

FINANCIAL STATEMENT DISCUSSION & ANALYSIS REPORTING | For the Year Ended June 30, 2022



SCHOOL DISTRICT NO. 73
(Kamloops - Thompson)

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



Acknowledgement

Secwepemcúl'ecw yi7élye ell, re tmicws re Secwepemc n7élye.

School District No. 73 (Kamloops-Thompson) acknowledges that we reside in Secwepemcúl'ecw and recognizes that the Secwépemc people are the keepers of their traditions and knowledge.

About School District No. 73 (Kamloops-Thompson)

Located in south central BC, School District No.73 (Kamloops-Thompson) operates 48 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.

In School District No. 73 (Kamloops-Thompson), we are grateful to be guests on the territory of seven Secwépemc First Nations: Tk'emlúps te Secwépemc, Sexqeltqin (Adams Lake Indian Band), Quaaout (Little Shuswap Lake Band) Skemtsin (Neskonlith Band), Simpcw, Pelltiqt (Whispering Pines Clinton Band), and Skítsesten (Skeetchestn Band).

Employing 2,650 staff in full-time and part-time positions, the District had an annual operating, capital, and special purpose budget totaling approximately \$211 million. Governed by a Board of Education, the nine elected trustees include five from Kamloops and four from the rural communities of the District.

Our District Strategic Plan 2017-2022 defined our work together and set our financial priorities for the last five years, and our mission and vision drove everyday actions – We connect students to their future by transforming the way all partners collaborate to create relevant, innovative, and inclusive learning environments; our District vision – To be a dynamic school district achieving success for all students through a commitment to equity and excellence. This plan was co-developed five years ago with students, staff, and community partners in the city of Kamloops, and the communities of Pinantan Lake, Heffley Creek, Sun Peaks, Barriere, Clearwater, Vavenby, Blue River, Logan Lake, Savona, Chase and Westwold.

Currently, students are learning in 48 schools, including alternate education and distance education programs as well as French immersion, International Baccalaureate, sports academies, trades programs, a K-12 fine arts school, Montessori, and an elementary science and technology school. We are excited to be one of 16 Provincial Online Learning Schools, and to have 144 childcare spaces in 2023.

Financial Highlights

The 2021-2022 school year began unlike any other. Throughout the summer of 2021 the District's communities experienced unprecedented wildfires which impacted staff, students, and communities alike. The District and its community collaborated to support BC Wildfire Services in our schools and on our properties. September brought the return of classes once again under the influence of COVID-19. Schools re-opened under the Provincial Communicable Disease Guidelines for the K-12 Sector and the SD73 Communicable Disease Prevention Plan stressing the importance of daily health checks, hand hygiene and staying home when sick.

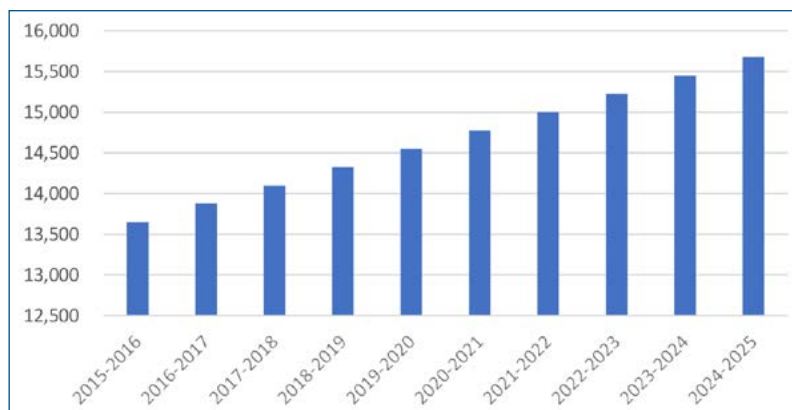
On December 29, 2021, The Minister of Education, Jennifer Whiteside announced a delayed return to school after the winter break, due to increased COVID-19 transmissions in our schools and communities. This increase in transmission resulted in higher-than-average staff and student absenteeism in the following months. In extreme circumstances, schools experienced either partial or full functional closures. To assist the schools with high teacher absences and unfilled positions due to shortages of teachers teaching on call, the District's non-enrolling staff (coordinators and resource teachers) were disbursed throughout the system to reduce the impact on students. The District's custodial staff were called upon on several occasions to deep clean schools where a high number of transmissions occurred.

These events of the 2021-2022 school year were met with extraordinary levels of effort across the Province's thirteenth largest school district. The ongoing effects of the pandemic demanded immediate, coordinated, and ongoing response by administration and staff that service nearly 16,000 K-12 students in a geographical area greater than 27,000 sq. km. Due to the efforts of staff focused on the global pandemic, a number of budgets remained underspent on June 30, 2022, which created an operating surplus. The following pages provide specific rationale for the 2021-2022 Operating Fund Surplus.

Enrolment

In 2015-2016, District enrolment was 13,860 Full Time Equivalent (FTE) Kindergarten to Grade 12 (K-12) students. Since then, the District has experienced steady enrolment growth with enrolment hitting 14,801 FTE students for the 2020-2021 school year and increasing to 15,354 FTE for the 2021-2022 school year. This is an increase of 1,494 FTE students since 2015-2016 or an average increase of 214 students per year over the past seven years. The District is continuing to project growth over the next few years as the Kamloops-Thompson region is desirable and affordable for many families.

SD73 STUDENT ENROLMENT PROJECTIONS



Ministry of Education and Child Care revenues on a per FTE basis increased by \$325 from \$7,560 to \$7,885/ FTE student and enrolment under the standard student category was up overall by 424.3125 FTE students from 2020-2021. In-class instruction enrolment increased by 903.9375 FTE with online learning decreasing by 387.75 and home school enrolment decreasing by 90.000 FTE. The 2021-2022 enrolment numbers indicated students shifted to online learning and homeschool educational models in the 2020- 2021 school year due to the global pandemic.

Total K-12 per FTE students 2020-2021 versus 2021-2022:

	Actual 2020-2021	Growth/(Decline)	Actual 2021-2022
Standard Schools	14,106.6875	902.0625	15,008.7500
Distributed Learning	907.3125	(387.7500)	519.5625
Home Schools	149.0000	(90.0000)	59.0000
	15,163.0000	424.3125	15,587.3125

Below is a table that compares the Regular and Distance Learning per student FTE funding rates for 2019-2020, 2020-2021 and 2021-2022 school year.

Block Funding Rate Per FTE Student	2019-2020 Per FTE Rate	Increase	2020-2021 Per FTE Rate	Increase	2021-2022 Per FTE Rate
Per Student Regular FTE Rate	\$7,468.00	\$92.00	\$7,560.00	\$325.00	\$7,885.00
Per Student DL FTE Rate	\$6,100.00	\$0.00	\$6,100.00	\$260.00	\$6,360.00

Financially, the shift in enrolment as indicated previously, back to in-class instruction from either Online Learning or Homeschool Education Models had the following effect on the District due to the difference in Ministry funding levels:

Education Delivery Model	Enrolment Change	Funding per FTE	Actual 2021-2022
Standard Schools	902.0625	7,885.00	7,112,762.81
Distributed Learning	(387.7500)	6,360.00	(2,466,090.00)
Net Change	514.3125		4,646,672.81
Homeschools	90.0000	7,885.00	709,650.00
	(90.0000)	250.00	(22,500.00)
Net Change	0.0000		687,150.00
Total Change in Revenue	0.0000		5,333,822.81

Financial Analysis of the School District as a Whole

Below is a table summarizing the 2020-2021 versus the 2021-2022 operating results.

Summary Operating Results	2020-2021	Increase / (Decrease)	% Increase	2021-2022
Revenues	163,082,912	10,932,236	6.70%	174,015,148
Wages	115,718,378	9,561,406	8.26%	125,279,784
Benefits	25,297,941	1,668,365	6.59%	26,966,306
Expenses	17,918,114	2,505,693	13.98%	20,423,807
Surplus	4,148,479	(2,803,228)		1,345,251
	2.54%			0.77%

K-12 public education remains a priority for Government which translated into additional per student funding in 2021-2022. Operating Fund Revenues for the District increased \$10.932 million over 2020-2021 in the following areas:

- Additional \$7.677 million received from the Ministry of Education and Child Care for the following:
 - Increase in funding for Unique Geographical Factors of \$687,387
 - Increased funding for students with diverse physical and learning abilities due to increased enrolment and per student funding amount
 - Equity of Opportunity funding to enhance support for children in care and mental health supports
 - Increased funding for both Aboriginal Education and English Language Learning due to the increased enrolment and per student funding amount
- The International Student Program returned to pre-pandemic levels compared to the 2020-2021 school year due to reduced traveling restrictions for international students. Revenues increased to \$5,005,065 from \$2,182,567 as reported on June 30, 2021. The program supported 301 students (198.2 Full Time Equivalency) from nineteen countries, attending seven secondary schools.
- 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 provided a semi-annual rebate of \$107,760 for a total of \$215,520 each year. Half of the rebate is transferred to Local Capital to allow the Information Technology Department to further invest in technology projects in support of our students.

Salaries by Employee Group

	2020-2021	2021-2022	Increase
Teachers	67,714,693	72,382,777	4,668,084
Support Staff	27,166,655	29,521,178	2,354,523
Principals/Vice Principals	9,962,387	10,627,516	665,129
Management Staff	4,481,111	4,581,443	100,332
Relief Costs	6,393,432	8,166,870	1,773,438
Totals	115,718,378	125,279,784	9,561,506

The District hired additional employees in all categories for the 2021-2022 school year, most significantly in teaching and school-based support staff positions corresponding with increased student enrolment. In addition, the District experienced higher than average employee absenteeism and relief costs across most employee classifications due to the Province's stringent measures in place due to COVID-19.

Employee Benefits

Compared to the 2020-2021 school year, employee benefit plans increased by \$1,668,365 due to additional employees and rising costs of benefits. The following table is a detailed comparison of 2020- 2021 versus 2021-2022 as well as a comparison to 2006-2007.

Since 2006-2007, salaries and wages have increased by 48.06%, or \$40.664 million, and benefits have increased over the same period by 60.500%, or \$10.164 million. The annual benefit cost increases SD73 is experiencing each year is one area of our financial performance we have very limited control over. Annual increases in the per FTE funding from the Ministry of Education and Child Care are needed to keep pace with the ever-increasing cost of employee benefits.

				Variance	Increase
Employee Benefits	2006-2007	2020-2021	2021-2022	2020-2021 to 2021-2022	2006-2007 to 2021-2022
FTE District Staff	1,418	1,499			
Total Wages	84,616,240	115,718,378	125,279,784	9,561,406	40,663,544
Percentage Increase					48.06%
Total Dollar Increase					40,663,544
Teacher Pension	7,053,965	9,372,777	10,259,666	886,889	3,205,701
Municipal Pension	1,550,539	2,681,855	2,868,059	186,204	1,317,520
Canada Pension Plan	2,945,406	4,163,467	5,229,358	1,065,891	2,283,952
Employment Insurance	1,429,075	1,673,093	1,653,213	(19,880)	224,138
WorkSafeBC	417,815	911,658	1,231,819	320,161	814,004
Medical (MSP/EHT)	1,201,267	2,272,539	2,657,073	384,534	1,455,806
Extended Health	879,595	2,227,325	1,623,486	(603,839)	743,891
Dental	1,059,522	1,655,443	1,165,632	(489,811)	106,110
Group Life Insurance	222,118	279,124	236,763	(42,361)	14,645
Employee Assistance	42,512	60,660	41,236	(19,424)	(1,276)
	16,801,814	25,297,941	26,966,306	1,668,365	10,164,492
Percentage Increase				6.59%	60.50%
Total Dollar Increase				1,668,365	10,164,492

Services and Supplies

	2020-2021	2021-2022	2020-2021 to 2021-2022
Services and Supplies	3,400,823	5,168,621	1,767,798
Student Transportation	269,570	382,531	112,961
Professional Development and Travel	1,201,432	1,251,774	50,342
Dues and Fees	114,074	93,702	(20,372)
Insurance	463,466	396,758	(66,708)
Supplies	9,412,647	9,993,715	581,068
Utilities	3,056,102	3,136,706	80,604
	17,918,114	20,423,807	2,505,693
Percentage Increase			13.98%
Total Dollar Increase			2,505,693

For the 2021-2022 school year, services and supplies for the District totaled \$20.424 million compared to \$17.918 million in 2020-2021. The global pandemic continued to provide challenges with supply chain issues, product availability, cost escalations for custodial, maintenance supplies and fuel, cancellation of professional development opportunities, delayed field trips and sporting events, and restricted international travel for student recruitment.

The greatest change in supply and services compared to the 2020-2021 school year was the increased expenses for the International Student Program with the return of students to the District's schools.



Reserves – Operating Fund

The District is maintaining reserve balances as per Board Policy 15 – ACCUMULATED OPERATING RESERVE FUNDS. 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 Internally Restricted Reserve balances represent an accumulation of operating surpluses. The Board and senior administration enable departments and schools to carry forward unused budgets 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; 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 reviews the Operating Reserve balances and makes 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 makes a recommendation 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 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 the 2021-2022 school year the District reported an Operating Fund Surplus of \$1,345,251 which is down from the 2020-2021 surplus of \$4,148,479. The Board of Education approved a transfer of \$1,804,562 of Operating Surplus to Local Capital and an overall reduction of Internally Restricted Reserve Funds of \$459,311. This reduction included the use of the Ministry of Education Holdback Reserve and General Reserve – COVID-19 set up in the 2020-2021 school years.

Two additional Reserves were created at the fiscal year end; the Parkcrest Elementary Rebuild – District Portion Reserve and the Staffing Pressures and Relief Costs Reserve. Detailed explanations supporting the Operating Fund Reserve balances are contained in Note 13 of the Audited Financial Statements for the fiscal year ending June 30, 2022.

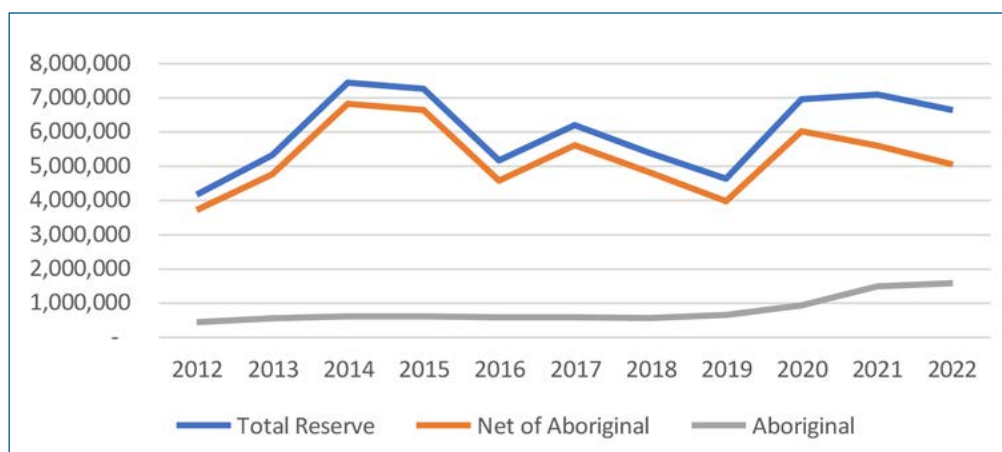
Reserves – Operating Fund

OPERATING FUND	Balance at June 30, 2021	Increases 2021-2022	Decreases 2021-2022	Balance at June 30, 2022
INTERNALLY RESTRICTED OPERATING RESERVE				
Utility/Fuel CEA Cost/Budget	548,888		(148,888)	400,000
Strategic Plan Refresh	75,000		(52,922)	22,078
Future of Schools Project	75,000		(8,100)	66,900
Department	545,262		(164,645)	380,617
School Supply	1,445,369	457,779		1,903,148
General Reserve - COVID-19	1,024,259		(1,024,259)	
Ministry of Education Holdback Allocation	501,569		(501,569)	
School Evacuation Plan	100,000		(100,000)	
Employee Benefits				
SD73BC Management Fee (2013-2017)	485,872			485,872
Aboriginal Education	1,491,226	91,882		1,583,108
International Student Program	741,543		(741,543)	
AFG Other	58,298	22,608		80,906
Summer School	3,782		(3,782)	
Parkcrest Elementary Rebuild - District Portion		300,000		300,000
Staffing Pressures and Relief Costs		1,414,128		1,414,128
Total Restricted Operating Reserve:	7,096,068	2,286,397	(2,745,708)	6,636,757
UNRESTRICTED OPERATING RESERVE				
Unrestricted Operating Reserve				
Total Unrestricted Operating Reserve:				
Total Restricted Operating Reserve:	7,096,068	2,286,397	(2,745,708)	6,636,757



Below is a graph that indicates the changes to the District's Operating Reserve Balances from 2010-2011 to 2021-2022.

SD73 Total Operating Reserve Balance & SD73 Operating Reserve (Net of Aboriginal Educational) Reserve



Reserves – Special Purpose Fund

Special Purpose Fund balances represent funding for specific programs. The majority of funding is from the Ministry of Education and Child Care 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. New funds for the 2021-2022 school year were the Restart: Health & Safety Grant and the Ventilation Fund. Both of these grants were onetime funding from the Ministry of Education and Child Care. The Restart: Health & Safety Funding was targeted to address mental health and learning loss for students while the Ventilation Fund was intended to offset the increased cost of operating the District's HVAC systems and for the continued use of MERV13 filters as a result of the COVID-19 pandemic.

Within the Special Purpose Fund, revenues match expenditures for the specific program. Unspent funds are carried forward and utilized for the intended purpose in future school years. Other Special Purpose Funds include School Generated Funds, 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.

	2020-2021	Increase	Decrease	2021-2022
Ministry of Education	960,550	16,284,912	(15,994,423)	1,251,039
School Generated Funds	2,660,028	3,982,040	(3,691,669)	2,950,399
Other Special Purpose Funds	1,607,235	1,323,882	(860,735)	2,070,382
	5,227,813	21,590,834	(20,546,827)	6,271,820

Reserves – Local Capital Reserve

The Local Capital Reserve Fund represents a portion of Accumulated Operating Fund Surpluses designated to fund the purchase of Tangible Capital Assets (TCA). The Local Capital Reserve fund is increased when the Board of Education approves by motion to transfer operating surpluses to Local Capital. In addition, the Local Capital fund balance increases when the District invests the cash associated with the Local Capital Fund balance in the Provincial Central Deposit Program and if the District sells land and/or buildings.

The Operating Fund Reserve and the Local Capital Reserve Fund balances are reviewed annually by the District's Audit Committee who make recommendations to the Board of Education on the appropriate reserve balances for future operations and the anticipated funds required for the purchase of capital assets.

The Local Capital Reserve is used to purchase portable classroom space, classroom furniture and equipment, maintenance equipment and vehicles, information technology equipment, custodial equipment or small capital expenditures for schools not specifically funded by the Ministry of Education and Child Care within the Operating Fund Grant or the Annual Facilities Grant. A purchase is considered capital if it benefits the District more than one school year. Below is a table providing the summary balances, revenues, transfers, and capital purchases for 2021-2022.

LOCAL CAPITAL FUND	Balance at June 30, 2021	Revenues & Transfers 2021-2022	Capital Purchases 2021-2022	New Balance at June 30, 2022
General Reserve	3,241,270			3,241,270
Interest Income		11,996		11,996
Sale of Oak Hills Elementary				
Transfer Re: Operating Surplus		1,804,562		1,804,562
Capital Purchases			(3,580,981)	(3,580,981)
	3,241,270	1,816,558	(3,580,981)	1,476,847

Ministry of Education and Child Care – Bylaw Capital

Funding is provided by the Ministry of Education and Child Care for the purchase or replacement of capital assets upon the District's submission of an annual capital plan. The capital plan may include site acquisitions, school expansions, bus acquisitions/replacements, school enhancement plans, playgrounds, carbon neutral capital programs, or new school projects. Boards of Education are required to approve a Capital Bylaw when capital funding from the Ministry has been announced. The following table provides the details of the Bylaw Capital funding received along with the purchases of the capital assets with these funds.

MINISTRY OF EDUCATION AND CHILD CARE CAPITAL BYLAW FUND	2021-2022 Amount
Opening Balance, July 1, 2021	48,709
Revenue Received	
Annual Facilities Grant	3,113,429
Bus Acquisition Program	319,312
Carbon Neutral Program	500,000
Parkcrest Elementary School (Rebuild)	2,944,769
Playground Equipment Program	164,796
School Enhancement Program	970,000
Valleyview Secondary Expansion	12,730,663
Total Revenue Received	20,742,969
Purchase of Capital Assets	
Buildings	1,360,082
Buildings – Work in Progress	15,677,135
Furniture and Fixtures	164,796
Vehicles – Buses	316,379
AFG Repairs and Maintenance	3,113,429
Total Capital Assets Purchased	20,631,821
Total Bylaw Capital Reserve	159,857

Ministry of Education and Child Care Restricted Capital

In accordance with sections 100 (3) and 100.0 of the School Act, Boards of Education who receive proceeds from the disposition of a capital asset must allocate a portion of the funds to local capital with the remaining portion allocated to the Ministry Restricted Capital Fund. Proceeds from the sale of land and/or building may be apportioned according to the original contributions of the property made by the Province and the Board of Education, respectively. Based on historical records, the Board of Education must determine how the proceeds should be allocated. In situations where it is not clearly defined as to the funding agreement between the District and the Province, the proceeds of the sale may be apportioned as 25% to District Local Capital and 75% as Ministry Restricted Capital. Districts need to receive approval from the Minister of Education and Child Care to use these funds for capital projects. The sale of Oak Hills Elementary to School District No. 93 (Conseil Scolaire Francophone) concluded in July 2020. Proceeds of the disposition of this property were apportioned 25% to Local Capital and 75% to Ministry Restricted Capital.

Ministry of Education and Child Care Restricted Capital

MINISTRY RESTRICTED CAPITAL	2021-2022 Amount
Opening Balance, July 1, 2021	1,670,320
Revenue Received	
Interest Income	8,469
Proceeds of Disposition	
Total Revenue Received	8,469
Purchase of Capital Assets	
Buildings - Work in Progress	45,945
Total Capital Assets Purchased	45,945
Total Ministry Restricted Capital Reserve	1,632,844

Other Provincial Capital Fund

Other Provincial Capital is a Capital Reserve Fund representing a specific program created by the combined efforts of the Ministry of Jobs, Tourism, and Skills Training (JTST) and the Industry Trades Authority (ITA). This joint venture called Youth Trades Capital Equipment Program (YTCEP) enables school districts to purchase trades training equipment needed to support the delivery of the ITA's Youth Trades Programs. JTST requested the Ministry of Education and Child Care (K-12 School Districts) assist by acting as the administrator of the YTCEP. Upon approval, the funds were provided to school districts directly by the ITA.

In November 2021, the District applied for two childcare spaces from the ChildcareBC New Spaces Fund and in April 2022 received approval. This funding will allow for the creation of 144 affordable childcare spaces at two locations in the City of Kamloops. Completion dates for these projects is scheduled for 2023.

OTHER PROVINCIAL CAPITAL	2021-2022 Amount
Opening Balance, July 1, 2021	217,109
Revenue Received	
Ministry of Children and Family Development	2,782,256
Total Revenue Received	2,782,256
Purchase of Capital Assets	
Buildings	161,919
Furniture and Equipment	99,211
Buildings - Work in Progress	48,299
Total Capital Assets Purchased	309,429
Total Other Provincial Capital	2,689,936

Land Capital

Due to anticipated enrolment growth within the District, and specifically in the southwest sector of the City of Kamloops, the Board of Education approved the implementation of a School Site Acquisition Charge (SSAC) on November 23, 2020. School Site Acquisition Charges assist in the partial payment of a new school site and is attached to new residential development as a charge to the project. These funds are collected by the City of Kamloops and forwarded to the District on a quarterly basis.

LAND CAPITAL	2021-2022 Amount
Opening Balance, July 1, 2021	
Revenue Received	
School Site Acquisition Charge	53,399
Interest Income	37
Total Revenue Received	53,436
Total Capital Assets Purchased	
Total Land Capital Reserve	53,436

Other Capital Fund

The District owns and operates an internal print shop whereby schools and district departments request graphic designs and print materials for their usage. The print shop operates on a cost-plus basis, saving a nominal amount for the purposes of replacing equipment when required.

OTHER CAPITAL	2021-2022 Amount
Opening Balance, July 1, 2021	124,699
Revenue Received	
Other Income	9,001
Interest Income	3,857
Total Revenue Received	12,858
Purchase of Capital Assets	
Furniture and Equipment	2,455
Total Capital Assets Purchased	2,455
Total Bylaw Capital Reserve	135,102

Capital Assets

The following schedule summarizes the changes in Tangible Capital Assets for the year ended June 30, 2022. (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.) The Bylaw Capital Fund and the Local Capital Fund enabled the District to invest \$24.213 million in capital to address aging facilities and planned equipment replacement.

CAPITAL ASSETS					
Tangible Capital Assets in Thousands of Dollars					
	Balance at June 30, 2021	Additions	Disposals	Work in Progress	Balance a June 30, 2022
Sites	11,106				11,106
Buildings	159,924	3,386		15,771	179,081
Furniture & Equipment	14,714	962	(394)		15,282
Vehicles	12,079	586	(1,027)		11,638
Computer Software	397	111	(21)		487
Computer Hardware	3,008	641	(459)		3,190
Total	201,228	5,686	(1,901)	15,771	220,784

District major capital expenditures and additions to work in progress totaled \$21.457 million in 2021-2022. The projects outlined below were funded by capital grants received from the Ministry of Education and Child Care Bylaw Capital, School Enhancement Program, Carbon Neutral Program, Bus Acquisition program, Playground Replacement Program and other Ministry capital programs along with funds from the District's Local Capital Reserve, and other Capital Reserve Funds.

CAPITAL ASSET	Amount
Valleyview Secondary School Expansion	12,732,366
Parkcrest Elementary School Rebuild	2,944,769
Buildings and Portable Classroom Space	1,856,699
District and Classroom Furniture and Equipment	612,235
District and Classroom Information Technology Equipment	641,479
School Bus Replacement and Equipment	316,379
District Vehicle Replacement	269,471
Annual Facilities Grant - School Improvements	3,113,429
School Enhancement Projects - Boilers/HVAC Systems	1,360,082
Playground Enhancement Program	164,796
Photocopiers	
Inclusive Education Equipment	48,468
Custodial Equipment	44,247
Youth Work in Trades Equipment	58,475
District Software Purchases	110,838
Kamloops Child Development Centre - Daycare Spaces	161,919
	40,735
Happyvale & Ralph Bell	48,299
Sun Peaks Portables	45,945
	24,570,631

Conclusion

The District is reporting a modest Operating Fund Surplus of \$1,345,251 or just over 0.77% of total operating revenues. Due to the ongoing effects of the global pandemic, the District was unable to proceed with professional development, field trips and sporting events, incurred hiring difficulties of specialized staff, experienced above average employee absenteeism across most classifications and was unable to purchase some resources due to product availability and supply chain delays. For the third year, the District continued to invest significant time and resources to mitigate the effects of COVID-19 exposures, staffing shortages and frequent cleaning of high touch surfaces in these unprecedented times.

Looking forward to the 2022-2023 school year, the District has developed a refreshed District Strategic Plan through extensive consultation with students, parents, staff, the Aboriginal Education Council and many student and community groups. Over 2,000 participants met on several occasions to determine our foundation framework (mission, vision, values, Seven Grandfather Teachings) and operational framework (priorities, goals, outcomes, strategies). The Board of Education approved the District Strategic Plan on June 27, 2022, with a focus on Connection/Relationships, Equity, Well-being and Sustainability. The Annual Budget and the Financial Statements for the 2022-2023 school year will reflect these core values and the work completed in the first year of the plan.

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 Provincial funding it receives. If you have questions about this report or need additional financial information, contact the Secretary-Treasurer's Office.

