	226,141
Transportation	
Regular Student Transportation	297,950
Total Ongoing Changes	513,175

ONE-TIME PRELIMINARY BUDGET CHANGES 2021/22

COVID-19 Response	
Health and Safety	(104,500)
Enhanced Cleaning and Ventilation	(450,481)
	(554,981)
Support for School Growth Plans	
Literacy	(276,705)
Numeracy	(20,000)
Safe & Caring Schools	
Riverside Program	(155,143)
School Based Staffing	(280,987)
Anti-Racism	(94,688)
Early Learning	(62,346)
School Clerical Allocations	(16,821)
Reallocation of Existing Budgets	289,376
	(617,314)

ONE-TIME PRELIMINARY BUDGET CHANGES 2021/22

Support for Operational Plans	
Indigenous Education	(60,000)
International Education	
Vice Principal - International and English Language Learners	(142,528)
Helping Teacher - ELL	45,341
Human Resources	
Health and Safety Staff - Disability Management Administrator	(84,056)
Health and Safety Staff- HR Assistant	(80,115)
Health and Safety Staff -HR Manager, Projects	52,486
HR Services - Personal Growth Plans	(25,000)
HR Services - Principal/Vice-Principal Mentorship	(10,000)
HR - Operational Savings	21,174
Information Technology	
IT Capital Plan	827,039
Operational Savings	6,685
Facilities	
Equipment Replacement Plan	44,396
Vehicles Replacement Plan	134,477
Operational Savings	83,990
Other Operational Savings	
Education Leadership	82,432
Business Operations and Governance	30,900
	927,221
Learning Services	
Collaborative Teaching	(1,224,372)
Summer Assessments	(22,745)
Reallocation of Existing Budgets	1,224,372
	(22,745)
Transportation	
Regular Student Transportation	(297,950)
Use of Appropriated Surplus and Contingency Reserve	1,794,614
Total One-time Budget Changes	1,228,845
Total Proposed Budget Changes	1,742,020

SUMMARY: SPECIAL PURPOSE FUNDS BUDGET 2021/22

The special purpose fund is comprised of separate funds established to track revenue and expenditures received from the Ministry of Education and other sources that have restrictions on how they may be spent. The following special purpose funds have been included in the 2021/22 proposed preliminary budget:

- Classroom Enhancement Fund (CEF)
- Learning Improvement Fund (LIF)
- Annual Facility Grants (AFG) (excluding amounts paid via bylaw certificates of approval)
- Official Languages in Education French Programs Grants (OLEP)
- Community LINK Grants
- StrongStart Centre Grants
- Ready Set Learn Grants
- Youth Education Support Fund
- Scholarships and Bursaries
- School Generated Funds

The following table summarizes budgeted deferred contributions, revenue, and expenditure by object for all special purpose funds.

Budget changes are not contemplated for funds other than the Classroom Enhancement Fund and the Annual Facilities Grant Fund.

(\$ millions)	2019/20 ACTUAL	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET
Deferred Revenue, beginning of year	(2.38)	(1.38)	(0.26)	(0.26)	(0.26)	(0.26)
Received Contributions						
Provincial Grants - Ministry of Education	(15.14)	(22.05)	(13.28)	(13.28)	(13.28)	(13.28)
Other	(3.55)	(4.48)	(4.58)	(4.58)	(4.58)	(4.58)
Total Contributions Received	(18.69)	(26.53)	(17.86)	(17.86)	(17.86)	(17.86)
Less: Allocated to Revenue or Recovered by MOE	19.69	27.65	17.86	17.86	17.86	17.86
Deferred Revenue, end of year	(1.38)	(0.26)	(0.26)	(0.26)	(0.26)	(0.26)
Allocated to Revenue						
Provincial Grants	15.32	22.20	13.28	13.28	13.28	13.28
Other Revenue	3.82	5.43	4.58	4.58	4.58	4.58
Total Allocated to Revenue	19.14	27.63	17.86	17.86	17.86	17.86
Expenses						
Salaries and Benefits	12.96	18.06	12.78	12.78	12.78	12.78
Service and Supplies	4.80	6.82	4.77	4.77	4.77	4.77
Total Expenses	17.76	24.88	17.55	17.55	17.55	17.55
Capital Purchases and Other	1.38	2.75	0.31	0.31	0.31	0.31
Total Expenses and Capital Purchases	19.14	27.63	17.86	17.86	17.86	17.86
Net Revenue (Expense)	-	-	-	-	-	-





Classroom Enhancement Fund

For 2021/22, the Maple Ridge - Pitt Meadows School District has been provided with a preliminary CEF allocation of \$11.11 million, sufficient to fund an estimated 98.86 FTE teachers and overhead costs of \$0.73 million. It is estimated that an additional \$4.36 million will be required in order to fund the 140.27 FTE teachers needed to fulfill the collective agreement obligations funded under CEF.

USE OF CLASSROOM ENHANCEMENT FUND 2021/22		
	FTE	BUDGET
Classroom Enhancement Fund Grant		11,105,831
Estimated Additional Funding Required		4,358,956
Preliminary Staffing Plan	140.27	(14,737,978)
Additional New Teacher Supports		(354,942)
Educational Leadership	1.50	(221,945)
Human Resources Support	0.74	(44,030)
Facilities & Other Implementation Costs	1.55	(105,892)
Total Classroom Enhancement Fund	144.06	-

Annual Facilities Grant

For 2021/22, the Maple Ridge - Pitt Meadows School District has been provided with a special purpose annual facilities grant allocation of \$517,500 and a capital annual facilities grant allocation of \$2,026,336. The annual facilities grant spending plan for 2021/22 is presented in the following table.

USE OF ANNUAL FACILITIES GRANT 2020/21	PROJECT DESCRIPTION	BUDGET
District	Capital asset management system	38,544
Various schools	Duct cleaning	60,000
Various schools	Interior painting	50,000
Various schools	Flooring	100,000
Various schools	Wall carpet removal	50,000
Various schools	Facilities upgrades	189,176
Blue Mountain Elementary	Exterior painting	29,780
Total Special Purpose Fund AFG		\$517,500
Riverside Centre	Facilities improvement	100,000
Garibaldi Secondary	Exterior painting and unit heater replacement	448,320
Samuel Robertson Technical	Portables upgrade	160,000
Davie Jones Elementary	Fire panel replacement	15,000
Thomas Haney Secondary, Laity View Elementary	Roofing	902,000
Various schools	Exterior painting	161,616
Maple Ridge Elementary	Skylight replacement	19,000
Westview Secondary	HVAC optimization	60,000
Various schools	Paving	110,400
Various schools	Asbestos abatement	50,000
Total Capital AFG		\$2,026,336

SUMMARY: CAPITAL FUND BUDGET 2021/22

The capital fund includes capital expenditures related to facilities (purchases and enhancements) and equipment (purchases) that are funded by Ministry of Education capital grants, operating funds, and special purpose funds. An annual deficit in the capital fund that is a result of amortization expense and budgeted capital assets purchased from operating and special purpose funds exceeding the amortization of deferred capital revenue plus budgeted local capital revenue is permitted under the Accounting Practices Order of the Ministry of Education.

CAPITAL (\$ millions)	2019/20 ACTUAL	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET
Capital Surplus (Deficit), beginning of year	77.44	87.56	88.97	85.76	83.76	81.86
Revenues						
Provincial Grants - Ministry of Education	5.41	-				
School Site Acquisition Fees	4.96	0.16				
Investment Income	0.14	0.07	0.04	0.04	0.04	0.04
Other Revenue	0.24	-				
Loss on Disposal of Tangible Capital Assets	-	-				
Amortization of Deferred Capital Revenue	6.00	6.45	6.56	6.57	6.59	7.37
Total Revenue	16.75	6.68	6.60	6.61	6.63	7.41
Expenses						
Amortization of Tangible Capital Assets	(10.16)	(10.66)	(10.62)	(10.43)	(10.35)	(11.02)
Capital Lease Interest						
Total Expenses	(10.16)	(10.66)	(10.62)	(10.43)	(10.35)	(11.02)
Net Transfers (to) from other funds						
Tangible Capital Assets Purchased	3.30	5.36	0.78	0.78	0.78	0.78
Local Capital	0.23	0.03	0.03	1.04	1.04	1.04
Total Net Transfers	3.53	5.39	0.81	1.82	1.82	1.82
Total Capital Surplus (Deficit) for the year	10.12	1.41	(3.21)	(2.00)	(1.90)	(1.79)
Capital Surplus (Deficit), end of year	87.56	88.97	85.76	83.76	81.86	80.07

The following table presents capital projects supported by the provincial government and the estimated capital spending associated with these projects over the next five years. The funding for Eric Langton Elementary seismic upgrade and addition, and Pitt Meadows Secondary seismic upgrade and major renovation has not yet been confirmed by the Ministry of Education. The budgeted amounts for these two projects are based on the estimated costs included in the 2021-2026 Capital Plan submission.

Facility Name	Project Description	Estimated Project Value	Amount Funded by Others	Local Funding	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget
					(\$ millions)			
Eric Langton Elementary	Seismic upgrade and addition	28.70	28.70		0.18	1.50	8.50	18.52
Pitt Meadows Secondary	Seismic upgrade	30.80	30.80		1.50	2.50	9.50	17.30
Davie Jones Elementary	Childcare new building	2.13	2.13		1.81			
Glenwood Elementary	Interior renovations - washroom upgrade	0.52	0.52		0.52			
Harry Hooge Elementary	Exterior wall systems - window upgrades	0.31	0.31		0.31			
Total		\$62.46	\$62.46	-	\$4.32	\$4.00	\$18.00	\$35.82

Local Capital

The balance is comprised of previous years' operating surpluses, which are transferred to the local capital reserve (LCR). With board approval, the funds in the LCR can be used to assist in funding capital or operating expenses. The LCR can also be used to fund major initiatives that are not funded by the province.

In 2020/21, the board approved the use of local capital to fund various projects as identified below. It is proposed that \$1.67 million from the local capital reserve fund be used to fund one-time IT staffing and infrastructure refresh (\$1.50 million) and the facilities equipment and vehicles purchases for 2021/22 (\$0.17 million).

Local Capital Budget Summary

(\$ millions)	2020/21 Budget	2020/21 Estimated Spending	2021/22 Budget	Total Local Capital Allocations
Uses of Local Capital				
Emergency preparedness	0.03	(0.03)		-
Energy management plan	0.61	(0.61)		-
New elementary school	0.84	(0.84)		-
New classrooms setup	0.98	(0.98)		-
MRSS Annex reconfiguration	0.29	(0.29)		-
Parent Portal upgrade	0.07	(0.07)		-
Boardroom setup for online meetings	0.02	(0.02)		-
IT Staffing and infrastructure refresh			1.50	
Facilities equipment and vehicles	-	-	0.17	-
Total Uses of Local Capital	2.84	(2.84)	1.67	1.67
Childcare capital	0.06	-	0.03	0.09
Contingency reserve for local capital	3.14	-	(1.67)	1.47
Total Local Capital	6.04	(2.84)	0.03	3.23

Contingency Reserve for Local Capital

The Board of Education is responsible for ensuring the district is protected financially from extraordinary circumstances that would negatively impact school district operations and the education of students. To discharge this responsibility, the board has established a contingency reserve from available operating surplus, which will be used to mitigate any negative impact such circumstances might cause.

Existing school district budgets are not sufficient to support the procurement or timely replacement of school district assets. The budget required to complete the building maintenance projects identified through facility condition assessments far exceeds the annual facilities grant and the capital funding for building enhancement projects received by School District No. 42.

This means that the deferred maintenance for school district facilities continues to grow and the facility condition index for school district facilities continues to deteriorate. Major equipment failures must be covered from the contingency reserve. These include, but are not limited to, the following: building envelope remediation, roof repairs or replacement, boiler replacements, server replacements, shop equipment replacements.

In addition, the board is responsible for any cost overruns incurred on Ministry of Education funded capital projects and this is the only fund available to cover such costs.

By board policy, a contingency reserve of at least 1% of operating expenditures and not exceeding 3% of operating expenditures shall be maintained (\$1.57 million to \$4.70 million). The current balance of \$3.39 million (\$3.14 million local capital and \$0.25 million operating) equates to 2.17% of operating expenditures. After the proposed use of \$1.67 million of the contingency reserve for local capital and \$0.25 million of the contingency reserve for operating, the estimated balance of the contingency reserve for local capital will be \$1.47 million, and it represents approximately 0.93% of operating expenditures.



Executive Summary



Organizational Section



Financial Section



Informational Section