

SCHOOL DISTRICT 63 (SAANICH)

FINANCE, FACILITIES AND TECHNOLOGY COMMITTEE

Agenda

Committee Members: Trustee Martin, Chair
Trustee McMurphy
Trustee VanWell

Jason Reid, Secretary-Treasurer
Dave Eberwein, Superintendent of Schools
Rob Lumb, Director of Facilities
Megan Cimaglia, Director of Finance
Cody Henschel, Director of Information Technology

February 4, 2020

10:30 am

A. PRESENTATIONS AND QUESTIONS

1. Information Technology Strategic Plan

B. ITEMS FOR DISCUSSION

No Items.

C. ITEMS FOR RECOMMENDATION

1. 2019/20 Amended Annual Budget

Staff Recommendation:

That the Board approve the 2019/20 Amended Annual Budget as presented.

Amended Annual Budget Bylaw for fiscal year 2019/20

- (i) First Reading of Amended Annual Budget Bylaw for fiscal year 2019/20

Staff Recommendation:

That the Board approve the first reading of the Amended Annual Budget Bylaw for fiscal year 2019/20 in the total amount of \$99,044,201.

- (ii) Second Reading of Amended Annual Budget Bylaw for fiscal year 2019/20

Staff Recommendation:

That the Board approve the second reading of the Amended Annual Budget Bylaw for fiscal year 2019/20 in the total amount of \$99,044,201.

(iii) Motion to Read for a Third Time

Staff Recommendation:

That the Board approve the reading of the Amended Annual Budget Bylaw for fiscal year 2019/20 in the total amount of \$99,044,201 at this Board Meeting for a third time.

(iv) Third and Final Reading of Amended Annual Budget Bylaw for fiscal year 2019/20

Staff Recommendation:

That the Board approve the third reading, pass and adopt the Amended Annual Budget Bylaw for fiscal year 2019/20 in the total amount of \$99,044,201.

2. Business Company Loan Renewal

Staff Recommendation:

That the Board approve renewal of the loan to Saanich International Distributed Learning Services Inc. for a three year term from April 1, 2020 to March 31, 2023, with other terms and conditions remaining the same.

D. ITEMS FOR INFORMATION

1. Prospect Lake Site Planning – oral update
2. Fiscal Forecast – to follow
3. Report from Budget Advisory Committee – oral update
4. Letter from District of Saanich - attached

E. FUTURE AGENDA ITEMS

1. Prospect Lake Site Plan (March)
2. Risk Report (March/April)
3. LRFP (April)
4. Boundary Review Plan (April)



To: Finance, Facilities and Technology Committee

Prepared By: Megan Cimaglia
Director of Finance

Subject: **Amended Budget 2020**

Date: January 28, 2020

Purpose

The purpose of this briefing note is to explain significant changes between the 2020 Annual Budget prepared in June 2019 and the 2020 Amended Budget prepared this month.

Significant Changes

Operating revenue in the Amended Budget decreased by \$2,356,814 (Schedule 2 and 2A) reflecting increased revenue (based on actual fall enrolment and other changes) of \$1,098,219 offset by estimated strike savings of \$3,455,033. Ministry of Education approval is pending for both the funding estimated for wage increases per the CUPE Provincial Framework Agreement (\$330,752 included in revenues) and the estimated strike savings.

Appropriation of accumulated surplus increased to \$3,540,553 (Schedule 2) as approved by the Board in September 2019 and presented in Note 11 of the 2018/19 audited financial statements.

Special Purpose Fund revenue increased by \$1,165,794 (Schedule 3) reflecting increased revenue of \$1,714,200 (due primarily to confirmation of final Classroom Enhancement Fund revenues) offset by estimated strike savings of \$548,406 (Schedule 3A).

Respectfully submitted,

A handwritten signature in black ink that reads "Megan Cimaglia".

Megan Cimaglia
Director of Finance

MC/klg

Amended Annual Budget

School District No. 63 (Saanich)

June 30, 2020

School District No. 63 (Saanich)

June 30, 2020

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*NOTE - Statement 1, Statement 3, Statement 5 and Schedules 4A - 4D are used for Financial Statement reporting only.

AMENDED ANNUAL BUDGET BYLAW

A Bylaw of THE BOARD OF EDUCATION OF SCHOOL DISTRICT NO. 63 (SAANICH) (called the "Board") to adopt the Amended Annual Budget of the Board for the fiscal year 2019/2020 pursuant to section 113 of the *School Act*, R.S.B.C., 1996, c. 412 as amended from time to time (called the "Act").

1. Board has complied with the provisions of the Act respecting the Amended Annual Budget adopted by this bylaw.
2. This bylaw may be cited as School District No. 63 (Saanich) Amended Annual Budget Bylaw for fiscal year 2019/2020.
3. The attached Statement 2 showing the estimated revenue and expense for the 2019/2020 fiscal year and the total budget bylaw amount of \$99,044,201 for the 2019/2020 fiscal year was prepared in accordance with the *Act*.
4. Statement 2, 4 and Schedules 1 to 4 are adopted as the Amended Annual Budget of the Board for the fiscal year 2019/2020.

READ A FIRST TIME THE 12th DAY OF FEBRUARY, 2020;

READ A SECOND TIME THE 12th DAY OF FEBRUARY, 2020;

READ A THIRD TIME, PASSED AND ADOPTED THE 12th DAY OF FEBRUARY, 2020;

Chairperson of the Board

Secretary Treasurer

I HEREBY CERTIFY this to be a true original of School District No. 63 (Saanich) Amended Annual Budget Bylaw 2019/2020, adopted by the Board the 12th DAY OF FEBRUARY, 2020.

Secretary Treasurer

School District No. 63 (Saanich)

Statement 2

Amended Annual Budget - Revenue and Expense
Year Ended June 30, 2020

	2020 Amended Annual Budget	2020 Annual Budget
Ministry Operating Grant Funded FTE's		
School-Age	7,419,625	7,423,250
Adult	64,125	60,625
Total Ministry Operating Grant Funded FTE's	7,483,750	7,483,875
Revenues	\$	\$
Provincial Grants		
Ministry of Education	73,868,159	75,576,767
Other	40,800	40,800
Tuition	4,744,000	4,718,400
Other Revenue	10,181,827	9,844,839
Rentals and Leases	380,000	380,000
Investment Income	354,000	199,000
Amortization of Deferred Capital Revenue	4,183,304	4,400,000
Total Revenue	93,752,090	95,159,806
Expenses		
Instruction	77,996,699	78,874,836
District Administration	3,290,727	3,415,732
Operations and Maintenance	15,769,363	15,056,723
Transportation and Housing	1,599,174	1,576,008
Total Expense	98,655,963	98,923,299
Net Revenue (Expense)	(4,903,873)	(3,763,493)
Budgeted Allocation (Retirement) of Surplus (Deficit)	3,540,553	2,663,243
Budgeted Surplus (Deficit), for the year	(1,363,320)	(1,100,250)
Budgeted Surplus (Deficit), for the year comprised of:		
Operating Fund Surplus (Deficit)		
Special Purpose Fund Surplus (Deficit)		
Capital Fund Surplus (Deficit)	(1,363,320)	(1,100,250)
Budgeted Surplus (Deficit), for the year	(1,363,320)	(1,100,250)

School District No. 63 (Saanich)

Statement 2

Amended Annual Budget - Revenue and Expense
Year Ended June 30, 2020

	2020 Amended Annual Budget	2020 Annual Budget
Budget Bylaw Amount		
Operating - Total Expense	80,362,422	81,922,552
Operating - Tangible Capital Assets Purchased	388,238	369,750
Special Purpose Funds - Total Expense	12,266,541	11,100,747
Capital Fund - Total Expense	6,027,000	5,900,000
Total Budget Bylaw Amount	99,044,201	99,293,049

Approved by the Board

Signature of the Chairperson of the Board of Education

Date Signed

Signature of the Superintendent

Date Signed

Signature of the Secretary Treasurer

Date Signed

School District No. 63 (Saanich)

Statement 4

Amended Annual Budget - Changes in Net Financial Assets (Debt)
Year Ended June 30, 2020

	2020 Amended Annual Budget	2020 Annual Budget
	\$	\$
Surplus (Deficit) for the year	(4,903,873)	(3,763,493)
Effect of change in Tangible Capital Assets		
Acquisition of Tangible Capital Assets		
From Operating and Special Purpose Funds	(388,238)	(369,750)
Total Acquisition of Tangible Capital Assets	(388,238)	(369,750)
Amortization of Tangible Capital Assets	6,027,000	5,900,000
Total Effect of change in Tangible Capital Assets	5,638,762	5,530,250
	-	-
(Increase) Decrease in Net Financial Assets (Debt)	734,889	1,766,757

School District No. 63 (Saanich)

Amended Annual Budget - Schedule of Changes in Accumulated Surplus (Deficit) by Fund
 Year Ended June 30, 2020

	Operating Fund	Special Purpose Fund	Capital Fund	2020 Amended Annual Budget
	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	5,240,553	-	27,498,834	32,739,387
Changes for the year				
Net Revenue (Expense) for the year	(3,060,177)		(1,843,696)	(4,903,873)
Interfund Transfers				
Tangible Capital Assets Purchased	(388,238)		388,238	-
Local Capital	(92,138)		92,138	-
Net Changes for the year	<u>(3,540,553)</u>	-	<u>(1,363,320)</u>	<u>(4,903,873)</u>
Budgeted Accumulated Surplus (Deficit), end of year	<u><u>1,700,000</u></u>	-	<u><u>26,135,514</u></u>	<u><u>27,835,514</u></u>

School District No. 63 (Saanich)

Schedule 2

Amended Annual Budget - Operating Revenue and Expense
Year Ended June 30, 2020

	2020 Amended Annual Budget	2020 Annual Budget
	\$	\$
Revenues		
Provincial Grants		
Ministry of Education	65,105,618	67,980,020
Other	40,800	40,800
Tuition	4,744,000	4,718,400
Other Revenue	6,681,827	6,344,839
Rentals and Leases	380,000	380,000
Investment Income	350,000	195,000
Total Revenue	77,302,245	79,659,059
Expenses		
Instruction	66,419,590	68,224,089
District Administration	2,907,109	3,265,732
Operations and Maintenance	9,648,093	9,056,723
Transportation and Housing	1,387,630	1,376,008
Total Expense	80,362,422	81,922,552
Net Revenue (Expense)	(3,060,177)	(2,263,493)
Budgeted Prior Year Surplus Appropriation	3,540,553	2,663,243
Net Transfers (to) from other funds		
Tangible Capital Assets Purchased	(388,238)	(369,750)
Local Capital	(92,138)	(30,000)
Total Net Transfers	(480,376)	(399,750)
Budgeted Surplus (Deficit), for the year	-	-

School District No. 63 (Saanich)

Amended Annual Budget - Schedule of Operating Revenue by Source
Year Ended June 30, 2020

	2020 Amended Annual Budget	2020 Annual Budget
	\$	\$
Provincial Grants - Ministry of Education		
Operating Grant, Ministry of Education	70,128,783	69,988,889
ISC/LEA Recovery	(3,053,213)	(2,933,795)
Other Ministry of Education Grants		
Pay Equity	377,315	377,315
Funding for Graduated Adults	250,000	111,000
Transportation Supplement	280,000	280,000
Carbon Tax Grant	44,347	44,347
Employer Health Tax Grant	584,971	584,971
FSA Marking	13,769	13,769
Operating Grant Enrolment Adjustment	(65,321)	(486,476)
Estimated Strike Savings Returned to the Ministry of Education	(3,455,033)	-
Total Provincial Grants - Ministry of Education	65,105,618	67,980,020
Provincial Grants - Other	40,800	40,800
Federal Grants	-	-
Tuition		
International and Out of Province Students	4,744,000	4,718,400
Total Tuition	4,744,000	4,718,400
Other Revenues		
Funding from First Nations	3,053,213	2,933,795
Miscellaneous		
Miscellaneous and School Generated	605,385	340,990
Cafeteria	68,000	68,000
Reading Recovery	81,854	75,954
Textbook Deposit and Distance Ed Fees	75,000	140,000
International and Out Of Province Homestay	2,763,375	2,751,100
Community Use	35,000	35,000
Total Other Revenue	6,681,827	6,344,839
Rentals and Leases	380,000	380,000
Investment Income	350,000	195,000
Total Operating Revenue	77,302,245	79,659,059

School District No. 63 (Saanich)

Schedule 2B

Amended Annual Budget - Schedule of Operating Expense by Object
Year Ended June 30, 2020

	2020 Amended Annual Budget	2020 Annual Budget
	\$	\$
Salaries		
Teachers	30,362,789	31,838,433
Principals and Vice Principals	4,328,314	4,447,410
Educational Assistants	5,176,360	4,974,499
Support Staff	7,861,798	7,967,628
Other Professionals	2,854,243	2,677,275
Substitutes	2,455,348	2,716,931
Total Salaries	53,038,852	54,622,176
Employee Benefits	13,941,284	13,956,015
Total Salaries and Benefits	66,980,136	68,578,191
Services and Supplies		
Services	5,552,862	5,446,908
Professional Development and Travel	857,693	854,868
Rentals and Leases	120,000	108,000
Dues and Fees	353,050	321,024
Insurance	177,000	168,900
Supplies	4,677,181	4,822,302
Utilities	1,644,500	1,622,359
Total Services and Supplies	13,382,286	13,344,361
Total Operating Expense	80,362,422	81,922,552

School District No. 63 (Saanich)

Amended Annual Budget - Operating Expense by Function, Program and Object
Year Ended June 30, 2020

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	22,717,960	497,004	163,941	527,216		2,058,449	25,964,570
1.03 Career Programs	245,097		107,628	52,498		1,117	406,340
1.07 Library Services	774,960			316,095		3,725	1,094,780
1.08 Counselling	769,484	47,090					816,574
1.10 Special Education	3,958,806	377,782	4,567,334	190,166	705,306	178,500	9,977,894
1.30 English Language Learning	581,342						581,342
1.31 Indigenous Education	335,595	152,016	337,457	28,607		14,622	868,297
1.41 School Administration		3,110,073		1,498,673		24,210	4,632,956
1.62 International and Out of Province Students	904,975	144,349		360,946	133,620	3,000	1,546,890
Total Function 1	30,288,219	4,328,314	5,176,360	2,974,201	838,926	2,283,623	45,889,643
4 District Administration							
4.11 Educational Administration				35,383	707,615		742,998
4.40 School District Governance					118,636		118,636
4.41 Business Administration				365,569	612,652		978,221
Total Function 4	-	-	-	400,952	1,438,903	-	1,839,855
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	74,570			147,238	491,017		712,825
5.50 Maintenance Operations				3,273,860		86,725	3,360,585
5.52 Maintenance of Grounds				426,662			426,662
5.56 Utilities							-
Total Function 5	74,570	-	-	3,847,760	491,017	86,725	4,500,072
7 Transportation and Housing							
7.41 Transportation and Housing Administration				55,772	85,397		141,169
7.70 Student Transportation				583,113		85,000	668,113
Total Function 7	-	-	-	638,885	85,397	85,000	809,282
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	30,362,789	4,328,314	5,176,360	7,861,798	2,854,243	2,455,348	53,038,852

School District No. 63 (Saanich)

Amended Annual Budget - Operating Expense by Function, Program and Object
Year Ended June 30, 2020

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2020 Amended Annual Budget	2020 Annual Budget
	\$	\$	\$	\$	\$	\$
1 Instruction						
1.02 Regular Instruction	25,964,570	6,738,048	32,702,618	3,223,321	35,925,939	38,771,134
1.03 Career Programs	406,340	110,727	517,067	461,223	978,290	1,038,534
1.07 Library Services	1,094,780	294,470	1,389,250	59,154	1,448,404	1,295,649
1.08 Counselling	816,574	212,488	1,029,062	1,750	1,030,812	1,091,928
1.10 Special Education	9,977,894	2,691,678	12,669,572	680,919	13,350,491	12,195,905
1.30 English Language Learning	581,342	151,701	733,043	4,500	737,543	998,013
1.31 Indigenous Education	868,297	205,254	1,073,551	149,458	1,223,009	1,184,732
1.41 School Administration	4,632,956	1,234,906	5,867,862	134,805	6,002,667	6,131,225
1.62 International and Out of Province Students	1,546,890	406,680	1,953,570	3,768,865	5,722,435	5,516,969
Total Function 1	45,889,643	12,045,952	57,935,595	8,483,995	66,419,590	68,224,089
4 District Administration						
4.11 Educational Administration	742,998	166,024	909,022	119,975	1,028,997	1,056,453
4.40 School District Governance	118,636	3,927	122,563	71,354	193,917	188,251
4.41 Business Administration	978,221	238,985	1,217,206	466,989	1,684,195	2,021,028
Total Function 4	1,839,855	408,936	2,248,791	658,318	2,907,109	3,265,732
5 Operations and Maintenance						
5.41 Operations and Maintenance Administration	712,825	147,713	860,538	1,119,064	1,979,602	1,453,382
5.50 Maintenance Operations	3,360,585	988,236	4,348,821	1,128,709	5,477,530	5,400,492
5.52 Maintenance of Grounds	426,662	124,799	551,461	209,000	760,461	753,268
5.56 Utilities	-	-	-	1,430,500	1,430,500	1,449,581
Total Function 5	4,500,072	1,260,748	5,760,820	3,887,273	9,648,093	9,056,723
7 Transportation and Housing						
7.41 Transportation and Housing Administration	141,169	34,298	175,467	9,000	184,467	188,520
7.70 Student Transportation	668,113	191,350	859,463	343,700	1,203,163	1,187,488
Total Function 7	809,282	225,648	1,034,930	352,700	1,387,630	1,376,008
9 Debt Services						
Total Function 9	-	-	-	-	-	-
Total Functions 1 - 9	53,038,852	13,941,284	66,980,136	13,382,286	80,362,422	81,922,552

School District No. 63 (Saanich)

Amended Annual Budget - Special Purpose Revenue and Expense
Year Ended June 30, 2020

	<u>2020 Amended Annual Budget</u>	<u>2020 Annual Budget</u>
	\$	\$
Revenues		
Provincial Grants		
Ministry of Education	8,762,541	7,596,747
Other Revenue	3,500,000	3,500,000
Investment Income	4,000	4,000
Total Revenue	<u>12,266,541</u>	<u>11,100,747</u>
Expenses		
Instruction	11,577,109	10,650,747
District Administration	383,618	150,000
Operations and Maintenance	305,814	300,000
Total Expense	<u>12,266,541</u>	<u>11,100,747</u>
Budgeted Surplus (Deficit), for the year	<u>-</u>	<u>-</u>

School District No. 63 (Saanich)

Amended Annual Budget - Changes in Special Purpose Funds

Year Ended June 30, 2020

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
	\$	\$	\$	\$	\$	\$		\$	\$
Deferred Revenue, beginning of year	-	30,856	10,699		41,969		6,231	-	
Add: Restricted Grants									
Provincial Grants - Ministry of Education	305,814	262,636				96,000	19,600	159,674	400,416
Other				100,000	3,400,000				
Investment Income				4,000					
Estimated Strike Savings Returned to the Ministry of Education		(14,666)				(5,874)		(5,593)	(15,500)
	305,814	247,970	-	104,000	3,400,000	90,126	19,600	154,081	384,916
Less: Allocated to Revenue Funding Adjustment	305,814	278,826	10,699	104,000	3,400,000	90,126	25,831	154,081	384,916
Deferred Revenue, end of year	-	-	-	-	41,969	-	-	-	-
Revenues									
Provincial Grants - Ministry of Education	305,814	278,826	10,699			90,126	25,831	154,081	384,916
Other Revenue				100,000	3,400,000				
Investment Income				4,000					
	305,814	278,826	10,699	104,000	3,400,000	90,126	25,831	154,081	384,916
Expenses									
Salaries									
Teachers								19,659	
Principals and Vice Principals									56,536
Educational Assistants								57,355	
Support Staff	25,318	214,179				41,787			225,451
Other Professionals									
Substitutes								8,207	
	25,318	214,179	-	-	-	41,787	-	85,221	281,987
Employee Benefits	7,405	62,647				12,223		18,568	80,202
Services and Supplies	273,091	2,000	10,699	104,000	3,400,000	36,116	25,831	50,292	22,727
	305,814	278,826	10,699	104,000	3,400,000	90,126	25,831	154,081	384,916
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 63 (Saanich)

Amended Annual Budget - Changes in Special Purpose Funds

Year Ended June 30, 2020

	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	Mental Health in Schools	Changing Results for Young Children	TOTAL
	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		117,591				207,346
Add: Restricted Grants						
Provincial Grants - Ministry of Education	952,000	6,028,473	974,048	28,500	36,000	9,263,161
Other						3,500,000
Investment Income						4,000
Estimated Strike Savings Returned to the Ministry of Education	(30,699)	(401,556)	(74,518)			(548,406)
	921,301	5,626,917	899,530	28,500	36,000	12,218,755
Less: Allocated to Revenue	921,301	5,626,917	899,530	28,500	36,000	12,266,541
Funding Adjustment		117,591				117,591
Deferred Revenue, end of year	-	-	-	-	-	41,969
Revenues						
Provincial Grants - Ministry of Education	921,301	5,626,917	899,530	28,500	36,000	8,762,541
Other Revenue						3,500,000
Investment Income						4,000
	921,301	5,626,917	899,530	28,500	36,000	12,266,541
Expenses						
Salaries						
Teachers		4,466,516				4,486,175
Principals and Vice Principals	139,420					195,956
Educational Assistants	193,424					250,779
Support Staff	105,962					612,697
Other Professionals	114,193					114,193
Substitutes	159,015		738,227			905,449
	712,014	4,466,516	738,227	-	-	6,565,249
Employee Benefits	184,977	1,160,401	161,303			1,687,726
Services and Supplies	24,310			28,500	36,000	4,013,566
	921,301	5,626,917	899,530	28,500	36,000	12,266,541
Net Revenue (Expense)	-	-	-	-	-	-

School District No. 63 (Saanich)

Amended Annual Budget - Capital Revenue and Expense
Year Ended June 30, 2020

	2020 Amended Annual Budget			2020 Annual Budget
	Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$
Revenues				
Amortization of Deferred Capital Revenue	4,183,304		4,183,304	4,400,000
Total Revenue	4,183,304	-	4,183,304	4,400,000
Expenses				
Amortization of Tangible Capital Assets				
Operations and Maintenance	5,815,456		5,815,456	5,700,000
Transportation and Housing	211,544		211,544	200,000
Total Expense	6,027,000	-	6,027,000	5,900,000
Net Revenue (Expense)	(1,843,696)	-	(1,843,696)	(1,500,000)
Net Transfers (to) from other funds				
Tangible Capital Assets Purchased	388,238		388,238	369,750
Local Capital		92,138	92,138	30,000
Total Net Transfers	388,238	92,138	480,376	399,750
Other Adjustments to Fund Balances				
Total Other Adjustments to Fund Balances	-	-	-	
Budgeted Surplus (Deficit), for the year	(1,455,458)	92,138	(1,363,320)	(1,100,250)

To: Finance, Facilities and Technology Committee

Prepared By: Jason Reid
Secretary Treasurer

Subject: Business Company Loan Renewal

Date: January 30, 2020

Purpose

The purpose of this briefing note is to recommend renewal of the loan from the District to Saanich International Distributed Learning Services Inc.

History and Background

The School Act requires the Minister to approve the delivery of educational services outside of Canada, and the direction of the Ministry has been for such services to be delivered through a separate business company. For this reason, the District and many other school districts have created business companies to deliver services that, if not for legislative restriction, would likely be delivered directly by their international education departments.

The School District No. 63 Business Company ("Holdco") was incorporated in July, 2012, and is owned by School District No. 63 (Saanich) ("District"). At that time, the following two companies were also incorporated as wholly-owned subsidiaries of Holdco:

- Saanich International Student Recruiting Service Inc. ("RS-Co"); and
- Saanich International Distributed Learned Service Inc. ("DL-Co")

Note that RS-Co has not had active operations since being incorporated.

DL-Cooperates as Online Learning Canada (OLC) delivering distance education courses for credit. In 2014 and 2015, the District loaned DL-Co \$120,000 (in two separate \$60,000 loans), and effective April 1, 2017 these loans were consolidated into a single loan of \$120,000 with a three year term ending March 31, 2020. The source of this funding was profits from the Saanich International Student Program (SISP) and the funds were used for start-up costs including the cost of course development. As at June 30, 2019, DL-Co had \$17,697 in working capital remaining (cash and current assets).

The operations of DL-Co were restricted in the spring of 2018 when the Ministry did not renew an agreement allowing DL-Co to deliver Ministry courses offshore through distance education. This resulted in the curtailment of one of DL-Co's programs and an operating loss of \$51,622 in 2018/19 due to the refund of course fees related to this program. DL-Co continues to deliver pre-arrival courses including ELL and a cultural preparation course called "Going to Canada". These courses benefit SISP and our schools by better preparing students before they arrive in our schools as international students. DL-Co is currently considering other opportunities to benefit the school district's international program and expects revenues will fund future operations.

The existence of the loan from the district to DL-Co is the result of having to fund an operation in a legally separate corporation. However, for accounting purposes the business companies are consolidated into the financial statements of the school district and the loan receivable (District) and loan payable (DL-Co) are offset and eliminated. This reflects the economic substance of the business companies being part of a greater consolidated entity under the common control of the Board of Education. This means each year the profit or loss of the business companies are reflected in the financial results of the school district and that transactions related to the loans (loan or repayment) have no accounting or budgetary impact.

Staff Recommendation

That the Board approve renewal of the loan to Saanich International Distributed Learning Services Inc. for a three year term from April 1, 2020 to March 31, 2023, with other terms and conditions remaining the same.

With Respect,

A handwritten signature in blue ink, appearing to read "Jason Reid".

Jason Reid
Secretary Treasurer

JR/klg

Attachments: Loan Agreement

LOAN AGREEMENT

This Agreement is dated for reference the 1st day of April, 2017.

Between

School District No. 63 International Program

(the "Lender")

and

Saanich International Distributed Learning Services Inc.

(the "Borrower")

The purpose of this agreement is to facilitate a loan between the School District No. 63 International Program and the Saanich International Distributed Learning Services Inc.

1. Loan Amount

The amount of the loan from the School District No. 63 International Program to the Saanich International Distributed Learning Services Inc. is one hundred and twenty thousand dollars (\$120,000.00).

2. Interest Rate

The interest rate for the above loan will be at the rate of 4.7% per annum.

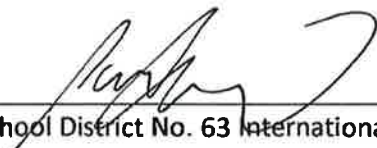
3. Term

The term of the loan to the Saanich International Distributed Learning Services Inc. will be for three (3) years, effective April 1st, 2017 until March 31, 2020, or to be terminated earlier or later by mutual agreement.

4. Payment

During the term of this Agreement the Saanich International Distributed Learning Services Inc. will pay a mutually agreed amount each year on the last day of March during the term of the agreement. The amount of the repayment will be such that SIDLS maintains a sufficient but not excessive working capital balance.

Signed this 11 day of April, 2017.



School District No. 63 International Program



Saanich International Distributed Learning Services Inc.

District of Saanich
Current Planning - Subdivision t. 250-475-5471
770 Vernon Ave. f. 250-475-5430
Victoria BC V8X 2W7 saanich.ca



January 14, 2020

School District #63
2125 Keating Cross Road
Saanichton BC V8M 2A5

Attn: Rob Lumb - Director of Facilities

Dear Rob Lumb:

Re: Subdivision Application:

Site Address: 4590 Lochside Drive
Legal: Lot Pt 5 Section 51&7 Lake District Plan 746
Folder: SUB00864; REZ00656

A subdivision application to create an additional 12 lots for single family dwelling use has been submitted.

This is for information purposes only.

Sincerely,

A handwritten signature in black ink, appearing to read "Liz Gudavicius".

Liz Gudavicius
Approving Officer

LG/rh

*****Please accept this revised Neighbourhood Notification letter for 4590 Lochside Drive. The previous letter had the incorrect date on it. Sorry for any confusion*******

January 23, 2020

Dear Property Owner/Resident:

Re: Notification of Subdivision and Rezoning Application in Your Immediate Neighbourhood
File: SUB00864; REZ00656 • 4590 Lochside Drive

The District of Saanich has received an application for subdivision in your neighbourhood. Additional information and a location map for the application are attached to this letter. To view the proposed Subdivision Plan, please visit our website at www.saanich.ca, and look under Local Government/Development Applications/Active Development Applications to select the local area for the application.

Also attached is a list of frequently asked questions with answers regarding the subdivision process.

If you have any questions about this application or the subdivision review process, please contact our Subdivision Office at 250-475-5494, extension 3414.

Should you wish to provide comments on the application, please submit them **in writing** prior to 4:30 p.m. on February February 21, 2020.

The Approving Officer
District of Saanich
770 Vernon Avenue
Victoria, BC V8X 2W7

or:

e-mail: planning@saanich.ca

Sincerely,



Liz Gudavicius
Subdivision Coordinator/Approving Officer

LG/rh

