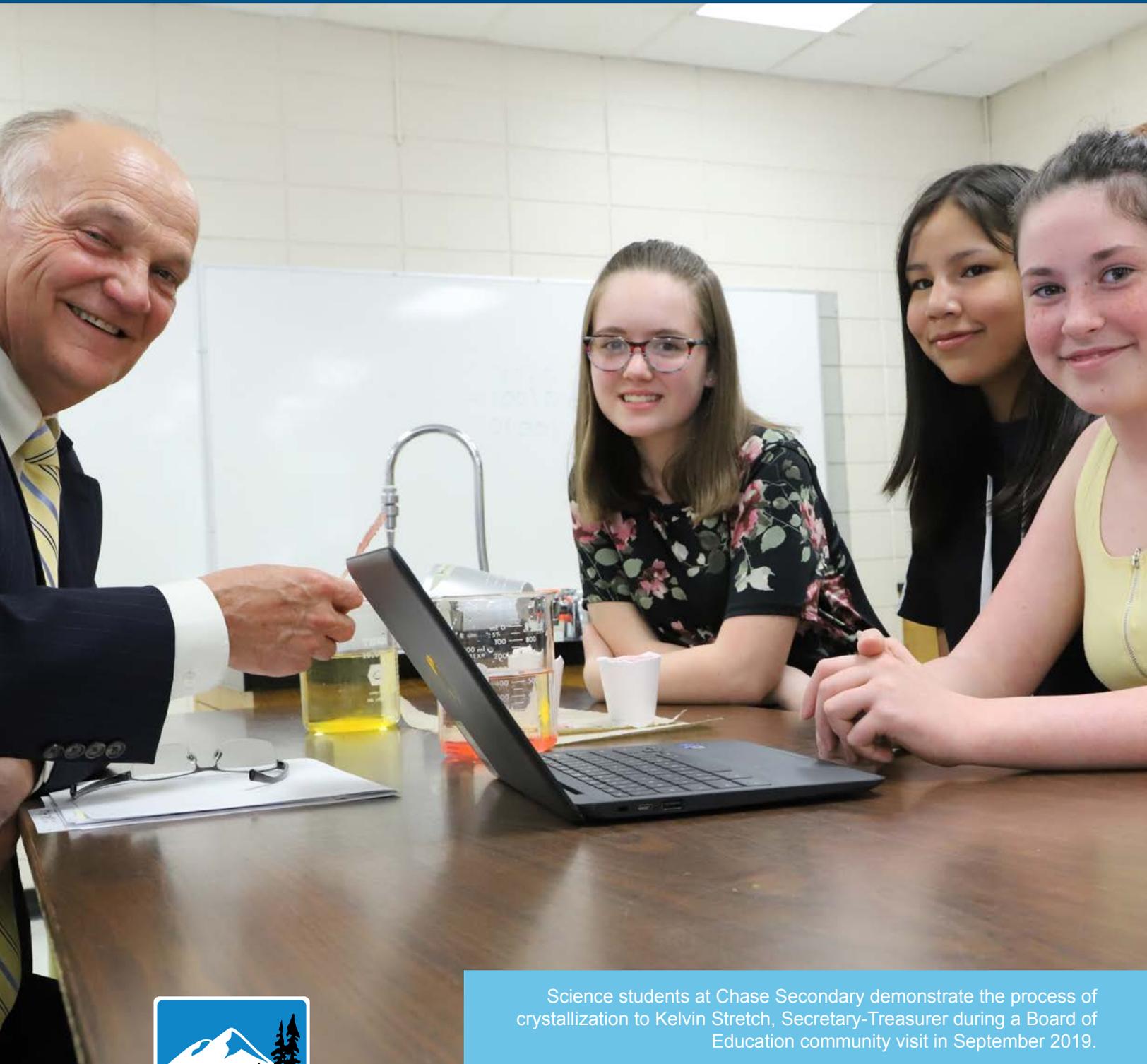


# FINANCIAL STATEMENT DISCUSSION & ANALYSIS REPORTING | For the Year Ended June 30, 2020.



Science students at Chase Secondary demonstrate the process of crystallization to Kelvin Stretch, Secretary-Treasurer during a Board of Education community visit in September 2019.



SCHOOL DISTRICT NO. 73  
(Kamloops - Thompson)



The following is a discussion and analysis of the School District's financial performance for the fiscal year ended June 30, 2020. This section of the report is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this report.



# Overview of the School District

Located in south central BC, School District No.73 (SD73) operates 45 schools in the communities of Blue River, Vavenby, Clearwater, Barriere, Sun Peaks, Chase, Westwold, Savona, Logan Lake, and Kamloops with the majority of the students living in the city of Kamloops.

Employing 2,052 staff in full and part time positions, SD73 has an annual operating, capital, and special purpose budgets totaling approximately \$187.4 million. Governed by a Board of Education, the nine elected trustees include five from Kamloops and four from the rural communities served by the District.

On September 5, two days into the new school year, Parkcrest Elementary School was destroyed by fire. The 350 students and staff were able to resume learning and teaching 16 days later at a nearby school that had been renovated for our Four Directions program and Thompson Rivers Education Centre, which operates an alternate high school program. These two district programs were also displaced to accommodate the Parkcrest elementary students.

A few months later, as students and staff were set to return from Spring Break, a provincial emergency was declared and on March 17, 2020 and schools were closed for in-class instruction. On June 1, 2020 schools re-opened on a voluntary, part-time basis for in-class instruction or continuation of their on-line learning program from home.

These unprecedented events of the 2019-2020 school year were met with extraordinary levels of effort across the province's thirteenth largest school district. The fire and pandemic demanded immediate, coordinated, and ongoing response by administration and staff that service nearly 15,000 K-12 students in a geographical area greater than 26,000 sq. km. Due to the efforts of staff focused on these two unprecedented events, a number of budgets remained underspent at June 30, 2020 which created a larger than normal operating surplus. The following pages provide specific reasons for the 2019-2020 operating surplus.

Student Population Rural and Kamloops	Schools	2019-2020 Students	Average Student Population
Elementary-Rural	9	1,032.0	114.7
Elementary-Kamloops	24	7,565.0	315.3
<b>Total Elementary</b>	<b>33</b>	<b>8,597.0</b>	<b>260.6</b>
Secondary-Rural	4	741.0	185.3
Secondary-Kamloops	8	5,311.0	663.9
<b>Total Secondary</b>	<b>12</b>	<b>6,052.0</b>	<b>504.4</b>
<b>Total Schools &amp; Students</b>	<b>45</b>	<b>14,649.0</b>	<b>325.5</b>

# Mission / Vision / Goals – Strategic Plan

Our educators are skilled and students are performing at the top of international assessments, but the world is changing and we need to make sure students have the skills to succeed in the 21st century. Dynamic organizations are driven by practices that challenge all to learn, work and lead in new ways.

## Vision

To be a dynamic school district achieving success for all students through a commitment to equity and excellence.

## Mission

We connect each student to their future by transforming the way all partners collaborate to create relevant, innovative and inclusive learning environments.

## Theory of action

Success for each student will be achieved by focusing on relevant learning, organizational and instructional innovation, meaningful collaboration with all partners, and fostering an inclusive culture that values diversity.

## District Strategic Priorities

The financial statements outlined in this discussion report support the six priorities set out in the District's Strategic Plan, which are to:

- Ensure every student acquires strong foundational skills and core competencies.
- Connect students to their passions and interests.
- Honour the First Peoples' principles of learning and Aboriginal worldview and perspectives.
- Foster an inclusive, adaptable and accountable district culture.
- Strengthen partnerships to enrich the way we lead, learn and work.
- Ensure the sustainable use of our resources.

# Academic Achievement for the Year

Our District Learning Plan is built using the framework from the provincial Enhancing Student Learning Reporting Order and embedding the work of the SD73 Strategic Plan. In recognition of the components of the Educated Citizen, the new reporting format includes the provincially noted three goals of education: Intellectual Development, Human and Social Development, and Career Development

Intellectual development measures the foundational skills of literacy and numeracy. SD73 has consistently been at or above the provincial average for the past several years. The FSA was redeveloped for the 2017 - 2018 school year and, at this point, we have three years of data to inform how our students are performing. While our results are strong in all foundational skills, we must continue to support numeracy if we are to achieve the same exemplary results that we see in writing. Plans to support numeracy were extensive in 2019 - 2020, however, the suspension of in-class instruction during the spring of 2020 slowed the delivery of some of our programs.

At the secondary level, literacy and numeracy levels are measured through grade 10 provincial assessments. Early data indicates we continue to achieve at or near the provincial level on all assessments, but as these are new assessments, we do not yet have enough data points to comment extensively.

Another measure of Intellectual Development is grade-to-grade transition. In the released 2018 - 2019 data from the Ministry of Education, SD73 had a transition rate of 90% between the grades of 11 and 12. This aligns with a provincial average of 91% and supports our very strong graduation rate.

The second goal of the Educated Citizen is Human and Social Development. To measure achievement, this goal focuses on students feeling welcome, safe, and connected to school. SD73 falls within the provincial averages, although the data indicates a greater degree of connectedness for grades 3 /4 and 12 when compared to grades 7 and 10. While this is not surprising, it is indicative that there is room

to create stronger connections with students in the upper intermediate / early secondary student cohorts.

As the third goal, Career Development measures student graduation rates and core competencies focused on the achievement of career and life goals. The new Enhancing Student Learning Reporting Order requires districts to report on 5-year graduation rates, however, it is important to note the variance between the 5-year and 6-year rates emphasizes the need to report both data sets as not all students who are successful can be measured on a shortened timeline. The 6-year resident rate for SD73 is 92% and above the provincial average of 89%. A focus on supporting our Aboriginal learners and participation in the Equity in Action provincial program has offered significant results as the 6-year resident rate for SD73 is 84% and considerably higher than the provincial rate for Aboriginal learners at 69%. While SD73 Aboriginal students are not yet at parity with non-Aboriginal students, the gap is closing.

The successes noted above would not have been achievable without a focus on supporting the 18.6% of our students who self-identify as Aboriginal learners. Student participation rates in cross-cultural activities with a particular focus on Aboriginal culture, history and current issues as well as a marked increase in the past three years of Aboriginal parent engagement are undoubtedly significant factors in our strong achievement. When combined with strong classroom practices that include Aboriginal ways of knowing and doing with the support of our Aboriginal community, our students are better positioned for ongoing success.

Regardless of the areas of measure, we are confident that students in SD73 are provided with excellent supports at all levels of the school district. Throughout the 2019 - 2020 school year, we have continued to develop our work with professional learning, ongoing mentorship, and dedicated supports. We, as a district, can set direction to meet and exceed targets and measures, but it is only by supporting learners, both students and adults, that we can really effect change. Careful budgeting that is aligned to support our students has allowed SD73 to

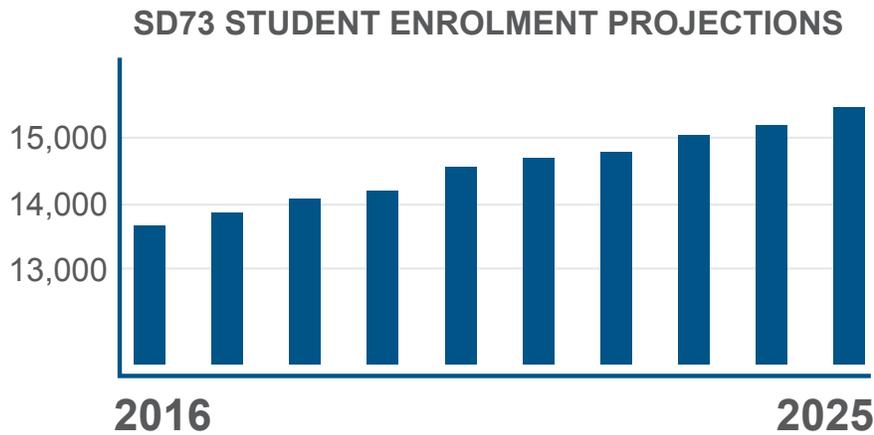


When face-to-face StrongStart programming was suspended due to coronavirus, all seven facilitators in the district worried it would spell the end of their connection with parents of young children. Instead, it brought new ways of connecting and communicating that may have forever changed the way StrongStart is delivered.

move student learning forward. We would be remiss if we did not celebrate the work of our students, but also recognize the efforts and successes of classroom teachers, district coordinators, certified education assistants, Aboriginal education workers, school principals and vice-principals, and all who are a part of our education system. It is through the collective support of both the Finance and Education departments that our students continue to grow as learners.

# Financial Highlights

In 2015-2016, district enrollment was 13,860 Full Time Equivalent (FTE) Kindergarten to Grade 12 (K-12) students and since then, the District has experienced steady enrollment growth with enrollment in 2018-2019 at 14,416 FTE students and 14,645 FTE students for the 2019-2020 school year. This is an increase of 785 FTE students since 2015-2016 or an average increase of 196 students per year over the past four years. The District is projecting continued growth over the next few years even though 2020-2021 increases may be driven by increases in our Distributive Learning program due to students taking courses on-line versus in-class study due to health issues relating to the COVID-19 pandemic.



The operating surplus for the 2019-2020 school year was \$5,369,494, which is up from the \$1,560,307 operating surplus the District achieved in the 2018-2019 school year. Revenues per FTE were up \$45 increasing from \$7,423 to \$7,468/FTE student and enrollment was up 229.19 FTE students from 2018-2019 to 2019-2020

K-12 per FTE Students 2018-2019 versus 2019-2020:

Actual 2018-2019	Growth/ (Decline)	Actual 2019-2020
8,888.0	87.0	8,975.0
5,528.0	142.0	5,670.0
14,416.0	229.0	14,645.0

Below is a table that indicates the Regular and Distance Learning per FTE rates for 2018-2019 versus 2019-2020 and for 2020-2021 school year as well:

Block Funding Rate Per FTE Student	2018-2019 Per FTE Rate	Increase	2019-2020 Per FTE Rate	Increase	2020-2021 Per FTE Rate
Per Student Regular FTE Rate	\$7,423.00	\$45.00	\$7,468.00	\$92.00	\$7,560.00
Per Student DL FTE Rate	\$6,100.00	\$0.00	\$6,100.00	\$0.00	\$6,100.00

# Financial Analysis of the School District as a Whole

Below is a table that summarizes the 2018-2019 versus the 2019-2020 Operating results.

Summary Operating Results	2018-2019	Increase / (Decrease)	% Increase / (Decrease)	2019-2020
Revenues	152,467,084	9,063,163	5.94%	161,530,247
Wages	107,835,398	4,209,541	3.90%	112,044,939
Benefits	24,201,852	826,027	3.41%	25,027,879
Expenses	18,869,527	218,408	1.16%	19,087,935
Surplus (Deficit)	1,560,307	3,809,187		5,369,494
	1.02%			3.32%

K-12 public education remains a priority for Government which translated into additional funding in 2019-2020. Revenues for the District were up \$9.06 million over 2018-2019 in the following areas:

- Additional 229.2 FTE students at the 2019-2020 per FTE rate of \$7,468 equates to a revenue increase of \$1,711,666 for the additional students.
- An increase of \$45.00 in the per FTE student rate added an additional \$648,720 in revenue for 14,416 FTE students in the 2018-2019 school year to assist our district in dealing with negotiated contract increases with unionized staff and other inflationary pressures.
- The Supplement for Unique Student needs like: Special Needs (Level 1, 2 & 3); English Language Learner; Aboriginal Education; and Adult Education funding increased by \$2,252,525 over 2018-2019.
- Revenue increases for Unique Geographic factors added \$331,982 in support of our rural district and associated financial challenges.
- The Distance Learning (DL) student rate for the 2019-2020 remained the same as the 2018-2019 DL rate per FTE student.
- Continuation of the Student Transportation Grant in 2019-2020 at \$666,819.
- To assist with the transition from Medical Service Plan employee premiums to the new Employer Health Tax, the Ministry of Education provided a \$1,181,459 grant to offset the additional cost during the 2019-2020 school year.
- Additional revenue of \$464,741 recorded by the International Student Program in 2019-2020 resulted in a total gross revenue of \$4.89 million. After expenses, the District delivered a profit of \$817,567 or 16.71% versus a profit in 2018-2019 of \$730,282 or 16.5% on revenues of \$4.43 million.
- The Next Generation Network (NGN) self-provision credit associated with the District's investment in the Kamloops Fibre Network and our "dish-to-dish" network connecting elementary schools to our secondary schools provides a semi-annual rebate of \$125,722 for a total of \$251,244 each year. Half of the rebate was transferred to Local Capital to allow the Information Technology department to further invest in technology projects in support of our students.

- The BCTF concluded a three-year collective agreement with government late in the 2019-2020 school year. The revenues and expenses relating to the salary increases were not included in the revised budget bylaw approved and submitted to the Ministry of Education in February 2020. Funding of \$1,344,416 in wages and \$295,116 in benefits for a total of \$1,639,532 was received in May 2020. These costs were not included in the 2019-2020 Operating budget.

### SALARIES BY EMPLOYEE GROUP

	2018-2019	2019-2020	Increase / (Decrease)
<b>Teachers</b>	61,924,624	66,490,655	4,566,030
<b>Support Staff</b>	26,208,903	26,907,156	698,253
<b>Principals/Vice Principals</b>	9,320,407	9,545,743	225,336
<b>Management Staff</b>	3,940,093	3,968,901	28,808
<b>Relief Costs</b>	6,441,370	5,132,484	(1,308,866)
<b>Totals</b>	107,835,398	112,044,939	4,209,541

The wages, benefits, and expenses for the district increased \$8.49 million over 2017-2018 results for the reasons listed:

- Salary expenses increased by \$4.210 million due to contractual wage increases and the cost of 26.78 FTE additional staff. The District employs 2,052 FTE full and part time positions (this includes the 96.90 FTE Classroom Enhancement Fund positions and 311 relief-staff.)
- Employee benefit plans increased overall by \$825,996 from last fiscal year. See the following table for a detailed comparison 2018-2019 versus 2019-2020 as well as a comparison 2006-2007 to 2019-2020.
- This year's benefit plan increase of \$825,996 was mitigated by the \$276,359 in savings from the reduction in the employer premiums for the Teacher Pension plan. The reduction in employer premium rates were effective January 1, 2020 so this savings will continue into 2020-2021. The Medical Services Plan transition to the Employer Health Tax (EHT) premiums saw an increase of \$400,609 over last year.
- Since 2006-2007, wages in the District have increased by 32.42%, or \$27.429 million, and benefits increased over the same period by 48.96%, or \$8.23 million. The annual benefit cost increases we are experiencing each year is one area of our financial performance we have very limited control over. Annual increases in our per FTE funding are needed to keep pace with the ever-increasing cost of employee benefits.

School District No.73 (Kamloops/Thompson) Schedule of Employee Wages and Benefits					
For the Thirteen years 2006-2007 to 2018-2019					
				Variance to	Increase
Employee Benefits	2006-2007		2019-2020	2018-2019 to 2019-2020	2006-2007 to 2019-2020
FTE Staff	1,417.879	a)	1,481.510	51.84	63.63
<b>Total Wages</b>	84,616,240.000	a)	112,044,939.00	2,412,557.00	27,428,699.00
<b>Percentage Increase</b>					32.42%
<b>Total Dollar Value Increase</b>					27,428,699.00
<b>Teacher Pension</b>	7,053,965.23		8,985,846.12	(276,358.77)	1,931,880.89
<b>Municipal Pension</b>	1,550,539.09		2,735,285.93	192,258.16	1,184,746.84
<b>CPP</b>	2,945,406.03		4,096,312.74	183,897.65	1,150,906.71
<b>EI</b>	1,429,074.84		1,655,208.00	(2,372.77)	226,133.16
<b>WCB</b>	417,814.93		766,038.91	90,112.61	348,223.98
<b>Medical (MSP &amp; EHT)</b>	1,201,267.18		2,509,439.61	400,609.10	1,308,172.43
<b>Extended Health</b>	879,594.97		2,157,746.86	78,706.26	1,278,151.89
<b>Dental</b>	1,059,521.70		1,784,752.26	142,233.49	725,230.56
<b>Group Life</b>	222,118.11		277,090.95	21,571.68	54,972.84
<b>Emp. Assistance</b>	42,511.93		60,119.93	(4,661.56)	17,608.00
	16,801,814.00		25,027,841.31	825,995.85	8,226,027.30
<b>Percentage Increase</b>				4.92%	48.96%
<b>Total Dollar Value Increase (decrease)</b>				825,995.85	8,226,027.30

## Reserves – Operating

The District's Operating Reserve Funds are separated into two categories: Internally Restricted Reserve Funds and Unrestricted Reserve Funds. Internally Restricted Reserve Funds are specifically intended for expenditures based on specific criteria. The District is maintaining reserve balances as per Board Policy 1154.1 – OPERATING AND CAPITAL RESERVES.

The Restricted Reserve balances represent an accumulation of operating surpluses. The Board and senior administration allow departments and schools to carry forward for expenditure in a subsequent school year. The practice of carrying forward unspent budget dollars eliminates staff spending to the full extent of their budget by June 30th each year; which in turn allows educators and managers to improve the efficient and effective use of funds as they proactively manage the district with a longer-term perspective.

Annually in late August or early September, once the year end operating results are known, the Audit Committee of the Board of Education meet to review the Operating Reserve balances and make recommendations on these Reserve Funds to ensure these funds are positioned to deliver on the District's Vision, Mission and Long-term Strategic plan in support of our students. Based on that review, the Audit Committee make recommendations to the Board of Education for consideration and approval of the year end balances in each of the operating reserves. These recommendations then come forward at a public school board meeting in September. At that meeting, the Board of Education has an opportunity to further discuss the reserve balance recommendations with the district's external auditors prior to finalizing and approving the reserve balances that will be included in the audited financial statements for the year just concluded.

Board approval is required to expend Unrestricted Operating Reserve funds. Once approval is granted, the funds move from the Unrestricted Reserve Fund to a Restricted Reserve Fund where the funds are held pending expenditure for their intended purpose.

At the conclusion of 2018-2019, the District had approved the transfer of the remaining unrestricted operating reserve of \$237,390 to Local Capital to support the Valleyview Secondary Expansion project. By June 30, 2019, the Valleyview Secondary Expansion Project had a balance of \$1,162,390.31 set aside in the Local Capital Reserve for this major capital project.

At the conclusion of the 2019-2020 school year, the Audit Committee of the Board recommended adding \$87,609.69 in operating surplus to increase this reserve to \$1,250,000 of the District's \$1,750,000 commitment in funding support for the expansion project. These funds are held in a Facility Renewal Reserve Fund within the Local Capital Reserve.

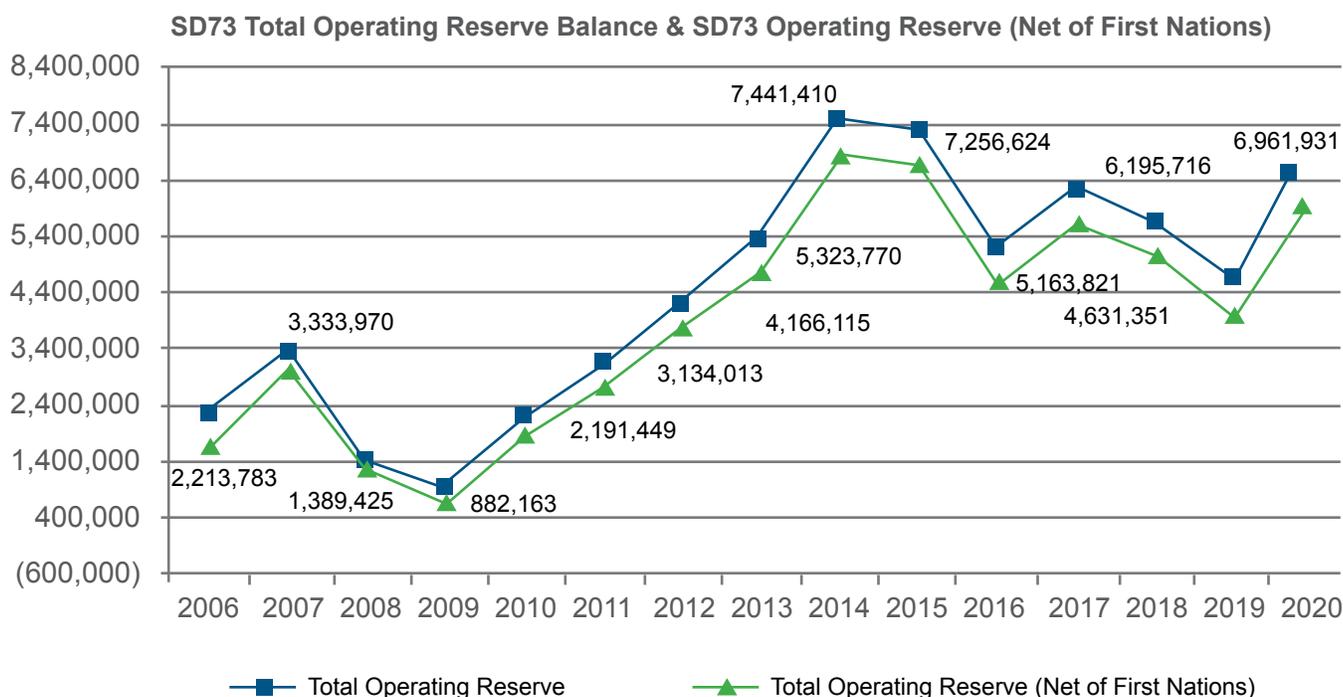
Below is a schedule that provides year-over-year increases and/or decreases in our Internally Restricted Operating Reserve. Detailed explanations that support these reserve balances are contained in Note 13 of the Audited Financial Statements for the fiscal year ending June 30, 2020. Currently, due to the unknown budget and expense issues relating to the COVID-19 pandemic, all funds not set aside for specific initiatives are being restricted in General Reserve – COVID-19 which at year end 2019-2020 has a balance of \$1,474,821.00.

Operating & Capital Fund Balances   For the School Year Ending June 30, 2020					
OPERATING FUND		Balance at June 30, 2019	Increases 2019-2020	Decreases 2019-2020	Revised Balance at June 30, 2020
<b>INTERNALLY RESTRICTED OPERATING RESERVE</b>					
a	Utility/Fuel CEA Cost/Budget	700,000.00			700,000.00
b	Strategic Plan C/F Year 2	388,500.00		(241,000.00)	147,500.00
c	Department	454,991.32	102,964.70		557,956.02
d	School Supply	1,235,008.93	168,784.44		1,403,793.37
e	General Reserve - COVID-19		1,474,821.00		1,474,821.00
f	Employee Benefits	657,755.30		(329,000.00)	328,755.30
g	SD73BC Management Fee (2013-2017)	485,872.00			485,872.00
h	Aboriginal Education	653,055.56	284,337.00		937,392.56
i	International Student Program		817,567.00		817,567.00
j	AFG Other	56,168.37	8,835.24		45,600.00
k	Summer School		43,271.00		43,271.00
<b>Total Restricted Operating Reserve:</b>		<b>4,631,351.48</b>	<b>2,900,580.38</b>	<b>(570,000.00)</b>	<b>6,961,931.86</b>
<b>UNRESTRICTED OPERATING RESERVE</b>					
l	Unrestricted Operating Reserve				
<b>Total Unrestricted Operating Reserve:</b>					
<b>TOTAL OPERATING FUND BALANCES</b>		<b>4,631,351.48</b>	<b>2,900,580.38</b>	<b>(570,000.00)</b>	<b>6,961,931.86</b>



Teachers found new ways to reconnect with students in social isolation after the suspension of in-class instruction on March 17, 2020 due to the pandemic. Numerous helpful resources were gathered and shared among educators to engage with their students and help them learn.

Below is a graph that indicates the District's Operating Reserve Balances from 2005-2006 to 2019-2020.



## Reserves – Special Purpose

Special Purpose Fund balances represent funding for specific programs. The majority of funding is from the Ministry of Education for programs such as the Annual Facility Grant, Classroom Enhancement Fund (CEF) Support Staff Learning Improvement Fund, CommunityLINK, Early Learning programs, OLEP French, and SetBC. Revenues match expenditures for the specific program. Unspent funds are carried forward and utilized for the intended purpose in a subsequent year(s). Other Special Purpose Funds include scholarships, and contributor restricted funds. See Schedule 3A in the audited financial statements for details on the various Special Purpose Funds. Below is a table that summarizes the Special Purpose Funds by Ministry, School and Other.

	2018-2019	Increase / (Decrease)	Increase / (Decrease)	2019-2020
<b>Ministry of Education</b>	313,167	14,393,319	(13,380,383)	1,326,103
<b>School Generated Funds</b>	2,711,661	3,806,325	(3,858,823)	2,659,163
<b>Other Special Purpose Funds</b>	1,258,459	1,197,174	(967,547)	1,488,086
	4,283,287	19,396,818	(18,206,753)	5,473,352

## Reserves – Local Capital Reserve

The Local Capital Reserve fund represents a portion of accumulated operating surpluses designated to fund the purchase of Tangible Capital Assets (TCA). The Local Capital Reserve fund is increased if the Board of Education passes a motion to transfer operating surpluses to Local Capital. The Local Capital fund balance is also increased when the District invests the cash associated with the Local Capital fund balance in the Provincial Central Deposit Program or through the sale of board owned and funded capital assets. The Operating Reserve and the Local Capital Reserve fund balances are reviewed each year by the Audit Committee and the Audit Committee makes recommendations to the full board on the appropriate reserve balances for operations and the funds required for the purchase of capital assets. The Local Capital Reserve is used to purchase maintenance vehicles, information technology equipment, custodial equipment or small capital expenditures in our schools not covered by our operating grant or the Annual Facilities Grant. A purchase is considered capital if it benefits more than one school year. Below is a table that provides the summary balances, revenues, transfers and capital purchases for 2019-2020.

<b>NET CHANGE IN OPERATING RESERVES</b>		2,330,580.38		
<b>AVAILABLE FOR TRANSFER TO LOCAL CAPITAL</b>		3,038,913.62		
<b>TOTAL NET CHANGE IN OPERATING SURPLUS</b>		2,330,580.38		
Operating Transfers to Local Capital	906,622.00			
Operating Transfers Re VSS to Local Capital	87,609.69			
Operating Transfers Re Purchase of Capital Assets in Operating	437,146.00			
Operating Reserve to Local Capital	1,607,525.93			
Operating Income (Schedule 2)		5,369,494.00		
		3,038,913.62		
<b>LOCAL CAPITAL FUND</b>	<b>Balance at June 30, 2019</b>	<b>Revenues &amp; Transfers 2019-2020</b>	<b>Capital Purchases 2019-2020</b>	<b>New Balance at June 30, 2020</b>
General Reserve	2,277,586.44			2,277,586.44
Local Capital Miscellaneous Revenues		160,338.00		160,338.00
Transfer Re: Operating Surplus		2,951,303.93		2,951,303.93
Capital Purchases			(4,274,492.00)	(4,274,492.00)
<b>Total General Reserve</b>	2,277,586.44	3,111,641.93	(4,274,492.00)	1,114,736.37
Bus Reserve	398,286.25			398,286.25
Valleyview Expansion Reserve	1,162,309.31	87,609.69		1,250,000.00
<b>Total Local Capital Fund</b>	<b>b)</b> 3,838,263.00	3,199,251.62	(4,274,492.00)	2,763,022.62

# Capital Assets

Below is a schedule summarizing the changes in Tangible Capital Assets. (Note 4 of the Audited Financial Statements contains a more detailed analysis of implications relating to the addition and/or the deletion of the District's assets.) Between Bylaw Capital provided by the Ministry and funds expended in support of our capital needs from the Local Capital Reserve, the district invested \$10.059 million in capital funds to address aging facilities and planned equipment replacement.

CAPITAL ASSETS (NOTE 4)					
Tangible Capital Assets in Thousands of Dollars					
	Balance at July 1, 2019	Additions	Disposals	Transfers	Balance a June 30, 2020
Sites	10,345	833			11,178
Buildings	136,440	5,148	659	3,632	144,561
Furniture & Equipment	12,079	2,028	464		13,643
Vehicles	11,071	984	1,079		10,976
Computer Software	312	84	44		352
Computer Hardware	2,518	982	316		3,184
<b>Total</b>	<b>172,765</b>	<b>10,059</b>	<b>2,562</b>	<b>3,632</b>	<b>183,894</b>



Transportation Manager Sherry Kristjanson oversees the District's fleet of 84 school buses traveling more than 9,000 kms every school day to make sure 3,900 students safely arrive and return from school.

District major capital expenditures totaled \$14.35 million in 2019-2020. The projects listed on the next few pages were paid for by capital grants from Bylaw Capital, School Enhancement Program and the District's Local Capital Reserve Fund. Below are details of the project expenditures in 2019-2020.

#### Portables, Building and Playground Upgrades:

Westsyde Elementary Upgrade	\$234,939
Sagebrush Theatre Repair	\$522,304
Portable Classroom Space	\$1,369,345
School Enhancement Projects	\$1,401,322
Playground – Aberdeen Elementary/Oak Hills	\$180,000
Valleyview Secondary Expansion	\$4,437,839
McQueen Lake	\$7,616
Other Misc Projects	\$6,615
Pacific Way Elementary Improvements	\$72,907
SaHali Secondary Improvements	\$41,449
Kamloops Child Development Centre	\$28,064
Parkcrest Elementary Fire Proceeds	\$3,189,546
Parkcrest Elementary Improvements	\$38,461
<b>Total Capital Grants</b>	<b>\$11,533,937</b>

#### Furniture and Equipment:

Custodial Equipment	\$129,332
District Facility Capital Plans	\$113,864
Youth in Trades	\$89,987
Inclusive Education Equipment	\$30,413
New and Replacement Desks and Furniture	\$370,949
Other Misc Equipment	\$3,692
Menstrual Product Dispensaries	\$12,382
<b>Total Furniture and Equipment</b>	<b>\$750,619</b>

#### District Vehicles:

Bus Purchases	\$717,493
Replacement of Maintenance Vehicles	\$266,861
<b>Total District Vehicles</b>	<b>\$984,354</b>

### Software:

Website Redesign	\$58,708
School Cash/Facility Rental	\$25,037
Voice Over Internet Protocol (VOIP)	\$25,886
<b>Total Software</b>	<b>\$109,631</b>

### Computer Hardware:

Annual Technology	\$627,955
Computers, Printers & Video Conference Equipment	\$323,565
<b>Total Computer Hardware</b>	<b>\$951,520</b>

**Total Capital Expenditures (Bylaw, Local Capital & CEF) 14,330,061**



## Conclusion

The District produced a greater than normal operating surplus in 2019-2020 posting a \$5,369,494 surplus or just over 3.32% of total operating revenues. Due to the Parkcrest Elementary School fire and the COVID-19 global pandemic, the District was unable to conclude some of its Strategic priorities because staff invested significant time and resources into responding to these unprecedented events.

The following departments were underspent in 2019-2020 when compared to the previous school year, 2018-2019: District Governance; Maintenance Operations; Utilities; District Administration, and Relief Staff Replacement. The following departments spent more than what they expended in 2018-2019 but, remained under budget for 2019-2020 school year: Business Administration, Human Resources; Maintenance and Information Technology Management; Transportation Management and Student Transportation.

In school year 2019-2020, staff continued to manage the work associated with the Classroom Enhancement Fund (CEF). This is important work but very time consuming. They also continued the implementation of the “NEW” curriculum and year four of the district’s five-year strategic plan which focused energy away from some areas and projects in our 2019-2020 operating budget. And finally, the Parkcrest fire and Global pandemic demanded significant and ongoing effort by administration and staff to deal with these two unprecedented events.

SD73’s long term strategic plan continues to guide the District in the delivery of educational programming. Budgets have been re-aligned to support the strategic plan. Next year’s Financial Statement Discussion and Analysis (FSD&A) report will provide regular and ongoing feedback on the District’s progress as it relates to the delivery of the strategic plan in 2020-2021. This will be updated September 2021.

## Contacting the School District’s Financial Management

This financial report is designed to provide the District’s stakeholders with a general overview of the School District’s finances and to demonstrate the District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Secretary Treasurer’s office.

