

SCHOOL DISTRICT 63 (SAANICH)

FINANCE, FACILITIES & TECHNOLOGY COMMITTEE

**Report to the Board of June 19, 2024**

Committee Members: Trustee Elder, Chair  
Trustee Hickman  
Trustee McMurphy

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

Partner Representatives: Don Peterson, STA  
Candace Whitney, CUPE – regrets  
David Mark, SAA  
Tara Keeping, COPACS

Other Attendees: Chair Dunford, Vice Chair Silzer, Trustee Vandall & Trustee VanWell

**Committee Meeting**

Tuesday, June 11, 2024

**B. ITEMS DISCUSSED**

1. Audit Committee Responsibilities

**C. ITEMS FOR RECOMMENDATION**

1. Trustee Remuneration

**Motion:**

The Committee recommends and I, Trustee Elder move,  
That pursuant to Policy 9 Trustee remuneration be adjusted effective July 1, 2024 by the same amounts as the support staff inflationary adjustments.

2. 2025/26 Capital Plan Submission

**Motion:**

The Committee recommends and I, Trustee Elder move,  
That the Board approve the Capital Plan Submission for the 2025/26 school year.

3. Updated Long Range Facilities Plan

**Motion:**

The Committee recommends and I, Trustee Elder move,  
That the Board approve the updated Long Range Facilities Plan.

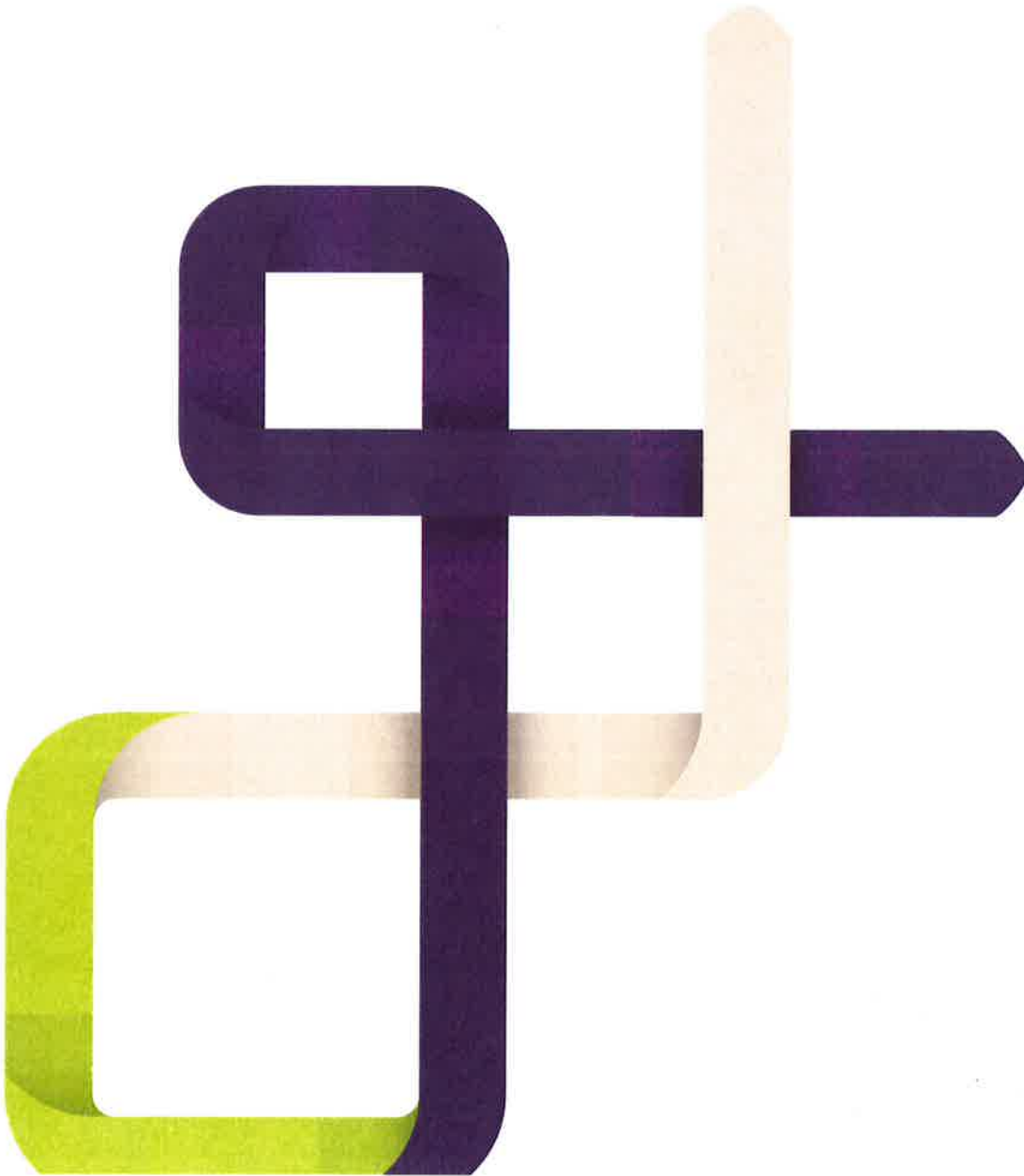
**D. ITEMS FOR INFORMATION**

1. Fiscal Forecast

**E. FUTURE AGENDA ITEMS**

- 2023/24 Audited Financial Statements

# Not-for-profit audit committee guidebook



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## The not-for-profit audit committee's guide to protecting your organization's reputation

Your organization's most valuable asset is its reputation, and that reputation must be able to withstand today's increased scrutiny. As an audit committee member, you are a guardian of that precious asset.

Audit committees exist to help the board maintain the organization's overall integrity, financial credibility and long-term viability. A sharpened focus on accountability, transparency and risk management has brought the role of the audit committee into the public eye. Ensuring that the organization prepares accurate financial statements, exercises responsible financial management, maintains compliance with laws and regulations, and manages operating risks effectively are critical tasks for every audit committee member.

Understanding that your role as an audit committee member is both rewarding and challenging, Grant Thornton LLP has created this guidebook to provide an overview of the composition, functions and duties of an audit committee.

We are committed to providing outstanding service to meet the audit, tax and advisory needs of our not-for-profit clients. For more detailed information and answers to your questions, contact our charity and not-for-profit professionals.

**Grant Thornton**

National Charities and Not-for-Profit Group

# Accountability and independence: Guiding principles of the audit committee

## The current environment

Not-for-profit organizations (including charities) are under scrutiny as never before. From donors to grantors to members to regulators to the media, the expectation that not-for-profit organizations will achieve their mission wisely and cost-effectively has never been greater. Audit committees are charged with the critical role of assessing their organization's capability to discharge its fiduciary duties effectively, accurately and with integrity.

At the national level, the Canada Revenue Agency (CRA) has demonstrated a strong interest in organizations' compliance with tax laws and regulations. The review of more than 1,200 not-for-profit organizations to determine if they were accumulating "profits" impacted many organizations across the country; the CRA's charity directorate audits of political activities are still a fresh experience in many minds; and if you are a recipient of federal government financial support, your granting ministries and agencies are also subject to accountability changing government mandates.

It is important to understand that the tax-exempt status of your organization is seen as a significant form of government subsidy, carrying with it the responsibility for ethical behaviour and compliance. The regulators can and will act if they perceive possible misuse of funds. They do respond to media "reports" and sensationalism.

News organizations and self-appointed watchdogs and ratings agencies will report any real or perceived transgression by a not-for-profit organization and its directors/trustees or staff. Boards do not want any distraction from the achievement of their organization's mission; therefore, they too are setting higher standards for governance and financial practices.

The audit committee's work can greatly assist the organization's leadership in meeting the heightened expectations of today's increasingly stringent climate.

## Guiding principles

The guiding principles of the audit committee can be summed up in two words: accountability and independence.

### Accountability

A not-for-profit organization is accountable to its stakeholders. Those stakeholders rely on the organization to protect its reputation and to properly and prudently use the monies it receives—whether fees, donations, grants or exchange contracts.

In addition to being accountable to its stakeholders, the organization has a much broader responsibility to society at large because of its tax-exempt status. Tax exemption is a way to recognize the societal value of the services the organization delivers. It is also a method by which all taxpayers underwrite those services. In effect, every taxpayer is a stakeholder in your organization.

In order to govern effectively, the board must verify that management has adopted financial practices that are compliant with regulations and best practices, and that adhere to high ethical standards. The audit committee's primary role is to instill confidence in stakeholders that the organization's financial and tax status, internal controls, risk management and compliance procedures allow it to fulfill its mission and achieve long-term viability.

### Independence

The audit committee is charged with ensuring that management is conducting business on an arm's-length basis with all parties and avoiding conflicts of interest and inside dealings. To carry out this charge effectively, the audit committee must be independent of both management and the external auditors. The audit committee concerns itself with three facets of independence:

- The external auditors' opinion on the financial statements must be based only on its independent professional judgment, without improper influence from management.
- Where present, the organization's internal auditors must be independent from management and able to report problems and findings openly to the audit committee.
- The organization's board members and management must be independent from vendors. If overlapping financial interests or personal relationships exist, they must be fully disclosed, and the appropriate personnel must recuse themselves from discussions and voting on related matters. The board needs to approve a plan to monitor the conflicted relationships so that they do not create bias in business decision-making.

# Basic roles and responsibilities

## The audit committee's three main roles in the organization's governance

1

**First, the audit committee represents the board in overseeing all material aspects of the organization's financial reporting, accounting policies and internal controls that promote good financial stewardship.**

To ascertain whether the organization is exercising proper stewardship over its assets, the audit committee must understand the organization's financial management practices, as well as monitor management's corrective actions with respect to the findings of the internal and external auditors' relating to the organization's internal controls and regulatory compliance procedures. While the design and implementation of internal controls are the responsibility of management and the finance committee, the audit committee monitors their completeness. These activities are meant to safeguard the organization's assets, promote the reliability and accuracy of its financial reporting and mitigate the risk of fraud.

2

**Second, the audit committee is often the board committee primarily responsible for inquiring into how the organization's business risks are being planned for and managed.**

Other board committees—such as investment, finance, governance or program—will have a role in overseeing specific areas of risk; however, it is usually the audit committee that asks the overarching questions that help determine if the planning for those risks, as well as the internal controls governing them, are adequate.

To do this, the audit committee should understand the organization's risk profile in terms of governance, personnel, financial, process and operational, regulatory compliance, technology, economic, legislative, competitive, and fraud risk. Specific areas to address include the following:

- investment practices

- significant tax risks (including GST/HST) and tax positions on particular transactions
- relationships with affiliated organizations
- disaster recovery plans
- adherence to donor and grantor requirements (especially unusual or problematic gifts)
- inquiries from provincial and federal regulators and completeness of filings
- insurance/litigation claims and adequacy of coverage
- vulnerability to technology breaches from outside the organization
- leadership's adherence to conflict-of-interest policies
- risks associated with various financing agreements and structures
- overall organization profile compared with industry standards and unclaimed property reporting

The business risk tasks most commonly assigned to an audit committee cover a range of business risk assessment and mitigation concerns:

- understanding the comprehensive assessment of the business and reputational risks faced by the organization, along with assessing management's plan to manage those risks
- holding management—including the CEO—responsible for the effective design and implementation of an internal control structure over financial reporting, nonfinancial reporting, asset stewardship, compliance with laws and regulations, protecting personal employee identification and information, and private and confidential employee data
- providing to the internal and external auditor open access to the audit committee for discussion of issues, concerns and scope of work
- overseeing the whistleblower policy and process and confirming that employees have a confidential way to report concerns regarding fraud, financial impropriety and misuse of funds
- creating an appropriate tone from the top

### Third, the audit committee plays a pivotal role in overseeing the organization's audit (internal and external) and compliance functions.

Every not-for-profit organization must comply with applicable tax, legal, ethical and regulatory requirements. For not-for-profit organizations, regulatory standards dictate financial, billing, safety, employment, grants and contracts, spending and investing practices. In addition, most not-for-profit organizations must adhere to regulations specifying how they carry out their programs and what types of matters must be reported to regulators.

An effective audit committee must have a basic understanding of the compliance standards that affect the organization and how the organization adheres to those standards. The audit committee also needs to know which regulatory matters are assessed by the auditors and which, because they fall outside the scope of financial management, are instead managed by program staff. In most instances, it is the audit committee that inquires into the role of the organization's compliance officer and ascertains that key committees and the board are kept informed of pertinent issues.

The audit committee is also responsible for overseeing the external (and internal) audit functions. Audit committee members should meet with the organization's external auditors at least twice a year—once to discuss the audit workplan and once to review the audited financial statements and audit findings and make a recommendation to the board for their approval. It is best practice to have internal audit attend all audit committee meetings.

The audit committee is commonly assigned the following tasks in this area:

#### External audit

- recommending to the board of directors, and in turn to the members, retention or selection of new external auditors (note that the members approve appointment of the audit firm)
- discussing the propriety of financial statement presentation and the adequacy of footnote disclosures
- reviewing disclosures in financial statements to confirm clear and appropriate communication of financial information
- reviewing and approving the scope of the workplan for the internal and external audits
- reviewing findings of external audits and associated control issues
- receiving and acting upon the results of the audits
- requiring follow-up and corrective action plans to be presented by management
- monitoring implementation of management letter and audit recommendations

- reporting to the board the results of the audits
- recommending to the board approval of the audited financial statements (note that the board approves the audited financial statements)
- evaluating the performance of the auditors
- reviewing and approving the contract for any non-audit services provided by the external auditors
- resolving disagreements between the external auditors and management

#### Compliance

- reviewing internally and externally produced reports on the organization's compliance with laws and regulations that have a direct and indirect effect on financial reporting, and on compliance with the organization's internal policies and procedures that are designed to ensure compliance
- reviewing the T3010 (Charity) or T2/T1044 (Not-for-Profit) returns that are filed with the CRA
- making certain that conflict-of-interest and code-of-ethics policies are implemented and applicable to employees and the board
- reviewing significant conflicts of interest and related-party transactions
- ensuring the existence of whistleblower procedures through which stakeholders, including employees, can raise concerns without fear of retaliation
- ascertaining that a record retention policy is in place and being followed

## Distinction between audit and finance

Many smaller organizations have joint audit and finance committees even though best practice is the establishment of a separate standing audit committee.

The role of an audit committee is quite different from that of a finance committee. A finance committee's principal task is the approval and monitoring of the budget and financial results; performing this function requires individuals who understand the organization's programmatic structure and mission. An audit committee, however, views the organization's financial reporting, disclosure, compliance, internal control and risk processes from a critical perspective to understand and assess organizational weaknesses.

A board-approved charter should spell out the audit committee's exact authority and responsibilities. (For an example of an audit committee charter, see Appendix II.)

Given the audit committee's charge to oversee compliance, financial reporting, fiscal stewardship and business risks—essentially acting as the conscience of the organization—many organizations' charters include the authority to conduct special investigations and engage experts when circumstances require.

## Composition

The audit committee is generally composed of three to five members, the majority of whom should be board members (as they are acting for the board). Audit committee members who are not on the board can serve effectively and in many instances can serve as accounting or financial statement experts if no board members have those qualifications. All audit committee members should be independent of the organization's management; that is, they must not accept, directly or indirectly, any salary or compensatory fees from the organization.

As a general rule, the board treasurer should not serve on the audit committee. The audit committee monitors the organization's financial results, thus creating a conflict of interest with the role of the treasurer. Sometimes there is an overlap between members serving on the audit, finance and investment committees. If such an overlap occurs, it is important that it be kept to a minimum and that there is no overlap for the majority of audit committee members.

Furthermore, in order for the audit committee to act as the conscience of the organization, it is important that it be independent of relationships that could compromise this integrity. Therefore, it is best that no officers of the board serve on the audit committee and that participation of other committee members be limited.

## Attributes

- knowledge of the primary activities and operations of the organization
- a solid grounding in business and finance
- a good understanding of internal control concepts
- financial literacy (i.e., an understanding of basic financial terminology and the ability to read and interpret financial statements)
- knowledge of business risk and the ability to link key operational and financial risks to related controls and control processes
- an understanding of compliance issues unique to the organization

One or more members should be a financial expert, possessing professional knowledge of financial reporting and internal controls over financial reporting. Ideally, the financial expert should have specific knowledge of financial reporting practices used by not-for-profit organizations.

Of course, the supply of individuals with such backgrounds will vary considerably from one organization to the next. If your organization does not have board members with a financial background, you should actively recruit bankers, accountants and other financial professionals to fill this need.

## Characteristics required

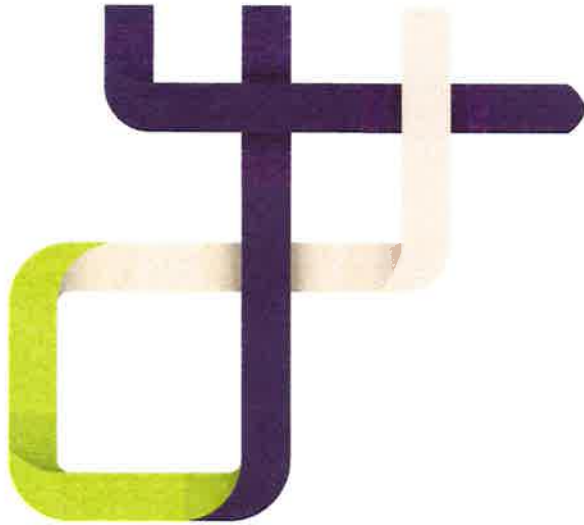
It is very important for audit committee members to possess the skills to listen and actively question what they are told. The audit committee members must be able to maintain a healthy skepticism and should ask management pointed questions about practices, policies and needed improvements. They should pursue issues until satisfied with the answers received. Individuals who are uncomfortable asking challenging questions or coming to critical conclusions can't serve effectively on an audit committee. The role of the audit committee is not to challenge management for the sake of being challenging, but rather to ensure that needed improvements to controls, risk management and financial practices are diligently put in place.

The final characteristic an audit committee member must possess is a willingness to commit the time and effort necessary to do the job. Depending on your organization's size and structure, this time commitment could be substantial.

## Member liability

Board members of not-for-profit organizations face potential personal legal liabilities. Since many of the events that could result in liability for the board stem from failures in internal controls, the audit committee is partly responsible for protecting itself—and the board—from such liability.

Before accepting any board position, investigate whether the organization carries adequate directors' and officers' (D&O) insurance coverage, which protects boards against allegations of wrongdoing. When reviewing the D&O policy, be sure it covers legal costs, which will be incurred regardless of the outcome of a lawsuit. You may wish to consult with legal counsel regarding the relevant laws. You may also want to ask your insurance agent about individual policies that might cover such exposure.



## Users of the financial statements

A not-for-profit organization is unique in the breadth and diversity of the stakeholders that have a strong interest in its financial health. All of those stakeholders are potential users of the organization's financial statements.

### Internal users

The board uses the financial statements to understand the organization's revenues and expenditures, along with the scope and limitations of its financial assets. For the board, the financial statements are among many tools used to evaluate the organization's risk profile. Further, the board uses the external auditors' management letter to assess the effectiveness of the organization's internal controls over financial reporting.

Management uses the financial statements for the same purposes that the board does. In addition, it uses the management letter as a roadmap for improving the organization's internal controls over financial reporting.

Both the board and management should use the financial statements to benchmark similar not-for-profit entities. Comparison of assets, revenue sources and expenditure patterns to information contained in the financial statements of peer or aspirant organizations can provide useful insights.

Other users of the financial statements can include staff and volunteers.

### External users

Donors and granting agencies use the financial statements to assess an organization's financial position and performance. An unmodified or "clean" audit opinion is seen as validating the financial condition of the organization. Banks and ratings agencies use the financial statements to evaluate the financial strength and viability of the organization, which becomes important when it applies for a loan. Accrediting and licensing agencies use the financial statements to determine the soundness of an organization as a service provider. News organizations use the financial statements—along with the Form T3010—to seek background information on the organization, usually when following up on an embarrassing disclosure. Watchdog groups such as Charity Intelligence (in the US, Charity Navigator) and MoneySense use the financial statements to contribute to their ratings.

Given the wide range of potential users—and uses—of an organization's financial statements, it is essential that audit committee members evaluate them carefully and critically.

# The insider's perspective: Working within a not-for-profit organization

An effective audit committee must work well with the board and the management team. It is essential that prospective audit committee members understand their role in each of these relationships.

## The audit committee and the board

The audit committee represents the board in fulfilling some of its responsibilities, specifically financial oversight and risk management for the organization.

The audit committee should report at least twice per year at board meetings. While the board has delegated detailed responsibility to the audit committee, ultimately board members are accountable for the work of the committee. Consequently, it needs to be thoroughly informed, typically through a report from the committee to the board. Topics to be addressed include

- plans for and results of internal and external audits, and any audit-related issues that merit the board's attention;
- issues of business risk and financial accountability;
- internal control or procedural issues;
- new systems and controls implemented and evaluated;
- regulatory issues;
- pension audits; and
- T3010 Registered Charity Information Return or T2 Corporation Income Tax Return and T1044 Non-Profit Organization (NPO) Information Return and/or other applicable tax or information returns.

## The audit committee and management

Management is responsible for creating and maintaining internal controls, and the audit committee is responsible for understanding if those controls are designed and implemented adequately (supported by findings and recommendations from the internal and external auditors).

While the audit committee works collaboratively with external/ internal auditors and management, it is independent of each of these groups and must come to its own conclusions.

The audit committee should discuss identified internal control issues with management and review management's plans for addressing them. In some cases, management may recommend against implementing auditors' suggestions on a cost-benefit basis—or even recommend an alternative solution. The audit committee should consider these suggestions, discuss them with the auditors, if necessary, and bring any unresolved matters to the board's attention.

The emergence of enterprise risk management (ERM) as an integral part of organizational risk-related activities creates a new role for the audit committee in understanding and assessing internal processes and management-led risk initiatives for identifying, managing and mitigating risk.

The audit committee can provide management with valuable, objective experience and expertise not available in-house and can serve as a sounding board for any issues related to reputation, strategic risk, operations, finance, internal controls and the public trust. By giving management an opportunity to discuss sensitive matters up front, the audit committee can help fend off potential problems before they arise.



# Working with the external auditors

As an audit committee member, you will spend much of your time working with the organization's external auditors, who have been appointed by the members to assist in assessing the organization's financial condition and stewardship functions.

For most not-for-profits, the audit committee meets two and occasionally three times per year. The committee should hold one meeting with external auditors to plan the audit and one to review results. Another meeting may be used for further work on matters such as risk management or assessing the effectiveness of internal controls.

## The pre-audit meeting

Prior to the audit, the audit committee should meet with the external auditors to review their workplan and set expectations for the upcoming work. An auditor's workplan details strategy for conducting the audit, identifies the areas of focus, and sets a schedule for the audit.

Audit committee members should review the workplan with the external auditors in light of the prior year's audit results and current year-to-date financial results. The audit committee should also raise its own concerns regarding business risks, internal controls and other pertinent issues. If the audit committee has concerns about a specific financial area, the external auditors' workplan should include it. If the workplan does not include that area, the audit committee must determine with the external auditors whether to add it. The audit committee should then review and approve the audit fee including additional work it has requested.

The pre-audit meeting is also the venue for external auditors to solicit input from the audit committee on areas of financial statement and internal control risk, including the risk of fraud. The audit committee should discuss with the external auditors any internal control issues or other issues raised by the prior year's audit. The audit committee should inform the external auditors of the steps that management has taken (if any) to resolve those issues. The committee should seek the external auditors' opinion of those solutions.

During the pre-audit meeting (as well as the post-audit meeting), the audit committee should meet separately with the external auditors, management and on their own. These in camera sessions should be a standard part of the pre-audit meeting.



An in camera meeting (literally "in a chamber") should have its own private minutes if any significant matters are decided.

## The post-audit meeting

As its name implies, the post-audit meeting is held after the external auditors have completed their fieldwork. At this meeting, the external auditors will present to the audit committee their audit results—including draft reports, supplemental financial information and related audit reports—for review and discussion. In addition, external auditors' professional standards require that they communicate the following matters to the audit committee:

### The auditors' responsibility under GAAS

Under generally accepted auditing standards, the external auditors must communicate their level of responsibility for reviewing and reporting on the organization's internal control structure and determining if the financial statements are free of material misstatement. They must explain to the audit committee that an audit is designed to deliver reasonable, not absolute, assurance that the financial statements are presented fairly and in accordance with the applicable generally accepted accounting standard framework. For Canadian not-for-profit organizations, this will commonly be ASNPO—Accounting Standards for Not-for-profit Organizations, but could be ASPE—Accounting Standards for Private Enterprises, PSAS—Public Sector Accounting Standards, ASPP—Accounting Standards for Pension Plans, or IFRS—International Financial Reporting Standards.

### Significant accounting policies

The external auditors should inform the audit committee about the selection of, changes in or application of significant accounting principles (including the options that might have been available) and financial reporting practices and policies during the period being audited. Discussions should include the effects of these practices and policies on the financial statements.

### Management judgments and accounting estimates

Accounting estimates are an integral part of an organization's financial statements. These estimates can be particularly sensitive because of the possibility that they may differ significantly from actual amounts. The external auditors should review with the audit committee the processes employed and assumptions made by management to formulate sensitive accounting estimates, as well as the basis for the auditors' conclusions regarding the reasonableness of those estimates. Post-retirement benefit obligations and the allowance for uncollectible accounts related to pledges receivable are examples of significant estimates.

### Significant audit adjustments

The audit committee should be informed of all significant adjustments made subsequent to the start of year-end field work. These should distinguish those that were proposed by management (which may indicate the level of preparedness for the audit) and those that may not have been otherwise detected by management or staff. The external auditors must also provide the audit committee with a listing of proposed audit adjustments that were not recorded because management considered the amounts involved, individually and in the aggregate, to be immaterial to the financial statements.

### Responsibility for other information in documents containing audited financial statements

The auditors should discuss their level of responsibility for and involvement with information in other documents containing audited financial statements, such as published annual reports or debt offerings.

### Disagreements with management

The external auditors should discuss any disagreements with management on matters related to accounting principles, financial reporting practices or policies, as well as on auditing matters that could be significant to the financial statements or the external auditors' report. Areas of disagreement might include application of accounting principles, judgments on accounting estimates, the scope of the audit or the wording of the external auditors' report.

### Consultation with other accountants

If the external auditors are aware that management has consulted with other external auditors on matters pertaining to auditing, accounting or financial reporting matters, the views of those auditors should be discussed with the audit committee.

### Major issues discussed with management

The external auditors and audit committee should review any major management issues raised, including discussions about accounting principles, financial reporting practices and policies, and auditing standards and procedures.

### Difficulties encountered in performing the audit

The external auditors should inform the audit committee of serious difficulties in working with management while performing the audit. Such difficulties might include failure to provide necessary information, unreasonable delays, unavailability of client personnel or failure of client personnel to promptly complete requested schedules.

### Other matters

In addition, the audit committee should discuss the following topics with the external auditors:

- comparison of actual with anticipated audit results;
- any need to expand audit procedures and the reasons for doing so;
- propriety of financial statement preparation and adequacy of footnote disclosures;
- changes in report format or note disclosures from the previous year, including reasons for making those changes;
- evaluation of personnel involved in preparing and monitoring financial information;
- non-audit services and related fees during the prior year;
- the report that the audit committee chairman will present to the board.

During the post-audit meeting, the audit committee should schedule in-camera sessions with the external auditors, the internal auditors, management, and the committee itself. These sessions should be a standard part of the post-audit meeting.



If an in-camera session deals with situations involving compliance or whistleblowing, the audit committee may wish to have its own legal counsel present.

## Evaluating the external auditors

Part of the audit committee's responsibility is to evaluate the work of external auditors.

### Timeliness of service

Your external auditors should have a strong commitment to and demonstrated track record of timely service delivery. Working with your organization to plan and execute the audit, communicating regularly with you and responding quickly to your questions and concerns are all essential to conducting the audit promptly and meeting your and the board's expectations.

### Ability to address issues unique to your organization's risk profile

The audit firm must be able to understand your organization's revenue streams, cost methods, licensing requirements, regulatory environment and general business conditions—in other words, the aspects that comprise your organization's unique risk profile. Your staff should not have to teach the firm's staff how to work with not-for-profit organizations. Instead, the audit firm should provide critical information and business advice that will help improve your organization's operations.

### General industry knowledge

Auditors need experience in providing members guidance and information relevant to not-for-profit organizations and their many stakeholders. Members, donors, federal and provincial funding agencies, charity watchdogs, the CRA, provincial charity regulators such as required under Alberta's Charitable Fund-raising Act or by the Ontario Public Guardian and Trustee (OPGT), other regulators, and consumers all rely on your organization's financial information, and your audit firm must be able to view that information through each of those stakeholder's lenses. Ideally, the audit firm can demonstrate its commitment to the not-for-profit sector by keeping abreast of new standards, providing relevant thought leadership publications, participating and contributing to not-for-profit specific sector groups (e.g., CPA Canada) and building strong networks with lawyers, bankers, regulators and others with special interest in the sector.

### Specific industry accounting and reporting expertise

The not-for-profit sector has specific accounting requirements that an auditor should know thoroughly. Demonstrated expertise in not-for-profit accounting and reporting is essential.

### Experience with tax requirements pertinent to not-for-profit organizations

Exemption from tax does not mean exemption from tax consequences. Indeed, the tax-exempt status of not-for-profit

organizations is in the spotlight. For example, for charitable organizations, information from the T3010 and the attached financial statements is disclosed publicly. Because retaining tax-exempt status is essential for a not-for-profit organization, accurate reporting and tax compliance are equally essential. The auditor must have enough experience to understand the tax regulations, risks and concerns unique to not-for-profit organizations.

### Sufficient staffing

Insufficient staffing, staff turnover or inadequately trained personnel can lead to delays or poor performance. A further consideration is whether the audit will be staffed from out-of-town offices.

### Price

While price should not be the sole determining factor in your choice of auditor, it is certainly a consideration. Be sure to evaluate the proposed auditors' qualifications and value relative to the proposed fee.

### Chemistry

The auditors' ability to build trust and a positive, productive working relationship with management is critical. Respect and rapport are essential and necessary when resolving technical and business issues and when providing recommendations to improve the organization's internal control environment and business practices.

### Providing value

An audit is not a commodity service. The intimate and highly trusted attest role of an auditor is unlike anything provided by the organization's vendors. Your organization's relationship objective should be far more than merely getting a signed, clean opinion from an auditor. The audit should be viewed as an opportunity to add value to the organization and reduce its risks. An audit firm should possess the breadth of industry and business knowledge to offer ongoing, meaningful insights on the external landscape, internal operations and practices, and how the organization is positioned to respond to threats and challenges. The firm should also have the capability to assist management in keeping the board and audit committee informed of significant industry trends, challenges, threats and opportunities.

# The monitoring function of the audit committee

## Internal control and enterprise risk monitoring

The work of the audit committee does not conclude with the issuance of the financial statements and management letter. Rather, the audit committee is expected to

- understand the organization's internal control environment and overall risk profile;
- conclude whether effective internal controls are in place;
- monitor the progress of corrective action until the organization's internal controls are working properly and mitigating risks effectively;
- assess whether risks that might prevent the organization from achieving its objectives or maintaining its reputation have been identified; and
- know how the organization mitigates these key risks.

Standard frameworks have been developed to guide organizations in their understanding and assessment of effective internal control and their ability to identify and effectively communicate enterprise-wide risks. The US Committee of the Sponsoring Organizations of the Treadway Commission (COSO) and the International Standards Organization (ISO) are popular sources of risk management principles, guidelines and models. The COSO model has gained prominence in Canadian and US-based organizations. The ISO standard has become the internationally agreed standard for the implementation of risk management principles and thus has become popular for organizations with overseas operations.

Small not-for-profits can get general guidance suitable for NPOs from the Grant Thornton publication "Risky Business."

These models help define the relationships between strategic, operational, financial reporting and compliance functions, as well as the control attributes that must be present for effective internal control. They also create a framework for identifying risks, communicating risks throughout the organization, establishing the organization's risk tolerance, and updating and monitoring risk.

Increasingly, not-for-profit organizations are using risk assessment processes to identify enterprise-wide strategic risks and create an organizational risk profile that identifies the critical threats to the organization's reputation and strategic goals. These risks reflect the evolution of the organization's business model as well as changes in the risk profile and external environment.

Management risk committees or work groups perform these risk assessments, identify mitigating factors and develop actionable plans to ensure that the critical risks are being effectively managed by the organization. The audit committee plays a key role in supporting the creation of this function and overseeing the results.

## Dealing with fraud

Your external auditors should be expected to plan and perform the external audit to obtain reasonable assurance that the financial statements are free of material misstatement, whether caused by error or fraud. The external auditors are not expected to identify every possible fraud; however, they do conduct testing that may detect fraud. The external auditors are expected to identify erroneous or fraudulent activities that materially affect external financial reporting.

The external auditors' testing usually includes

- inquiries of management and other employees;
- inquiries relating to whistleblower complaints;
- review of related-party activity;
- review of internal control documentation;
- performance of substantive procedures that include a review of journal entries and accounting estimates; and
- evaluation of the rationale for significant transactions and related accounting treatments.

Management is responsible for

- maintaining a culture of honesty and monitoring high ethical standards;
- designing, establishing and implementing controls that prevent, deter and detect fraud;
- adopting sound accounting policies; and

- establishing and maintaining internal controls that facilitate timely reporting of material financial events that affect annual and interim financial results.
- The audit committee is responsible for
- evaluating management's identification and monitoring of fraud risks and creating the appropriate tone at the top;
  - verifying that management has implemented appropriate fraud deterrence and prevention measures and controls;
  - considering the potential for management override of controls or other inappropriate influence over financial reporting;
  - insisting on effective whistleblower policies; and
  - receiving regular reports on potential instances of fraud.

## Dealing with nonfinancial reporting and disclosures

A new area of fraud that is receiving public attention is the reporting of a host of nonfinancial data (e.g., key performance indicators or numbers of participants, numbers enrolled) to regulators, funders, accrediting bodies and evaluative bodies. This type of data is generated throughout the organization on a variety of hardware and software systems. The audit committee should understand if there are adequate internal control processes and management review practices to assure this data is complete, accurate and properly reported.

## Importance of management's discussion and analysis

Management's discussion and analysis (MD&A) disclosures may be posted on the organization's website accompanying the financial statements or included as part of an annual report that also contains the audited financial statements, and messages from the Board Chair, the CEO and CFO.

This narrative should serve as an educational tool for the board and the organization's stakeholders regarding the financial condition of the organization.

MD&A disclosures should indicate key sources of revenue and types of expenses; trends in revenue and expense categories; key accomplishments, risks and disappointments; and any other information that management believes will assist board members in performing their fiduciary duties.

MD&A disclosures can also describe changes to organizational outcomes, trends in programmatic needs, development statistics, future capital plans and comparisons with other organizations. The audit committee should be familiar with the sources of any information that is included in MD&A disclosures, but that is not derived from the financial statements. It is important that such descriptive information and statistics do not mislead the public as to the effectiveness of the organization.

## The management letter

Also accompanying the auditor's financial statement report is the external auditors' management letter, which makes recommendations to enhance internal controls and related procedures.

A key audit committee function is to review both the recommendations and management's response, and then monitor the implementation of those recommendations as part of its stewardship over the organization's assets and reputation.

The management letter recommendation and implementation grid that follows depicts the type of monitoring that audit committees and management should perform.

The grid shows how the recommendations made by the external auditors and the corrective action plans developed by management could be documented. The grid presents the current status of the implementation of the recommendations, personnel responsible for implementation, deadlines for full implementation and any implementation-related costs.

### Management letter recommendation and implementation grid

#### Management letter action items for the year ended June 30, 20XX

Action Item	Action plan	Due date	Responsible parties	Status	Completion status	\$ from operating budget	\$ from capital budget
-------------	-------------	----------	---------------------	--------	-------------------	--------------------------	------------------------

#### Current-year recommendations

- Comment 1
- Comment 2
- Comment 3
- Comment 4

#### Prior-year recommendations

- Comment 1
- Comment 2
- Comment 3
- Comment 4

# Appendix I: Selecting the external auditors

## Recommended practices

- 1 Know that the recommendation to the members is that of the board of directors; however, the evaluation and selection of the external auditor for recommendation is a significant responsibility of the audit committee. It is not to be made by management. The audit committee may solicit the views of management, but similarly the responsibility for monitoring the external audit function rests with the audit committee.
- 2 Decide carefully based on the criteria discussed whether a change is warranted. There can be strong benefits from a change of audit firm, but a change means significant internal costs to the organization. Change should not be made simply due to an arbitrary time period. Where the concern is possible over-familiarity, an alternative is to consider partner rotation with your current provider. The responsibility to evaluate the services of—and possibly replace—your current external auditor should not be taken lightly.
- 3 Agree on the relative importance of your evaluation criteria before reviewing proposals.
- 4 Determine the critical business, financial and regulatory issues facing your organization and agree on the size, depth of resources, industry expertise and range of capabilities that a firm must possess to address those issues.
- 5 Provide potential firms the opportunity—before they propose—to meet with management in person to obtain a better understanding of the organization and its needs and to review past audit and financial information. Keeping the respondents at arm's length in the name of process simply results in generic templated proposal responses that serve neither the organization nor the auditor. A meeting provides a mutual opportunity to assess fit leading to a more tailored audit proposal and a better chance of making the right decision for your organization.

## Template for RFP (request for proposal)

### Description of the organization to be served

- purpose and mission;
- governance and management structure;
- history (e.g., when the organization was founded and how it has developed);
- tax status;
- location(s)—indicate where books and records are kept;
- structure of finance function (e.g., staffing, centralized versus decentralized);
- financial overview (e.g., amount of revenue, sources of revenue, types of expenses, types and amounts of assets);
- technology supporting financial operations;
- sources for additional information (e.g., a website);
- how the services requested in the RFP are currently executed;
- nature of any regulatory reviews that may be upcoming or are currently underway.

### Specific service(s) required

- the scope of work that the auditor is expected to perform, including deliverables to be provided;
- standards to be followed by the auditor in providing services;
- other auditor obligations to the organization, such as regular reporting, problem-solving and method of billing;
- length of the service contract.

### Qualifications of the prospective respondent

- size (in terms of annual revenue, staffing or other metrics);
- financial viability;
- commitment to the not-for-profit sector (e.g., thought leadership, industry support, issuance of accounting/tax

updates and continuing professional education seminars/webinars offered);

- history of successful client service;
- length of time providing specific services requested;
- experience with similar types of entities (including provision of references);
- level of training and experience of staff members to be assigned to the engagement;
- commitment to diversity and social responsibility in the firm's delivery of services and in its governance, employment, environmental and investing practices;
- geographic proximity to the organization being audited;
- clear processes of communication and problem resolution;
- confirmation that no disciplinary action has been taken against the firm by regulatory bodies or professional associations;
- confirmation that the respondent is independent of the entity (for audit services).

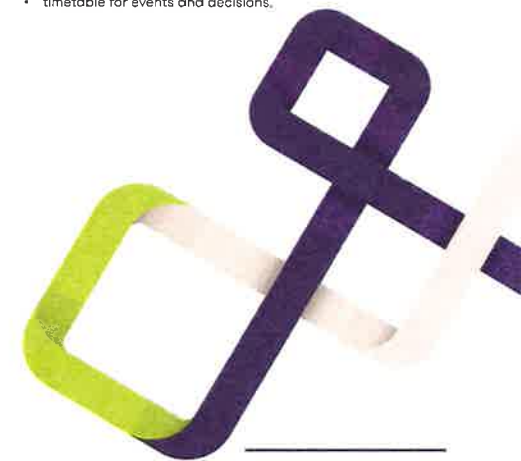
### Requirements of the proposal

- transmittal letter signed by an authorized agent of the respondent;
- description of the firm (date founded, services provided, business philosophy or approach, quality standards);
- location of the office to provide the requested services;
- individuals who will be responsible for delivery of the services, as well as the qualifications of those individuals (i.e., specific training, experience and length of service with the firm and industry);
- similar information for all other key personnel who will be responsible for service delivery;
- the names and contact information for organizations of a similar type currently served by the respondent;
- a comparison of the firm's proposed services with the specific services requested in the RFP;

- identification and qualifications of any subcontractors and identification of the functions to be performed by each subcontractor;
- methodology used for pricing and fee structure, including detailed time budgets and rates;
- quote of fee(s) to provide requested services;
- approach to additional requested services and billing for such services.

### Decision-making process

- contact person within the organization who is coordinating the RFP process and can respond to questions about the process and the organization;
- contact person (if different) who can respond to technical questions about the services required;
- date when the proposal must be received by the organization;
- number of copies—including electronic copies—of the proposal;
- if not elsewhere specified, the criteria to be used for evaluation of proposals;
- timetable for events and decisions.



<sup>1</sup> This template outlines certain typical items to be included in an RFP. It is not tailored to specific situations and includes more items than would usually be listed in a single RFP.

# Appendix II:

## Sample audit committee charter

Acting on behalf of the board, the audit committee is charged with overseeing all material aspects of the organization's financial reporting, internal controls, risk management and audit functions.

The audit committee's role includes a particular focus on the qualitative aspects of financial reporting and organizational processes for the management of risk and compliance with significant applicable tax, legal, ethical and regulatory requirements. The audit committee's role also includes coordination with other board committees and maintenance of strong, positive working relationships with management, internal and external auditors, counsel and other committee advisors.

The audit committee shall report this information to the board and provide its recommendations for action to be taken by the board and management in order to strengthen the organization's system of internal controls, compliance procedures and financial reporting process.

The audit committee shall oversee the internal and external auditors and monitor management's progress in responding to the internal and external auditors' findings.

### Composition

The audit committee shall be composed of no fewer than three and no more than five independent non-executive board members. No member of the audit committee shall be an officer or employee of, or receive any compensation from, the organization.

The treasurer, president or executive director may be an ex officio non-voting member of the audit committee, but must be excluded, along with other management officials, when the audit committee meets in camera.

Committee members shall have (1) knowledge of the primary activities of the organization; (2) the ability to read and understand not-for-profit financial statements, including a statement of financial position, statement of activities and changes in net assets, statement of cash flows and key performance indicators; and (3) the ability to understand key operational and financial risks, and related controls and control processes. The committee shall have access to its own counsel and other advisors at the committee's sole discretion.

The chair should be literate in not-for-profit financial reporting and control, including knowledge of tax and regulatory requirements, and should have past or current employment experience in finance, accounting or other comparable experience or background. Ideally, this individual should have specific experience with a similar organization.

### Roles and responsibilities

#### Risks and controls

- reviewing and assessing the organization's operating and financial risk management process, including the adequacy of the overall control environment and controls in selected areas representing significant risk;
- reviewing significant risks and exposures and the plans to minimize or respond to them;
- assuring that management is setting the appropriate tone in communicating the importance of internal controls and establishing policies and procedures to mitigate risk;
- reviewing and assessing the organization's system of internal controls for detecting accounting and financial reporting errors, fraud and defalcations, legal and tax violations, and noncompliance with the organization's code of conduct; in that regard, reviewing the related findings and recommendations of the internal and external auditors, together with management's responses;
- determining whether internal control recommendations made by the auditors have been implemented by management;
- making certain that the internal and external auditors keep the audit committee informed about fraud, illegal acts, deficiencies in internal control and other audit-related matters;
- determining which aspects of internal control and compliance procedures are being tested annually by the auditors;
- understanding the nature of significant deficiencies and material weaknesses reported with the financial statements;
- reviewing any matters that may have a material effect on the financial statements;

- reviewing the results of the annual audits of trustees' and officers' expense accounts, as well as management prerequisites prepared internally or by the external auditors;
- identifying best practices and developing and recommending corporate governance principles applicable to the organization.

#### Financial reporting

- reviewing with management and the external auditors the results of the annual audit and related footnotes, including any difficulties or disputes with management, any significant changes in the audit plans, the rationale for (and quality of) adoptions of and changes in accounting principles, and soundness of accounting estimates requiring significant judgments;
- assessing whether the annual financial statements and related footnotes reflect appropriate accounting principles;
- recommending to the board of directors approval of the audited financial statements;
- reviewing MD&A disclosures and concluding as to their reasonableness based on the audit committee's knowledge of the organization;
- reviewing and assessing the key financial statement issues and risks, their effect or potential effect on reported financial information, the processes used by management to address such matters, the auditors' views and the basis for audit conclusions;
- reviewing recent professional and regulatory pronouncements and understanding their effect on the organization's financial statements;
- reviewing the management letter and monitoring the organization's compliance with its recommendations;
- approving changes in important accounting principles and the application thereof in both interim and annual financial reports;
- advising financial management and the external auditors that they are expected to provide a timely analysis of significant current financial reporting issues and practices.

#### Compliance with laws and regulations

- reviewing the effectiveness of the organization's system for monitoring compliance with laws and regulations;
- satisfying itself that all regulatory compliance matters have been considered in the preparation of the financial statements;
- reviewing the T3010 (Charity) or T2/T1044 (NFP) forms and all of their disclosures, especially those regarding executive compensation, fees paid to third parties, activities unrelated to the organization's exempt purpose and transactions with related entities;
- reviewing the findings of any significant examinations by regulatory agencies.

#### Internal audit (if present)

- ascertaining that the organization has the appropriate structure and staffing to carry out its internal audit responsibilities effectively;
- reviewing and approving the annual internal audit plan as recommended by internal audit based upon a comprehensive internal audit risk assessment;
- approving any changes to the approved annual internal audit plan;
- receiving and acting upon the reports presented by internal audit;
- evaluating the effectiveness of internal audit personnel, including the head of internal audit;
- concurring in the appointment, replacement, reassignment or dismissal of the head of internal audit.

#### External audit

- recommending to the board of directors, and in turn to the members, retention or selection of new external auditors;
- approving the external auditors' fees;
- reviewing and approving the external auditors' proposed audit scope and approach;
- reviewing the performance of the external auditors;

- reviewing the quality of management's assistance to the external auditors;
- reviewing and confirming the external auditors' assertion of their independence in accordance with professional standards;
- reviewing and approving the engagement of the external auditors to perform services—including consulting services—unrelated to the audit.

#### Reporting responsibilities

- reporting to the board at least annually with appropriate recommendations regarding the audit committee's activities and any key external audit issues;
- confirming with the external auditors that they will report all relevant issues to the committee in response to agreed-upon expectations and as required by their professional standards;
- reviewing any submissions to the organization's whistleblower reporting;
- reporting to the board any reported conflicts of interest or related-party transactions.

#### Other responsibilities

- meeting with the external auditors, internal auditors and management in separate in-camera sessions at least twice annually;
- confirming that significant findings and recommendations made by the auditors are received, discussed and acted upon appropriately and promptly;
- reviewing and updating the audit committee charter;
- discussing with management the enterprise-wide risk assessment process and management action plans;
- understanding the control procedures to ensure that nonfinancial data reported to regulatory, accrediting and evaluative bodies is accurate and complete;
- reviewing and approving the organization's conflict-of-interest, code-of-ethics and whistleblower policies;
- reviewing and determining the appropriate response to reported conflicts of interest, related-party transactions and whistleblower complaints;
- conducting or authorizing investigations into any matters within the committee's scope of responsibilities;
- providing an annual performance assessment of the committee and comparing the work of the committee with the requirements of its charter.

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Grant reporting

T3010 review

HST/GST planning and compliance

Transaction support (including due diligence and merger integration)

Assistance with CRA audits

International operations

Restructuring and turnaround

Information technology

Operational improvement

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To: Finance, Facilities & Technology Committee

Prepared By: Jason Reid  
Secretary Treasurer

---

Subject: Trustee Remunerations

Date: June 3, 2024

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## Purpose and Background

The purpose of this briefing is to inform the Board's annual review of Trustee remuneration.

Policy 9 (Board Operations) provides for Trustee remunerations and that *"These remunerations will be reviewed annually and will increase by no less than the economic increase to CUPE support staff wages in any year."*

This review of Trustee remunerations is scheduled in the [Board Annual Work Plan](#) to occur in June.

## Remuneration Review

The current remuneration rates for Trustees in Saanich are as follows:

- Chair = \$22,189
- Vice-Chair = \$20,375
- Trustee = \$18,960

The BC School Trustees' Association (BCSTA) recently provided the 2024 Trustee compensation survey results from all participating school districts including Saanich. This information was compiled in March 2024 and reflects the current Saanich remunerations as reported above.

The BCSTA has advised that the detailed survey results are confidential. While the detailed survey results are confidential, it is appropriate to share aggregate remunerations data (as outlined in this briefing note) to inform the review of Trustee remuneration in a public meeting.

Remuneration data (average, range, and median) is presented below for south island school districts excluding Saanich (i.e. SD61, SD62, SD68, and SD79).

### Average

- Chair = \$26,001
- Vice-Chair = \$23,953
- Trustee = \$22,618



Median

- Chair = \$25,975
- Vice-Chair = \$24,393
- Trustee = \$23,062

Range

- Chair = \$21,362 to \$30,691
- Vice-Chair = \$17,835 to \$29,191
- Trustee = \$16,659 to \$27,691

Remuneration rates vary significantly between small and large school districts. For example, annual Trustee remuneration in many large lower mainland school districts range from \$30,000 to \$50,000, and in some cases exceeds \$50,000. As a result, comparison to the provincial average is not a meaningful benchmark.

The most meaningful comparison is to school districts that are similar in size. Remuneration data (average, range, and median) is presented below for the five school districts where enrolment is within 15% of Saanich enrolment (SD40, SD45, SD75, SD79, and SD83).

Average

- Chair = \$24,625
- Vice-Chair = \$22,319
- Trustee = \$20,927

Median

- Chair = \$21,907
- Vice-Chair = \$19,861
- Trustee = \$18,486

Range

- Chair = \$19,184 to \$30,892
- Vice-Chair = \$17,440 to \$29,002
- Trustee = \$15,696 to \$27,112

Note that per Policy 9 (Board Operations), Saanich Trustee remunerations will increase by 3.00% effective July 1, 2024 consistent with the collective agreement economic increase to CUPE wages.

Respectfully,



Jason Reid  
Secretary Treasurer

JR/klg

**To:** Finance, Facilities & Technology Committee

**Prepared By:** Rob Lumb  
 Director of Facilities

**Subject:** Five Year Capital Plan Submission 2025/26

**Date:** June 6, 2024

**Purpose**

The purpose of this briefing note is to provide information relevant for the committee’s review and the Boards approval of the Capital Plan Submission for 2025/2026. If these projects are subsequently approved by the Ministry, funding will be announced in March of 2025.

Our submission deadline is June 30, 2024 for Major Capital projects (Addition, Seismic, Building Envelope and Demolition). The submission deadline for Minor Capital projects (School Enhancement, Carbon Neutral, Playgrounds and Bus Replacement) is September 30, 2024. Included in the plan are some carry forward projects that appeared in the submission last year as well as the addition of some newer projects more recently identified.

A summary table of the proposed 2025/26 Capital Plan Submission with further explanation is below.

Addition Program		
Cordova Bay Elementary	\$7,300,000	Addition of a four Class Classroom expansion
Seismic Mitigation Program (SMP)		
Sidney Elementary	\$49,000,000	Previously submitted project. Risk Assessment is an H1 (P2 and P4)
Brentwood Elementary	\$3,500,000	Previously submitted project. Risk Assessment is an H1 (P2)
Building Envelope Program (BEP)		
Bayside Middle School	\$6,909,999	Result of Building Envelope Condition Assessment - 2009
Brentwood Elementary	\$731,000	Result of Building Envelope Condition Assessment - 2009
Prospect Lake Elementary	\$670,000	Result of Building Envelope Condition Assessment - 2009
School Enhancement Program (SEP)		
Stelly's Heating Plant	\$1,000,000	Phase 2 of heating system replacement
Roofing	\$500,000	Parkland
Accessible Lift Replacements	\$100,000	Parkland
Carbon Neutral Capital Program (CNCP)		
Stelly's Heating Plant	\$600,000	Phase 2 of heating system replacement
Playground Equipment Program (PEP)		
Sidney Elementary	N/A	Universally accessible playground equipment
Royal Oak Middle	N/A	Universally accessible playground equipment
Bus Replacement (BUS)		
4 buses submitted for replacement due to age and mileage		
School Food Infrastructure Program (FIP)		
Elementary and Middle Schools	Up to \$100,000	* Waiting on pricing and items from the schools
Demolition Program		
Sansbury	\$275,000	Demolition of gym and covered area

## **Additions**

Cordova Bay addition is being resubmitted as it has not yet been approved.

The implementation of new catchment boundaries in 2021/22 are shifting future enrolment from Prospect Lake to Brentwood, Lochside and Cordova Bay. Cordova Bay is most impacted in terms of future enrolment, as Lochside will have less capacity in the future to accept out-of-catchment requests from Cordova Bay. As a result, the implemented boundary change reflects the need for a 2-classroom at Cordova Bay to accommodate future enrolment. Further information on the rationale for this project is found in the Long Range Facilities Plan.

The catchment boundary study did not reflect the impact of additional housing from potential densification of land use as indicated in the draft Cordova Bay Local Area Plan. Therefore, it is prudent to plan for a 4-classroom addition as we continue to monitor the implementation of the local area plan.

## **SMP Projects**

Both Sidney and Brentwood SMP projects are being resubmitted.

Revised building codes have identified Sidney and Brentwood Elementary as H1 risk which resulted in their submissions. Further classification from Ministry has added an additional layer of rating. This rating system is attached to the Briefing Note. Sidney has 2 blocks that are H1 – P2 and 2 blocks that are H1 – P4. Brentwood has 1 block that is rated H1 – P2.

Note that both Sidney and Brentwood were submitted last year as a seismic upgrades, as the H1 rating drives the rationale for approval.

Sidney Elementary's submission of \$49M represents a full replacement of the school, which is the preference of the District. If this option is not available for funding from the Ministry, there is an alternative plan that is being submitted that would have Sidney renovated instead of replaced (\$25M). This would not be the desirable option as it would involve a temporary relocation to portables on site while the renos are being completed.

## **BEP projects**

Bayside is being submitted again for a major building envelope project to repair the sustained damage from the lengthy roof leak. Note that we have conducted thorough air quality tests at the school and there are no concerns regarding air quality. Brentwood and Prospect Lake have also been included in the submission. This is under instruction from the Ministry as they continue to fund related projects across the province based on studies completed in 2009 related to the leaky condo issues in British Columbia.

## **SEP Projects**

Stelly's Secondary School is our districts largest consumer of energy and our largest emitter of carbon. In light of our Energy Sustainability Plan, we will be focusing on electrification of the heating plant over the next four to five years starting with phase One. Total Cost to upgrade Stelly's to an electric heat pump will be approximately \$6M. Last year we received \$1M for phase 1 at Stelly's which is happening over the summer of 2024.

Roofing continues to be a focus in replacement schedules, thus the allocation of another \$500K for Parkland School. We received approval of \$500K in our last years submission. Replacement of the entire roof at Parkland is a lengthy process that will see subsequent years of submissions for the Parkland roof. Parkland consists of over 100,000 sq. ft of roofing that is now at its life expectancy. Total estimate to replace all of Parkland roof is \$4 million which we will do over the span of multiple years.

Parkland has multiple lifts inside the school to accommodate accessibility through the building. This submission represents three lifts in need of replacement.

### **Carbon Neutral Capital Program**

The proposed heating plant at Stelly's will include an air sourced heat pump. This will allow us to greatly reduce Green House Gas emissions from the site by moving the main source of heat from Natural Gas to Electricity. This submission is in conjunction with the SEP submission above for Stelly's. Last year we received \$600K for phase 1 at Stelly's which is happening over the summer of 2024.

### **PEP Projects**

PEP projects are used to replace older, failing playgrounds. Our grounds department conducts regular playground inspections and identifies the playgrounds in need of replacement. While Sidney Elementary received a replacement playground in the 2019/2020 Capital Year the other playground at the school is in poor shape and is currently the #2 priority for the district replacement.

With Deep Cove receiving an approval of \$195K for this year Sidney now becomes our highest priority for next replacement, followed by Royal Oak Middle.

Typically, we have seen approvals for PEP projects every 2 years, so we anticipate that at least one of these playgrounds will be approved in the next round of approvals in 2026/27.

### **BUS Projects**

Bus replacement is dictated by age and mileage. This year we have 4 buses coming up for renewal. Our plan is for all future bus replacements to be electric models, funding permitting.

### **School Food Infrastructure Program**

The Capital Management Branch's School Food Infrastructure Program (FIP) is a new annual program intended to assist Boards of Education with creating, improving, or expanding infrastructure to feed students across all communities in British Columbia. The FIP is directly tied to government's broader Feeding Futures program, which is a commitment to ensure students are properly fed for learning to enhance positive academic and healthy outcomes for students.

After consultation with Learning Services, it was decided that we would apply for new equipment for our Elementary and Middle Schools.

**Demolition Program**

Sansbury is being re-submitted as we were not successful in obtaining approvals last year. This submission is to demolish the gymnasium and covered area at Sansbury, as these components are at end of life and were not included in the renewed lease with Allegro Dance. Our plan will be to include the entire demolition of Sansbury once the building is vacant.

**Recommendation:**

That the Board of Education approve the Capital Plan Submission for the 2025 / 2026 school year.

Thank you,

A handwritten signature in black ink, appearing to read "Rob Lumb", written in a cursive style.

Rob Lumb

Director of Facilities

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To: Finance, Facilities & Technology Committee

Prepared By: Jason Reid  
Secretary Treasurer

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Subject: Long Range Facilities Plan Update

Date: June 5, 2024

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### **Purpose and Background**

The purpose of this briefing note is to inform the Committee's review and the Board's approval of the updated Long Range Facilities Plan.

Each year we review and adjust the Long Range Facilities Plan reflecting any updated information relevant to the plan. This revised plan reflects updated information relating to enrolment forecasts, capital plan submissions and approvals, the annual facility grant plan, and the energy sustainability plan.

### **Staff Recommendation**

That the Board approve the updated Long Range Facilities Plan.

With Respect,



Jason Reid  
Secretary Treasurer

JR/klg

Attachment: Updated Long Range Facilities Plan



# Long Range Facilities Plan



*North Saanich Middle School, replacement school completed in 2012*

Date	Revision	Date	Revision
Apr 20	Final Issue	Jun-24	Cap Plan, AFG, Enr Proj, Cap Util
Dec-20	2020/21 actual enrolment; portable inventory		
Apr-22	2021 Census Pop; Enr Proj upd to 2022-2031		
May-23	Cap Plan, AFG, Enr Proj, Cap Util		

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## EXECUTIVE SUMMARY

### INTRODUCTION

Cascade Facilities Management Ltd was contracted in December 2019 by Saanich School District No. 63 (SD63) to undertake a Long Range Facilities Plan (LRFP). The main purposes of the LRFP were to:

- To fulfill the requirement of the Ministry for each school district to develop a LRFP as instructed and required as part of the capital plan submission
- To demonstrate existing School District's strategies in meeting the guidelines for optimum capacity utilization
- To guide the School District and the Ministry in facilities decisions over the long term
- to ensure cost-effective operations of existing facilities and capital investments for new schools, additions, renovations/upgrades, replacements
- To develop options to meet space needs in the district and to achieve balance between enrolment and school capacity in each of the Zones, especially in resolving overcapacity in South Zone schools

### UPDATES

Revisions by H AHKING & CO of this current update (May 2024) include the following:

- 2024/25 SD63 Capital Plan Submission
- Annual Facility Grant for 2023/24
- Ministry's supported and approved projects from the 2023/24 Capital Plan Submission
- Enrolment Projections for 2023 and 2024-33
- Capacity Utilizations to 2033
- Schedules
- Text Revisions , including:
  - Executive Summary
  - Community Demographics
  - Options and Recommendations

### THE SCHOOL DISTRICT

SD63 has an inventory of 24 facilities comprising over 91,000 square meters in area, and occupying approximately 175 acres of land. In addition, there are 31 portables, 10 of which were funded by MFCD.

The District operates 14 schools: eight elementary, three middle and three secondary schools. The total headcount enrolment in 2022 was 6,588, excluding students in the International Student Program who are not funded by the Ministry.

Not included in the enrolment projections of this study, also are students enrolled in programs offered by the District such as Distance Education, Individual Learning, and Continuing Education located at other locations.



The VFA Condition Report indicates that ten of the district facilities, including six of the schools, are above the provincial average with a Facility Condition Index of 0.01 and 0.43, and the remaining 13, including eight schools, with a score of 0.44 to 1.00, are below.

Seismically, seven of nine previously upgraded facilities are considered completely mitigated. The remaining two will be requiring additional mitigation as a result of reassessments according to the latest Building Code. The replacement of the Children's Development Centre has been completed and reassessed.

## **COMMUNITY DEMOGRAPHICS**

The total population for the SD63 area has been increasing steadily from 63,000 in 2011 to 70,787 in 2021. It is expected to grow to about 83,079 by 2033 according to BC Stats.

The projected age 5-17 population for the SD63 area is expected to show a slight increase of 175 from 9,020 in 2023 to 9,195 by 2033.

## **ENROLMENT PROJECTIONS**

Assuming existing enrolment trends, the increase in the number of students by 2033 will be 150 from within the District and a reduced number of additional students from out-of-district, with the exception of those already attending elementary schools in the South Zone and ROMS. This will maintain the maximum capacity utilization at ROMS and CSS. Overall, the enrolment increase for the District is expected to be 55, from 6,697 in 2023 to 6,752 by 2033.

Patterns of growth for the elementary, middle and secondary students show:

- Elementary students decreasing by 196 from the year 2023 to 2034
- Middle students increasing by 131, peaking around 2027, and a gradually declining by year 2033
- Secondary students gradually increasing shows a gradual increase of 263, peaking around year 2031, and levelling off to year 2033

## **CAPACITY & UTILIZATION**

The Design Aid Sheets were updated in March 2020 to incorporate all recent additions and alterations not included in the Ministry of Education record, and the Nominal Capacity revised from 7,245 to 7,640.

The operating capacities based on the MOE's average classroom capacities and grade structures were recalculated for the revised Design Aid Sheets.

The Capacity Utilization for the District overall, will be increasing from 95% in 2023 to 96% by 2033. For the elementary schools, it will be decreasing from 108% to 101%, for

the middle schools, increasing from 96% to 97% and for the secondary schools, increasing from 81% to 90%.

## **SUMMARY OF RECOMMENDATIONS**

- Limit intake of additional G6 OOD students (other than those attending elementary schools in the South Zone) at ROMS and G9 OOD students at Claremont (other than those attending ROMS ) to maintain their school capacities at 600 and 1,000 respectively
- Submit Capital Plan for a 4-classroom addition at Cordova Bay, based on existing deficit and future enrolment need from new housing targets
- Continue to monitor the enrolment at Sidney, and consider removal of the OOC attendance restriction in future as enrolment declines
- Continue to monitor the K intake at South Zone elementary schools

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A	School District Map
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C	Facility Condition
D	Base Case Summary
E	Public Consultation Summary

## 1. OBJECTIVES & PROJECT SCOPE

### 1.1 Introduction

The Ministry of Education 2020/21 Capital Plan Instructions issued in March 2019 (updated April 2019) require Boards of Education to develop and maintain a comprehensive School District Long Range Facilities Plan (LRFP). In the instructions, this requirement is defined as follows:

*A comprehensive Long-Range Facilities Plan (LRFP) should guide all board of education decisions regarding capital asset management and capital plan submissions, both in terms of facility operations and educational programming. The content of each LRFP developed by boards is fully expected to vary, as they will be dependent on the unique circumstances of individual school districts currently and in the future. The LRFP for a school district would most commonly use at least a ten-year planning horizon. However, a longer period may be considered where local government is actively pursuing extended land use planning and lengthier residential development growth strategies, which may directly influence the growth of student enrolment in different areas of the school district. Conversely, the potential contraction of communities and changing demographics in neighbourhoods, leading to subsequent decline in student enrolment, may also need to be considered under the LRFP. As all capital project requests should be supported by a current LRFP, the Ministry may request school districts to provide appropriate sections of the LRFP to inform its review of individual requested projects. Of primary consideration is that any school for which a capital project is being proposed has been identified in the LRFP as being necessary for the board's continuous provision of education programming for students in the school district.*

The LRFP takes into consideration education program requirements and trends, capacity utilization, seismic vulnerability and risk factor of school buildings and current condition of existing facilities, in addition to current land use and anticipated changes, future housing developments, student yield rates, community demographics, local community and economic development strategies, and other long-term planning considerations.

The LRFP supports the Five-Year Capital Plan to be submitted to the Ministry by providing a comprehensive rationale for specific capital projects that are proposed. In addition, the LRFP provides a district-wide framework for other key local decisions such as analysis of capacity utilization of surrounding schools, location of district programs and maintenance priorities.

## 1.2 Objectives

The objectives the School District wishes to achieve through the LRFP, include the following:

- To fulfill the requirement of the Ministry for each school district to develop a LRFP as instructed and required as part of the capital plan submission
- To demonstrate existing School District's strategies in meeting the guidelines for optimum capacity utilization
- To guide the School District and the Ministry in facilities decisions over the long term to ensure cost-effective operations of existing facilities and capital investments for new schools, additions, renovations/upgrades, replacements
- To develop options to meet space needs in the district and to achieve balance between enrolment and school capacity in each of the Zones, especially in resolving overcapacity in South Zone schools

## 1.3 Scope of the Plan

The LRFP is a Facilities Plan that provides a framework to guide the district in rationalizing its long-term facilities usage and to support future capital plan submissions to the Ministry of Education. The ownership of the plan stays with the District and is a dynamic document that needs to be updated and amended as circumstances and programs change over time, or as requested by the Ministry for the review of a specific project request.

This study will cover a ten-year planning horizon from 2024 to 2033, and is limited to the students enrolled at the 14 schools in the Saanich School District, who receive classroom instruction in the regular English and French Immersion programs. Figures for enrolment will not include International Students.

The process to complete the LRFP includes:

- review of SD63 educational programs
- review of existing planning and facilities reports to establish a profile of all facilities in the District
- analysis of demographics and trends from BC Stats and StatCan, including review of population data and projections
- preparation of enrolment projections
- confirmation and update of operating capacity of each school
- calculation of space surplus/deficit for each school to develop options to address increasing/decreasing enrolments and develop options to meet space needs

## 2. EDUCATIONAL PROGRAMS

### 2.1 Educational Programs offered by SD63

SD63 offers a variety of programs in its schools and other district facilities, including:

- Early Education:
  - StrongStart program at Lochside, Brentwood and Sidney
  - Out of School Care Programs at:
    - Lochside
    - Cordova Bay
    - Brentwood
    - Deep Cove
    - Keating
    - Sidney
  - SESISEJ Childcare Centre
- French Immersion: program at Keating (K-5) and Deep Cove(K-5), Bayside (6-8) and Stelly's (9-12)
- International Student Program: currently offered at the middle and secondary schools
- Programs at Parkland:
  - IB
  - Institute of Sports Excellence
- Programs at Stelly's
  - Climbing Academy
  - Global Perspectives
- Programs at Claremont:
  - Sports Institute
  - Focus on Fine Arts
  - Pursuit of Excellence
  - Institute of Global Solutions
- **SENĆOŦEN Language Program** at Bayside Middle School
- District Programs (in partnerships with other organizations) in schools:
  - Marine Service Technician (MST) at Parkland
  - Professional Cook (E-prentice) at Stelly's
  - Trade Exploration (TEx) at Claremont
- Other programs offered at other district facilities include:
  - Hairstylist at SLC
  - Trade Awareness, Skills & Knowledge and STAC (Skills Training Apprenticeship Carpentry) at Continuing Education
- Individual Learning at Broadmead and Saanichton
- Distance Education (SIDES): offered to all BC students, located at Royal Oak Campus and at Beaver Lake
- Children's Development Centre (CDC) and Alternate Learning Program (ALP)
- Continuing Education

## 2.2 Organization

The schools in the District are structured by grades as K-5 (elementary), G6-G8 (middle) and G9-G12 (secondary). They are grouped as three families of schools, each with two to three elementary schools, one middle school and one secondary school. The three families of schools lie within several municipalities and for planning purposes, they are organized by zones as follows:

**Figure 2.1A: Organization of SD63 schools**

ZONE	Elementary (K-5)	Middle (6-8)	Secondary (9-12)
North Zone	Deep Cove	North Saanich	Parkland
	Sidney		
	KELSET*		
Central Zone	Brentwood	Bayside	Stelly's
	Keating		
South Zone	Cordova Bay	Royal Oak	Claremont
	Lochside		
	Prospect Lake		

\* students residing in the south portion of KELSET catchment area, known also as the Option Area, can choose to continue to middle school either in the North Zone at North Saanich or in the Central Zone at Bayside

**Figure 2.1B: Organization of dual-track schools**

Catchment	Elementary	Middle	Secondary
Deep Cove	Deep Cove	Bayside	Stelly's
Sidney			
KELSET (excl Option Area)			
KELSET Option Area	Keating	Bayside	Stelly's
Brentwood			
Keating			
Cordova Bay			
Lochside			
Prospect Lake			

Catchment area maps of the elementary, middle, secondary and dual-track schools are shown graphically in Appendices 2-4.

### 3. DISTRICT FACILITIES PROFILE

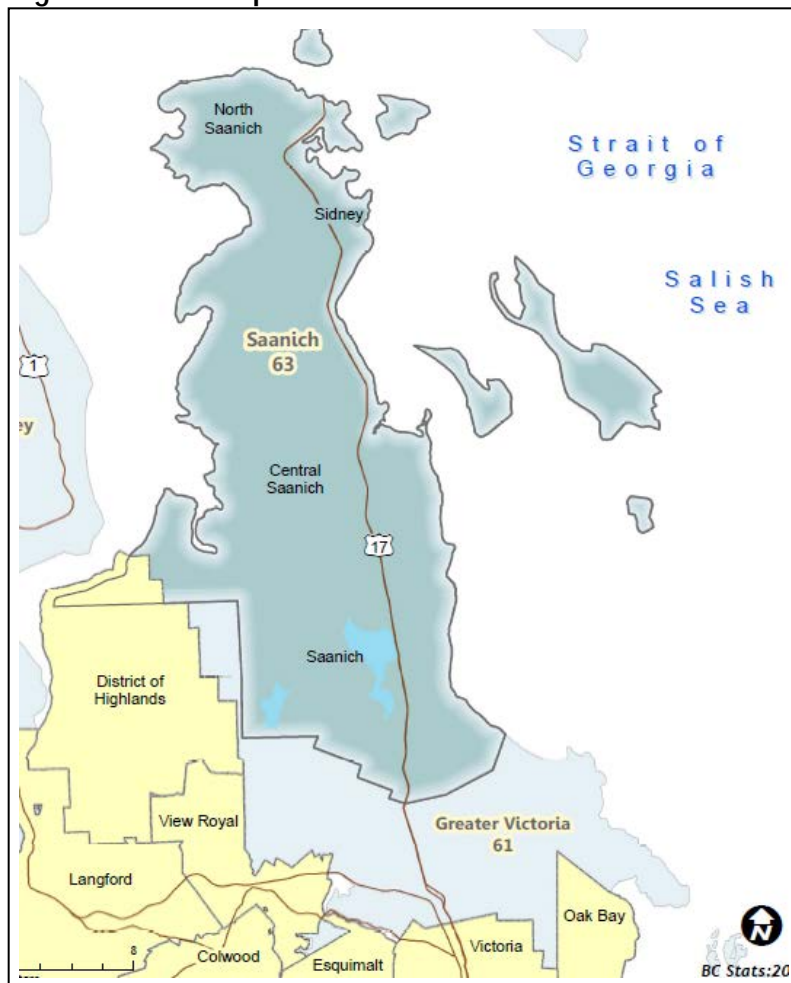
#### 3.1 Overview

School District Number 63 (Saanich) is an average size school district serving the area north of Victoria on the Saanich Peninsula. It includes the northern portion of the District of Saanich (excluding a small northwest section to the northeast of the District of Highlands), as well as the Municipalities of Central Saanich, North Saanich and the township of Sidney. It also includes a northern triangular section of the District of Highlands and a small section south of Willis Point which is part of the Juan de Fuca EA. It is bounded on the west by the Saanich Inlet and on the east by the Haro Strait and various islands. To the southwest is SD 62 (Sooke) and to the south, GVSD 61 (Greater Victoria).

The area also includes these First Nation Reserves:

- Pauquachin First Nation and Tseycum First Nation in North Saanich
- Tsartlip and Tsawout First Nations in Central Saanich

Figure 3.1A - Map of Saanich School District





### 3.2 District Facilities

SD63 has these following facilities:

14 operating K-12 schools:

- Brentwood Elementary
- Cordova Bay Elementary
- Deep Cove Elementary
- Keating Elementary
- KELSET Elementary
- Lochside Elementary
- Prospect Lake Elementary
- Sidney Elementary
- Bayside Middle School
- North Saanich Middle School
- Royal Oak Middle School
- Claremont Secondary School
- Parkland Secondary School
- Stelly's Secondary School

6 other facilities in use by the District:

- Board Office
- Children's Development Centre
- Individual Learning Centre (Broadmead and Saanichton)
- Maintenance Shops
- SIDES Beaver Lake
- SIDES Wilkinson Rd

3 surplus properties leased or vacant:

- Old Sansbury Elementary School: leased to Allegro Performing Arts Centre
- Old Greenglade Elementary School: leased to CRD, used a community centre
- Old School Board Site: leased to Town of Sidney, used as parking lot

### 3.3 Portables

As of Fall 2023, there were a total of 31 portables on SD63 sites, of which 4 are owned by Keating Out of School Care (KOSC). Many of the portables are older and in poor condition. Their location, number and use are shown in the following table:

Figure 3.3A

Location	Number	Use	Comment
Lochside Elementary	3	Childcare	leased out
Cordova Bay Elementary	4	2 for Childcare + 2 for General Instruction	Portables for Childcare leased out
Brentwood Elementary	2	Childcare	leased out
Deep Cove Elementary	2	Childcare	leased out
Keating Elementary	4	Childcare	Owned by KOSC
Sidney Elementary	5	3 for Childcare + 1 for Gen Instruct + 1 for dental office	
KELSET Elementary	1	General Instruction	classroom
North Saanich Middle School	1	General Instruction	classroom
Claremont Secondary	1	General Instruction	classroom
Prospect Lake Elementary	2	General Instruction	classroom
Brentwood Elementary	1	Non-Instructional	leased to CUPE
South Island Distance Education (SIDES)	1	Non-Instructional	admin space for SIDES
SESISEJ Childcare Centre	4	Childcare	
TOTAL	31		

### 3.4 Facility Condition

As part of the Ministry of Education Capital Asset Management Services (CAMS) initiative, VFA Canada was engaged to conduct facility condition assessments for School District No. 63 in October 2018. The purpose of these assessments is to determine the condition of each school facility, including their building systems in order to determine the amount of capital funding resources required to renew it.

The building systems assessed include:

- Exterior building envelope
- Interior construction and conveyance
- Electrical
- Heating, ventilation, and air conditioning
- Plumbing
- Structure

An overall facility condition index (FCI) is developed for each school facility to provide a comparative indicator of the condition of facility relative to other facilities in the District. The Facility Condition Index (FCI) is expressed as:

$$\text{Facility Condition Index} = \frac{\text{Cost to remedy maintenance deficiencies}}{\text{Replacement Value of Facility}}$$

The general facility condition index is expressed as a number below 0.05 (excellent) to above 0.60 (very poor). The relative measure of the condition of the facilities, based on 5 years of deferred maintenance, is categorized either "Above" or "Below" a provincial average of 0.43.

The following figures display the Facility Condition Index for each school as determined by the Ministry of Education funded Capital Asset Management System (CAMS) building assessments.

**Fig 3.4A: Table showing FCI of Schools**

Facility Name	FCI	FCI Date
KELSET Elementary	0.003	
Child Development Centre	0.01	
North Saanich Middle School	0.01	Oct-18
Royal Oak Middle School	0.03	Oct-18
Board Office	0.15	Oct-18
Maintenance Shops	0.27	Oct-18
Stelly's Secondary School	0.28	Oct-18
SIDES Beaver Lake	0.34	Oct-18
Keating Elem Annex	0.38	Oct-18
Prospect Lake Elementary	0.41	Oct-18
Deep Cove Elementary	0.42	Oct-18
Bayside Middle School	0.44	Oct-18
Cordova Bay Elementary	0.44	Oct-18
Lochside Elementary	0.46	Oct-18
Brentwood Elementary	0.47	Oct-18
Individual Learning Centre	0.48	Oct-18
Keating Elementary	0.50	Oct-18
Parkland Secondary School	0.50	Oct-18
Greenglade Elementary	0.51	Oct-18
SIDES Wilkinson Rd	0.55	Oct-18
Claremont Secondary School	0.57	Oct-18
Sidney Elementary	0.61	Oct-18
Sansbury Elementary	0.78	Oct-18

\* Table to be updated for newly completed SESISEJ Chidcare Centre after FCI assessment

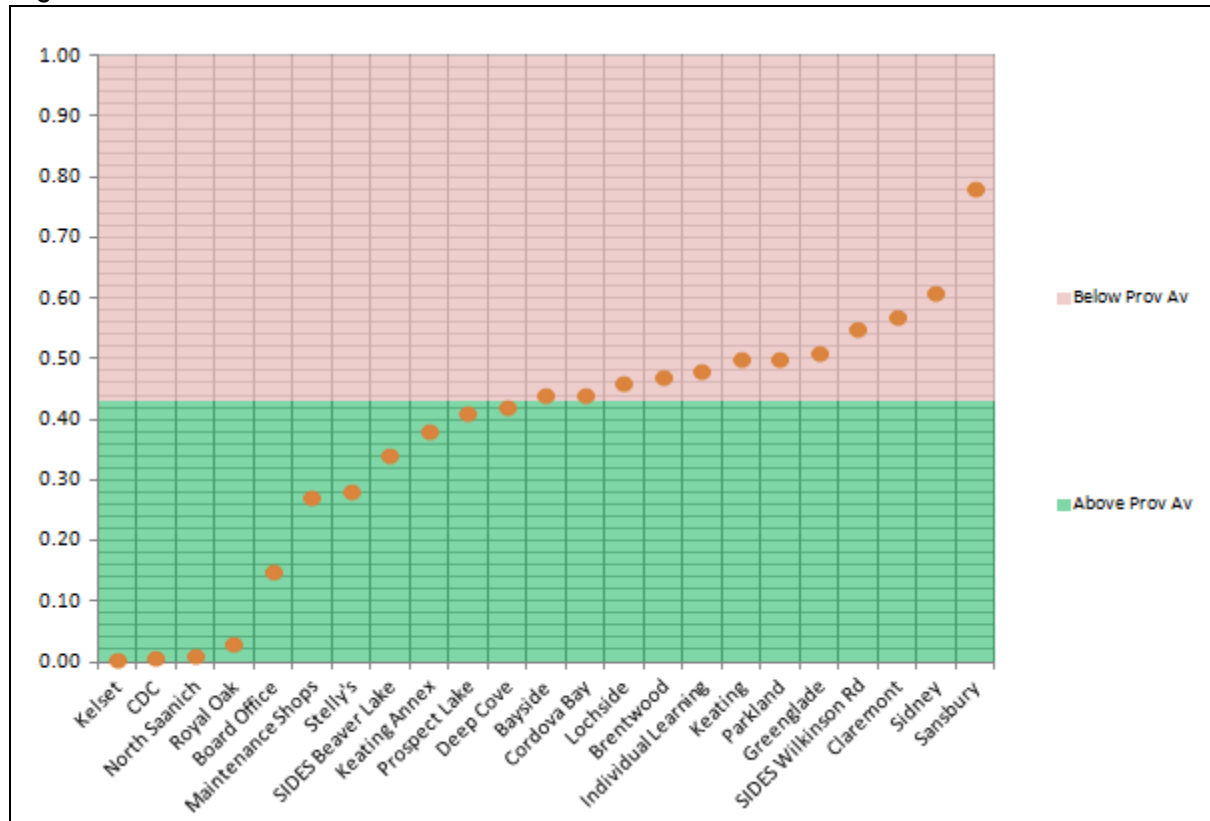
The relative measure of the condition of the facilities is usually categorized into a five-tiered condition scale ranging from Excellent to Deficient, as follows:

Figure 3.4B

Rating	Condition	Remarks
< 0.05	Excellent	Near new; meets present and foreseeable future requirements
0.05 - 0.15	Good	Meets all present requirements
0.15 - 0.30	Average	Has significant deficiencies, but meets minimum requirements; some significant building system components nearing end of normal life-cycle
0.30 - 0.60	Poor	Does not meet requirements; immediate attention required to significant building systems; some significant building systems at end of life-cycle
> 0.6	Deficient	Does not meet requirements; immediate attention required to most significant building systems; most significant building systems at end of their life-cycle

The following chart displays the Facility Condition Index for each school as determined by the Ministry of Education funded Capital Asset Management System (CAMS) building assessments in October 2018, updated and reassessed:

Figure 3.4C



From the above table, just more than half of the facilities in use by the District rate below the provincial average of FCI 0.43, with many significant building systems coming to the end of their life-cycle and requiring replacement.

### 3.5 Energy Sustainable Plan

All public organizations in BC are subject to the BC Climate Change Accountability Act which under the CleanBC Plan in March 2021 has prescribed the reduction of 59-64% of GHG from all buildings by 2030. This is the equivalent of cutting the emission of GHG from SD63 buildings by 575-655 tCO<sub>2</sub>e.

A viable approach is " Building Electrification" to reduce GHG through the installation of heat pumps, i.e. the transition to electrification of building space and water heating. The potential amount of GHG reduction using this strategy is summarized below:

	<b>Central Plant</b>	<b>Zone/ Terminal</b>
Parkland Secondary	119	66
Bayside Middle School	118	46
Stelly's Secondary	114	85
Royal Oak Middle School	110	0
Claremont Secondary	80	44
KELSEY Elementary	36	23
Sidney Elementary	54	2
Lochside Elementary	43	23
Keating Elementary & DRC	33	13
SIDES - Beaver Lake	15	0
Cordova Bay Elementary	14	32
School Board Office	7	0
Individual Learning Centre	30	13
Deep Cove Elementary	29	16
North Saanich Middle School	40	0

\* Central Plant refers to equipment typically found in mechanical rooms

\*\* Zone/Terminal refers to items found distributed throughout the building

By implementing Building Electrification to the Central Plant of the three secondary schools and two older middle schools (Bayside and Royal Oak), a total of 841 tCO<sub>2</sub>e can be achieved, close to the minimum 575 required by 2030.

### 3.6 Seismic

The adoption of the 2015 National Building Code has necessitated an update to the Seismic Retrofit Guidelines to create a 3rd Edition (SRG3) due to changes which reflected significantly increased assumptions for ground force motions and expectations for more intense shaking on Vancouver Island and Haida Gwaii.

As a result of the reassessment of all facilities based on these guidelines, the Ministry has produced a current Seismic Mitigation Program Status Report (Nov 2019) which lists:

- eight of the nine previously upgraded facilities as completely mitigated,
  - Claremont Secondary
  - Keating Elementary
  - Lochside Elementary
  - North Saanich Middle (replaced)
  - Parkland Secondary
  - Prospect Lake Elementary
  - Stelly's Secondary
  - Children Development Centre (replaced)
- two facilities that were previously upgraded as requiring additional mitigation as a result of one or more blocks reassessed to high risk from low risk:
  - Cordova Bay
  - Deep Cove
- five additional facilities requiring seismic upgrade:
  - SIDES
  - Brentwood
  - ILC (Saanichton)
  - Keating Elem Annex
  - Sidney

### 3.7 Capital Plan Submission

From the FCI ratings Sub-section 3.4, many of the school facilities are in need of improvement. A combination of capital projects and Annual Facilities Grant projects has been identified to the Ministry. The following capital projects were submitted to the Ministry of Education as part of the annual Capital Plan Submission in June 2024:

Fig. 3.7A 5-Year Capital Plan 2024/2025

<b>EXPANSION PROGRAM</b>				
Priority	Facility Name	Proj Code	Est Amount	Project Description
1	Cordova Bay Elementary	EXP	7,300,000	Addition of 4 Classrooms
<b>SEISMIC MITIGATION PROGRAM</b>				
1	Sidney Elementary	SMP	49,000,000	Risk Assessment is H1 (P2 & P4)
2	Brentwood Elementary	SMP	5,687,274	Risk Assessment is H1 (P2)
<b>BUILDING ENVELOPE PROGRAM</b>				
1	Bayside Middle School	BEP	6,909,999	Result of Bldg Env Condition Assessment - 2009
2	Brentwood Elementary	BEP	731,000	Result of Bldg Env Condition Assessment - 2009
3	Prospect Lake Elementary	BEP	670,000	Result of Bldg Env Condition Assessment - 2009
<b>SCHOOL ENHANCEMENT PROGRAM (SEP) PROJECTS</b>				
1	Stelly's Secondary School	SEP	1,000,000	Phase 2 of Heating System Replacement
2	Parkland Secondary School	SEP	500,000	Roof Replacement
3	Parkland Secondary School	SEP	100,000	Accessibility Upgrade
<b>CARBON NEUTRAL CAPITAL PROGRAM</b>				
1	Stelly's Secondary School	CNCP	500,000	Phase 2 of Heating System Replacement
<b>PLAYGROUND EQUIPMENT PROGRAM</b>				
Priority	Facility Name	No	Est Amount	Rational for Replacing Equipment
1	Sidney Elementary	1	N/A	Universally accessible play equip
2	Royal Oak Middle	1	N/A	Universally accessible play equip

<b>BUS ACQUISITION PROGRAM</b>				
<i>4 busses submitted for replacement due to age and high mileage</i>				

<b>SCHOOL FOOD INFRASTRUCTURE PROGRAM (FIP)</b>				
1	Elementary and Middle Schools	FIP	100,000*	* waiting on pricing and items required from schools

<b>DEMOLITION PROGRAM</b>				
1	Sansbury Elementary (facility leased to Allegro Dance)		275,000	Demolition of gym and covered area

### 3.8 Ministry’s Response to Five-Year Capital Plan Submission for 2023/24

There were no major capital projects supported to proceed to concept plan or business case by the Ministry this year.

In the Response Letter dated March 15, 2024, the following three minor projects were approved to proceed to design, tender and construction by March 31, 2025

**Fig. 3.8A New Projects for SEP, FIP, CNCP, BEP, PEP**

Facility Name	Program Project Description	Approved Funding	Next Steps & Timing
Parkland Secondary	SEP - Roofing Upgrades	\$500,000	Proceed to design, tender & construction. To be completed by March 31, 2025
Stelly’s Secondary	SEP - HVAC Upgrades	\$1,000,000	Proceed to design, tender & construction. To be completed by March 31, 2025
Stelly’s Secondary	CNCP - HVAC Upgrades	\$600,000	Proceed to design, tender & construction. To be completed by March 31, 2025
Deep Cove Elementary	PEP - Accessible Playground Equipment	\$195,000	Proceed to design, tender & construction. To be completed by March 31, 2025



### 3.9 Annual Facility Grant

The Annual Facility Grant (AFG) is intended for annual facility projects required to maintain facility assets through their anticipated economic life to prevent premature deterioration.

The projects for 2024/2025, estimated at \$2,134,976, are listed under 4 categories:

- Constants (fixed costs)
- Priority 1 ( most urgent)
- Priority 2 (less urgent, but require sustantial attention)
- Priority 3 (least urgent)

Based on the AFG Allocation of \$1,954,976 for the current year, a budget shortfall of \$180,000 is expected, and is to be additionally requested from the Ministry, failing which, some Priority 3 projects may have to be deferred.

<b>Constants</b>	
Admin Support	36,561
AFG Admin Fee	26,032
CMMS	34,000
Energy Manager	50,000
Sub Total	146,593
<b>Priority #1</b>	
District Painting x 2 painters	210,000
District Lead Testing	7,000
Deep Cove Septic Field Replacement	240,000
Cordova Bay Heat Pump Install	400,000
ROMS Boiler Replacement - Phase 2	215,000
Stelly's autoshop doors	30,000
Prospect Lake Sprinkler System	125,000
Brentwood Boiler room - Parts only	86,035
Sub Total	1,313,035
<b>Priority #2</b>	
District Data Rewire	150,000
ILC Meeting Room Heat Pump	30,000
Sub Total	180,000
<b>Priority #3</b>	
Misc Building improvments	115,348
District Line Painting	35,000
District Security upgrades	15,000
Paving TBD	100,000
Parkland Gym Floor	50,000
SESISEJ Possible Contribution ***	180,000
Sub Total	495,348
Total required for 2024 / 2025	2,134,976
Current Year AFG Allocation	1,954,976
Over Budget***	-180,000

## 4. COMMUNITY DEMOGRAPHICS

### 4.1 Introduction

Saanich School District No. 63, which is mainly in the traditional territory of the WSÁNEĆ First Nation, is in the north portion of the Capital Regional District. It includes the following Municipalities and First Nation Indian Reserves:

- a northern portion of the District of Saanich (TEA 4)
- District of Central Saanich (TEA 3)
- Town of Sidney (TEA 2)
- District of North Saanich (TEA1)
- Tseycum (Union Bay 4), located in C Saanich
- Pauquachin (Coles Bay 3), located in C Saanich
- Tsartlip (South Saanich 1), located in N Saanich
- Tsawout (East Saanich 2), located in N Saanich
- a small northeast portion of Highlands
- Willis Point, part of Juan de Fuca EA

The population as a whole for the School District area is accessed based on a combination of Provincial data sources (BC Stats, Vital Stats) and Federal data sources (Statistics Canada, Canada Census). Other trends analysed, such as employment, land use capacities, migration, fertility, etc., are based on available data from a broader area, including all of Saanich or the entire Capital Regional District.

### 4.2 Population History: First Nations Reserves

Figure 4.2A summarizes the population statistics for First Nations communities from 1996 to 2016. Data is not available or as been suppressed for privacy reasons (due to small numbers of people) for South Saanich 1 and Union Bay 4 in the census year of 2006.

**Figure 4.2A - Population of First Nations Communities (2001- 2016)**

FN Community	2001	2006	2011	2016
East Saanich 2	1425	1620	1710	1615
South Saanich 1	580	-	810	795
Coles Bay 3	255	235	320	335
Union Bay 4	105	-	115	85
<b>TOTAL</b>	<b>2,365</b>	<b>1,855*</b>	<b>2,955</b>	<b>2,830</b>

\* The population for 2006 is less due to data suppression for two of the four Reserve areas

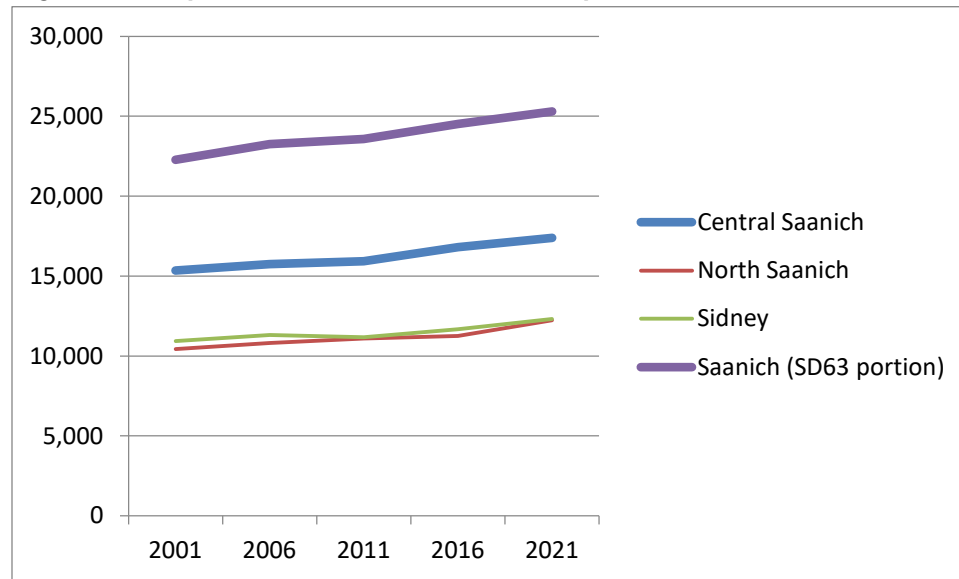
### 4.3 Population History: Municipalities

The following table and graph depict the municipal populations and their population trends from 2001 to 2021. It should be noted that the School District’s population include an additional 6% not shown in the total municipal population.

**Fig 4.3A Historic Population for Municipalities (2001 - 2021)**

Census Year	Central Saanich	North Saanich	Sidney	Saanich (SD63 portion)
2001	15,348	10,436	10,929	22,273
2006	15,745	10,823	11,315	23,250
2011	15,936	11,089	11,178	23,580
2016	16,814	11,249	11,672	24,521
2021	17,385	12,235	12,318	25,292

**Fig 4.3B Population Trends for Municipalities (2001 to 2021)**



From this graph, the SD63 portion of Saanich constitutes under 1/3 of the entire population of the School District in 2016. It is expected to grow gradually to have a larger share of the overall SD63 population. It can be assumed that a large portion of the school age population will dwell in this southern part of the School District in the future.

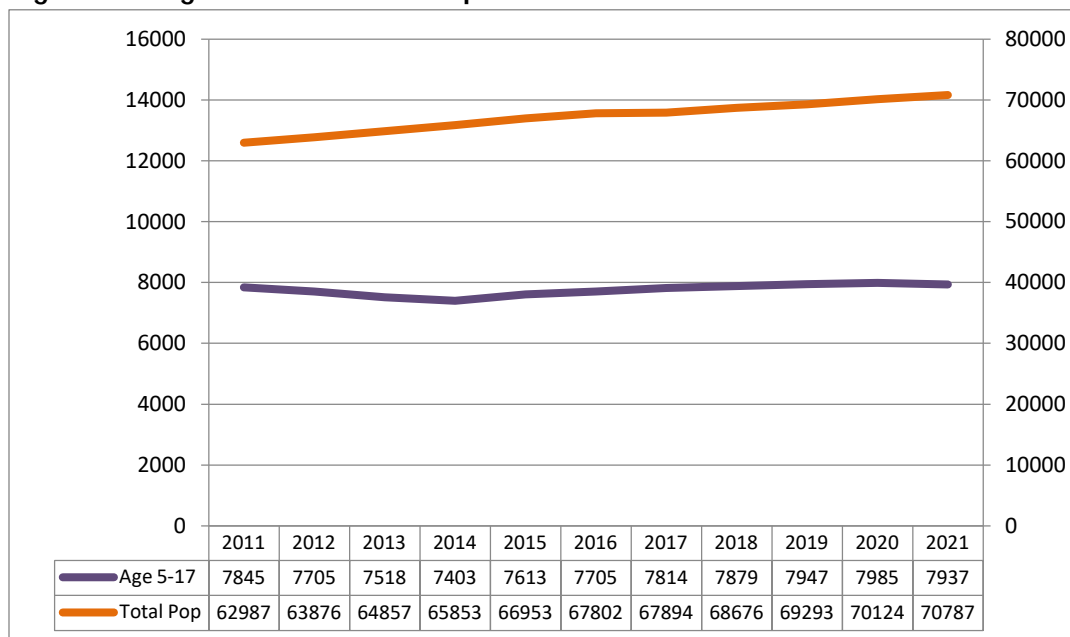
All the municipalities, except for Sidney, show a healthy growth of between 4 to 6% from 2016 to 2021.

### 4.4 Population History: SD63

The population for SD63 has grown steadily from 62,987 in 2011 to 70,787 by 2021, an average annual rate of 1.24%. During this same period, the age 5-17 group population decreased from 7,844 in 2011 to a low of 7,403 in 2014, and increased to 7,985 in 2020 before starting to level off and show a slight decline. Overall, the net increase of the age 5-17 group for the 10 years during 2011 to 2021 has been 92, less than 100, as compared to a total population increase of 7,800.

There is also a decrease of the age 5-17 group as a percentage of the total population, from 12.45% in 2011 to 11.21% in 2021. This trend is expected to continue into the future as fertility and birth rates continue to decline and life expectancy continues to improve. As a result, a small increase in total population may not necessarily produce an increase in the age 5-17 group population. The following chart shows the age 5-17 population trend relative to that of the total population for 2011 to 2021.

**Fig 4.4A - Age 5-17 and Tot Pop for 2011 to 2021**



Source: BC Stats

### 4.5 Indigenous Identity from Ministry of Education Data

For the Province as a whole, the percentage of the Indigenous students in the overall student population was 10.6% in the 2013/14 school year and 11.4% in the 2022/23 school year, considered a relatively stable percentage.

As a percentage of the overall school population, the number of students who self-identified as Indigenous have increased from 7.9% to 8.9% between the 2013/14 and 2022/23 school years. The following table Figure 4.5A summarizes this data for the Province and SD63.

**Figure 4.5A: Students identifying as Indigenous (2013/14 to 2022/23)**

School Year	Province			Saanich School District No. 63		
	Total Students	Indigenous Students	Indigenous Students in %	Total Students	Indigenous Students	Indigenous Students in %
2013/14	558,983	59,502	10.6	9,815	776	7.9
2014/15	552,786	59,382	10.7	9,185	736	8
2015/16	553,376	60,706	11	8,914	743	8.3
2016/17	557,625	61,801	11.1	8,155	713	8.7
2017/18	563,241	63,182	11.2	8,441	678	8
2018/19	568,982	64,326	11.3	8,624	696	8.1
2019/20	576,000	65,215	11.3	9,008	722	8
2020/21	568,285	64,272	11.3	8,867	740	8.3
2021/22	578,797	66,282	11.5	9,114	806	8.8
2022/23	590,583	67,285	11.4	8,963	799	8.9

Source: *Aboriginal Report How Are We Doing? 2022/2023- Saanich School District*

The general observations for the school years 2008/09 to 2022/23 are as follows:

- The percentage growth of students who self-identified as Indigenous was greater in SD63, at 12.65%, than that for the Province, at 7.55%
- The percentage of students who self-identified as Indigenous grew steadily in the Province; for SD63, it fluctuated between the years 2016/17 and 2019/20
- The percentage of students who self-identified as being Indigenous is generally lower for SD63 than for the Province

## 4.6 Factors Influencing Population

*Saanich School District No. 63 and the Saanich Peninsula Local Health Area (LHA) have coincident administrative boundaries, and as such, the information provided in this subsection relies on data from the Saanich Peninsula LHA and Vital Statistics.*

There are a number of factors influencing population growth.

- **Fertility rate:** Fertility rate in Canada has changed over the years. It increased after World War II, from 2.64 in 1937 to a peak of 3.9 in 1960, followed by a pronounced decline, dipping below the replacement-level of 2.1 in 1971 to 1.6 by 1986. This declining trend slowed with some fluctuations and reached a low of 1.51 in 2000 before registering a mini peak of 1.7 in 2008. It has been sliding since then to 1.33 in 2022, the lowest annual fertility rate recorded since data-keeping
- **Births:** The number of births to women residing within the Saanich School District area has fluctuated between 350 and 450 in the last 20 years. Most recently in the last 6 years, it has been between 359 and 434.
- **Deaths:** The number of deaths within the Saanich School District area has not shown any clear trend. From 2016 to 2021, it has fluctuated between 750 and 850, averaging 815 in those 6 years
- **Median Age:** The average median age of the Municipalities in SD63 has been increasing over the period between 2001 and 2021, reflecting the aging demographic trends. Comparing the 2021 median age of the municipalities with the Province at 43.1, it is generally observed that:
  - The median age of Saanich is slightly higher than that of the Provincial average, at 44.4
  - The median age of Central Saanich at 49.6, North Saanich at 58.6 and Sidney at 62 are much higher than the Provincial average reflecting the aging demographic trends in these municipalities
  - Coles Bay, Union Bay and East Saanich each share similar statistical profiles with other First Nations communities in the Province, being younger in character than in the surrounding municipalities
- **Migration:** Circumstances that can influence someone to move into or out of region are often referred to as “Push-Pull Factors”. Some of the common influences that are “Push-Pull factors include: jobs, affordable housing, lifestyle, natural environment, seasonal employment, culture and history, etc.

The data for migration is only available at the Capital Regional District level which can provide some indication of the trends for the SD63 area:

- Historically, the Capital Regional District has experienced a net inflow (more people entering than leaving) of intraprovincial, interprovincial and international immigrants
- Between the years 2021 and 2022, there was a small increase of 30 in net intraprovincial immigration from 5,777 to 6,007, a decrease of 1,055 from 7,195 to 6,140 in net interprovincial immigration and a large increase of about 8,000 in net international immigration

#### **4.7 Cumulative Effect of Births, Deaths and Migration Factors:**

In considering all of the above factors together, the following can be observed:

- Natural growth and in-migration will continue to be important sources for growth
- Advances in health technology, will continue to contribute to survival trend rates and higher life expectancy
- The number of deaths and thus the death rates will be increasing in time due to the overall aging of the population. Provincial analysis suggests the number of deaths will increase more rapidly than the number of births. When the number of deaths exceed the number of births, as in the SD63 area, the net natural growth of the population is negative
- In-migration, although variable, will become the main source for growth once natural growth becomes negative

#### **4.8 Population Projections**

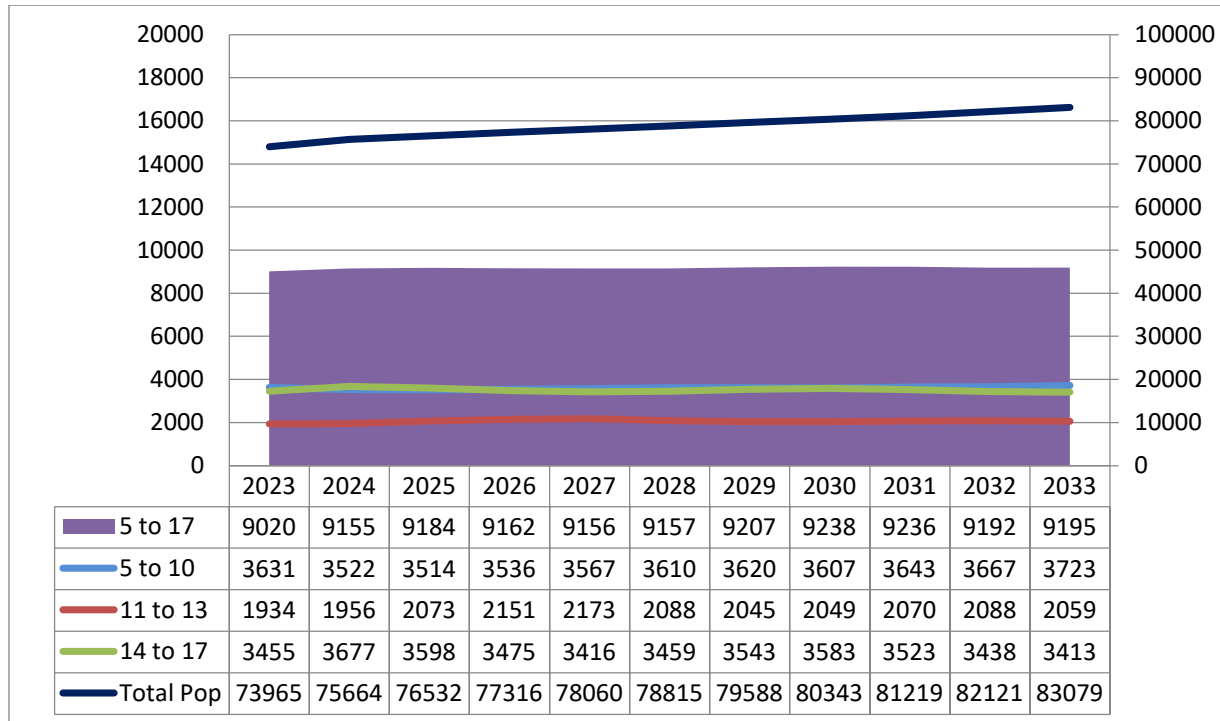
Population projection data were obtained from BCStats (updated to 2021 Census). BCStats uses a model that generates population figures based on the types of trends and assumptions described in the previous section.

For 2023 to 2033, BCStats is projecting the SD63 population to grow by 9,115 and the 5-17 age group to grow by 175. Using a historical average of 85% Participation Rate from the previous five years, an increase of up to 150 K-12 students from within the SD63 area can be expected by 2033 as a predictive estimate.

Actual increase in total enrolment for SD63 would vary from this number due to the reduction of OOD attendance based on availability of spaces at ROMS and CSS.

The age 5-17 group and total population projections for SD63 are shown below:

**Figure 4.8A - Age 5-17 Group and Total Population Projections**



### 4.9 Growth Potential of the Municipalities

The total number of housing starts to 2018 has seen huge increases in all the municipalities. The recent 3-year average for each of the municipality is as follows:

- Saanich (estimated for SD63 area): 100
- Central Saanich: 83
- North Saanich: 97
- Sidney: 113

From the data available for the first 6 months of 2019, the number of housing starts was 32, 21, 20 and 9, respectively, indicative of a fairly drastic drop for 2019.

The proportion of housing types for each of the municipality fluctuates from year to year. In Saanich, most units constructed are apartments. Central Saanich also has most of units constructed as apartments, and in addition, has a mix of housing units that include row housing (townhouses). In North Saanich, residential construction is mainly in the form of single residences, with apartment buildings being constructed in more recent years. Sidney also has a mix of housing types, but apartments are the most common housing form.



The areas of growth identified by the municipalities are outlined below:

**Saanich:**

Growth in the SD63 portion of Saanich has been mainly in Rural Saanich, Royal Oak and Cordova Bay Local Planning Areas.

- **Rural Saanich:** There are limited opportunities for subdivision in Rural Saanich under the existing zoning. There is a theoretical potential for about 230 new lots outside of the Agricultural Land Reserve
- **Royal Oak:** Housing potential appears to focus on multi-family rather than single family residential growth. There is little growth foreseen for the single family housing stock (total number of units is 1,752). Multi-family units are estimated to increase from 1,469 to 1,847 units when all developable sites are built-out
- **Cordova Bay:** Housing in this area is mainly single family. Build out had been achieved under the current plan. The Local Area Plan dated 22 Feb 2022 provided for additional housing through future land use designations that include attached residential, townhouses, low-rise apartments for several areas such as: Village, Sayward Hill, Ridge Area and Sunnymead

A regulatory framework was endorsed by Saanich Council in October 2019 which would permit Garden Suites on all RS zoned lots inside the Sewer Service Area (Urban Containment Area). Those built on larger lots may be more conducive to accommodating families with children.

This policy will mainly affect the Cordova Bay and Royal Oak areas. As a result, there may be as many as 500 or larger single residential lots becoming eligible for garden suites, being built over time, potentially generating additional children for Cordova Bay and Lochside.

**Central Saanich:**

The Regional Context Statement (RCS) of the Official Community Plan (OCP) indicates that the majority of growth is planned to take place within the four Residential-Settlement Areas: Brentwood Bay, Tanner Ridge, Saanichton and Lochside Drive.

**North Saanich:**

North Saanich is in the process of updating the Regional Context Statement in its Official Community Plan. The assessment was that the currently designated areas (McTavish Area 1 and Tsehum Area 2) offer sufficient land to satisfy potential future growth as noted in the following table:

**Figure 4.9A Population and DU Projection for North Saanich**

	2018	Projected 2023	Projected 2028	Projected 2033	Projected 2038
Population	12,200	12,400	12,600	12,800	13,000
Dwelling Units	5,000	5,225	5,450	5,675	5,900

**Sidney:**

Sidney Council has adopted a new Official Community Plan (OCP) and the Regional Context Statement (RCS) in June 2022. It recognized that Sidney is largely built out and that growth will be mainly accommodated through higher density redevelopment in and in close proximity to the downtown and densification of single-family areas to allow secondary suites. It also recognized that growth of families with children may not be as great as it has been in the past as the proportion of new younger households has been declining and the trend points toward an increasing aging population.

**4.10 Pattern of Growth in Municipalities**

Based on the foregoing review of the four communities located in the Saanich School District No. 63, the following are some general observations on the pattern of future growth:

- The greatest amount of growth should be expected in the southern portion of Saanich School District No. 63, especially in the portion of Saanich generally referred to as Royal Oak and Cordova Bay
- Another source of growth is the within the general Urban Area of Saanich through Garden Units as second dwellings on eligible single residential lots
- The Rural and the Agricultural areas are not expected to have any appreciable growth.
- Central Saanich growth will continue in the four existing urbanised areas of: Brentwood Bay, Tanner Ridge, Saanichton and Lochside Drive
- North Saanich growth is expected in two areas: Area 1 (McTavish) and Area 2 (Tsehum)
- Sidney growth will be through infill projects and increasing the density of the existing urban area, with emphasis on its Downtown area

Recent announcements by the Province have established Housing Targets to be met by 30 municipalities. All the municipalities in the SD63 area were among those included. Growth strategies of the municipalities will be required to be revised in the near future. The actual rate of completion, types of housing to be built, and their locations will have an impact on the enrolment projections for SD63 which will need to be adjusted as data become available.

## 5. ENROLMENT PROJECTION

### 5.1 Overview

The enrolment projection is developed at a macro level to project the total enrolment for each school for the years 2024 to 2033. It relies on changes in the 5-17 age group population of the District from BC Stats, and in particular, the relevant age group population of the individual catchment and its historical average Participation Rate of students for that catchment, as well as the Official Community Plans and Local Area Plans, and current Housing Needs Assessment Reports of the Municipalities

In accessing the projected enrolments of a school or schools in a zone, it is useful in identifying trends and anticipating capacity issues and imbalances that need to be addressed.

### 5.2 Summary of Enrolment Projection Process

- Input estimates for 2024 K enrolment based on K pre-registrations; K intakes for 2024 to 2033 based on Baragar's K projections and yearly estimated in-catchment Age 5 population x the calculated average K Participation Rate
- Prepare enrolment projections for G1-5 based on the application of a 'Retention Rate' determined for each school and year, based on estimates from net migration trends, calculation of yield from new housing and population growth/decline in future years from BCStats
- Prepare enrolment projections for G6 based on the application of a "Transition Rate" to the previous year's G5 cohorts from the feeder schools plus any adjustment for out-of-catchment and out-of-district students where applicable, and for G7-8, a "Retention Rate" applied to the previous year's G6-7
- Prepare enrolment projections for G9 based on the application of a 'Transition Rate' to the previous year's G8 cohorts from the feeder schools plus any adjustment for out-of-catchment and out-of-district students where applicable, and for G 10-12, a "Retention Rate" applied to the previous year's G9-11
- Estimate number of new dwelling units to 2032 for each School Zone and calculate yield of students by housing type; augment additional students to respective elementary/middle/ secondary schools for 2023 - 2032

Some measures have been implemented by the District in managing out-of-catchment (OOC) and out-of-district (OOD) elementary students, including:

- Restricting enrolment of OOD students except following siblings at Sidney, KELSET and South Zone elementary schools

- Restricting enrolment of OOC students, except following siblings, at Sidney, KELSET and Prospect Lake
- Restricting enrolment of OOC students, except following siblings and from other South Zone elementary schools at Cordova Bay and Lochside
- Increasing K intake at schools where in-catchment K students are no longer able to enrol OOC at restricted elementary schools or OOD at neighbouring GVSD61 schools as they become full from enrolment of their own students
- Limiting attendance of K FI divisions to 3 at Keating and 2 at Deep Cove through lottery system
- Maintaining maximum enrolment at Royal Oak to 600 and at Claremont to 1,000 by limiting intake of OOD students

### 5.3 Enrolment Projections for SD63 - 2024 to 2033

Figure 5.3A: Enrolment Projections for SD63 - 2024 to 2033

	Current	Forecasted Enrolment									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Brentwood	356	350	364	358	354	354	352	352	350	350	354
Cordova Bay	318	315	323	315	294	297	298	293	294	294	301
Deep Cove	346	360	355	344	319	315	315	317	318	318	322
Keating	489	469	458	458	442	434	433	428	425	423	430
KELSET	367	360	375	395	388	390	394	388	401	381	388
Lochside	421	435	426	420	417	407	414	407	408	407	417
Prospect Lake	248	245	228	216	211	213	212	209	209	209	214
Sidney	392	390	357	351	332	322	307	304	305	307	315
Bayside	585	610	640	663	647	641	636	628	622	620	598
North Saanich	384	390	420	430	459	452	451	428	411	416	398
Royal Oak	620	630	631	608	614	613	596	601	605	608	606
Claremont	1,004	991	1,029	1,035	1,003	1,011	1,003	986	1,015	1,013	1,015
Parkland	428	438	456	474	484	510	528	555	562	557	552
Stellys	740	760	766	777	816	833	850	877	857	845	842
<b>TOT REG ENROL</b>	<b>6,697</b>	<b>6,743</b>	<b>6,828</b>	<b>6,844</b>	<b>6,780</b>	<b>6,792</b>	<b>6,789</b>	<b>6,773</b>	<b>6,782</b>	<b>6,748</b>	<b>6,752</b>

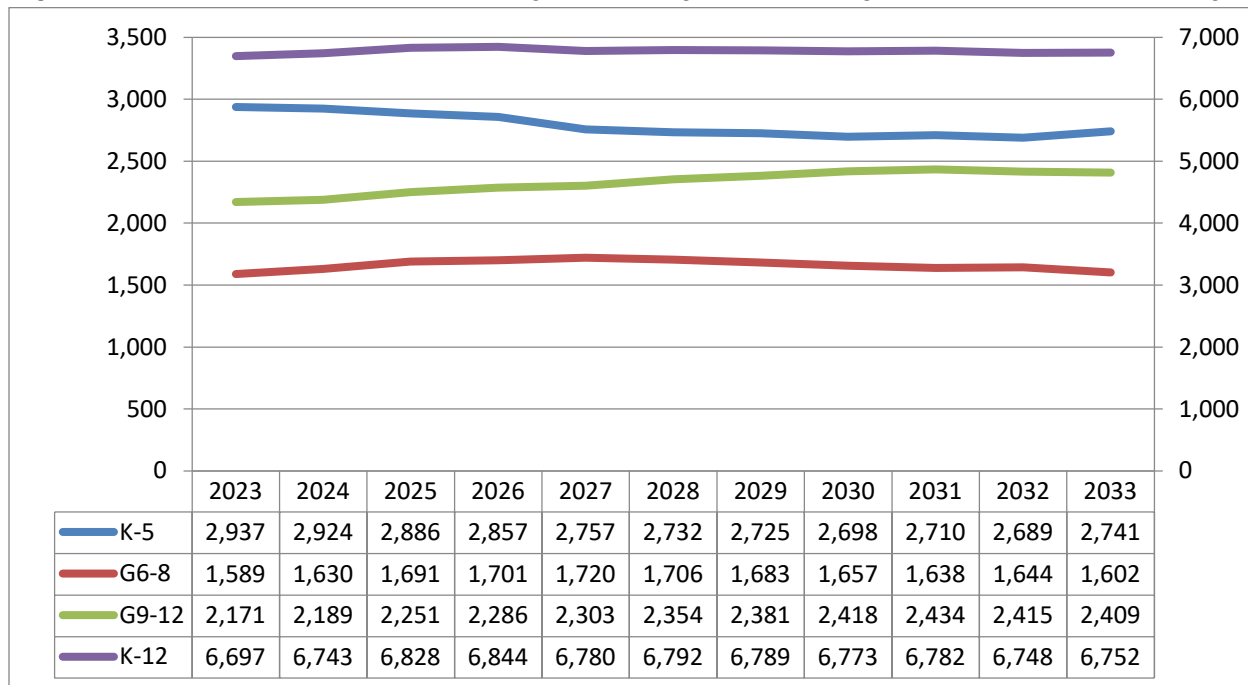
\* Intake of additional OOD students at ROMS and CSS, other than those attending SD63 schools in the South Zone, based on availability of spaces

Figure 5.3B: Enrolment Projections for SD63 - 2024 to 2033 (By Zone)

	Current	Forecasted Enrolment									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Deep Cove	346	360	355	344	319	315	315	317	318	318	322
KELSET	367	360	375	395	388	390	394	388	401	381	388
Sidney	392	390	357	351	332	322	307	304	305	307	315
North Saanich	384	390	420	430	459	452	451	428	411	416	398
Parkland	428	438	456	474	484	510	528	555	562	557	552
<b>N ZONE</b>	<b>1917</b>	<b>1938</b>	<b>1963</b>	<b>1994</b>	<b>1982</b>	<b>1989</b>	<b>1995</b>	<b>1992</b>	<b>1997</b>	<b>1979</b>	<b>1975</b>
Brentwood	356	350	364	358	354	354	352	352	350	350	354
Keating	489	469	458	458	442	434	433	428	425	423	430
Bayside	585	610	640	663	647	641	636	628	622	620	598
Stellys	740	760	766	777	816	833	850	877	857	845	842
<b>C ZONE</b>	<b>2170</b>	<b>2189</b>	<b>2228</b>	<b>2256</b>	<b>2259</b>	<b>2262</b>	<b>2271</b>	<b>2285</b>	<b>2254</b>	<b>2238</b>	<b>2224</b>
Cordova Bay	318	315	323	315	294	297	298	293	294	294	301
Lochside	421	435	426	420	417	407	414	407	408	407	417
Prospect Lake	248	245	228	216	211	213	212	209	209	209	214
Royal Oak	620	630	631	608	614	613	596	601	605	608	606
Claremont	1004	991	1029	1035	1003	1011	1003	986	1015	1013	1015
<b>S ZONE</b>	<b>2611</b>	<b>2616</b>	<b>2637</b>	<b>2594</b>	<b>2539</b>	<b>2541</b>	<b>2523</b>	<b>2496</b>	<b>2531</b>	<b>2531</b>	<b>2553</b>
<b>TOT REG ENROL</b>	<b>6697</b>	<b>6743</b>	<b>6828</b>	<b>6844</b>	<b>6780</b>	<b>6792</b>	<b>6789</b>	<b>6773</b>	<b>6782</b>	<b>6748</b>	<b>6752</b>

The following chart shows the enrolment by total elementary, middle and secondary students in the District:

Figure 5.3C: District Enrolment Projections by Elementary, Middle and Secondary Schools



The general trends for the district enrolment noted are:

- The enrolment projection for the district, from the year 2023 to 2034 shows an increase of 55, from 6,697 in 2023 to 6,752 in 2033
- K-5 enrolment shows a steady decrease of 196 from the year 2023 to 2034
- G6-8 enrolment shows a gradual increase of 131 that peaks around 2027 and a gradual decline to 2033
- G9-12 enrolment shows a gradual increase of 263 that peaks around 2031, and some levelling off to 2033

#### **5.4 Out-of-District Students**

In 2023, there was a total of 460 OOD attending SD63 schools. This numbers will gradually decrease due restrictions on OOD attendance introduced in 2018 at elementary schools in the South Zone and limitation of new OOD students at Royal Oak and Claremont based available space within maintained capacities.

#### **5.5 Revised Boundaries for South Zone elementary schools and Brentwood**

A catchment boundary review of the South Zone elementary schools was conducted in October-November 2020 and the proposed changes were approved for implementation in the 2021/22 school year. The changes comprise the reduction of the catchment area of Prospect Lake with increases to Brentwood and Lochside, and an exchange of catchment areas between Lochside and Cordova Bay.

## 6. CAPACITY & UTILIZATION

### 6.1 DEFINITION

**Nominal Capacity (NomCap)** is the student capacity of a school based on the following capacities per instructional space:

- 20 students per classroom for Kindergarten
- 25 students per classroom for Grades 1 - 12

It forms a base line capacity which is to remain fixed, subject to additions and/or alterations made to the physical space that would affect the nominal capacity. It is also used to determine the total area allowable for its various space functions.

**MOE Operating Capacity (MOE\_OpCap)** is the capacity of the school based on the average class size capacities for different grades as originally published in the Area Standards:

- 19 students per classroom for Kindergarten
- 22 students per classroom for G1 -3
- 25 students per classroom for G4-7
- 25 students per classroom for G8-12

The MOE record of Nominal Capacity for SD63 is shown below in Figure 6.1A:

**Figure 6.1A**

	Brentwood	Cordova Bay	Deep Cove	Keating	KELSET	Lochside	Prospect Lake	Sidney	Bayside	North Saanich	Royal Oak	Claremont	Parkland	Stelly's	TOTAL
K	80	20	20	60	40	40	20	40							7245
E	375	275	325	350	350	425	200	375							
M									650	400	600				
S												925	750	925	

The updated Nominal Capacity for SD63 is shown below in Figure 6.1B:

Figure 6.1B

	Brentwood	Cordova Bay	Deep Cove	Keating	KELSET	Lochside	Prospect Lake	Sidney	Bayside	North Saanich	Royal Oak	Claremont	Parkland	Stelly's	TOTAL	
Adj K	80	20	60	60	60	60	40	60								7640
Adj E	325	275	300	500	325	375	175	300								
Adj M									775	475	600					
Adj S												1075	725	975		

The update of the Nominal Capacity was obtained from the revisions to the Design Aid Sheets undertaken by SD63 in early 2020, and incorporated all the recent additions and alterations not included in the Ministry of Education record.

The updated MOE Operating Capacities for SD63 schools are shown below:

Figure 6.1C

	Brentwood	Cordova Bay	Deep Cove	Keating	KELSET	Lochside	Prospect Lake	Sidney	Bayside	North Saanich	Royal Oak	Claremont	Parkland	Stelly's	TOTAL
MOE Op_Cap	370	268	328	509	351	396	196	328	775	475	600	1075	725	975	7371

The MOE operating capacities are based on the average classroom capacities and grade structures as published in the 2002 Area Standards; the MOE operating capacities for the schools are recorded in the revised Design Aid Sheets.

## 6.2 Capital Utilization

Capital Utilization (Cap\_Util) is a measure of the level of occupancy of the school and is obtained by dividing the enrolment by the operating capacity, and expressed as a percentage as follows:

$$\text{School Cap\_Util} = \frac{\text{Enrolment}}{\text{Op\_Capacity}}$$

The following charts show the Capacity Utilization for the schools in 2022, 2027 and 2032. A surplus is shown where the bar is below the 100% capacity line and a deficit if above.



Figure 6.2A: Chart showing Cap\_Util in 2023/28/33 for North Zone Schools

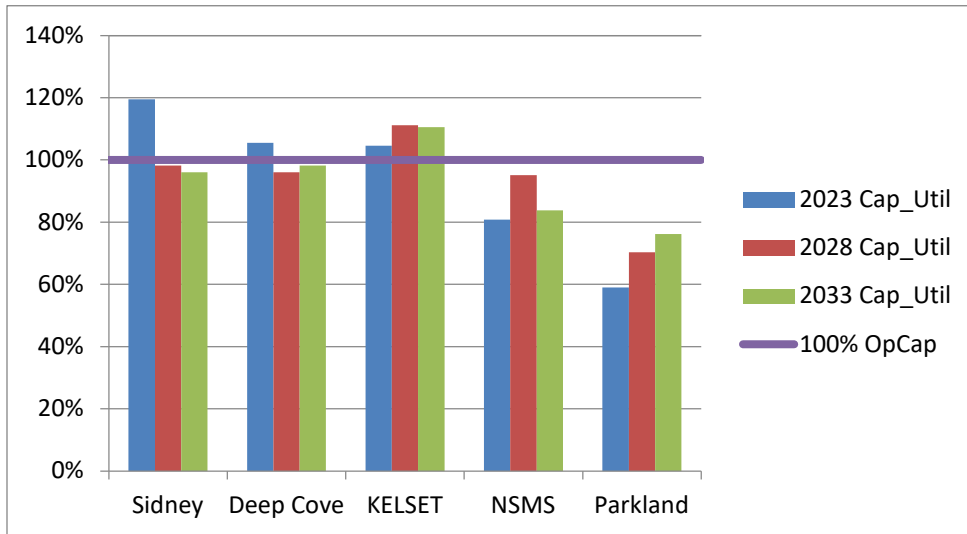


Figure 6.2B: Table showing Enrolment in 2023/28/33 for North Zone Schools

	Op Cap	2023/24		2028/29		2033/34		
		Enr	Cap_Util	Enr	Cap_Util	Enr	Cap_Util	+/-
Sidney	328	392	120%	322	98%	315	96%	13
Deep Cove	328	346	105%	315	96%	322	98%	6
KELSET	351	367	105%	390	111%	388	111%	-37
NSMS	475	384	81%	452	95%	398	84%	77
Parkland	725	428	59%	510	70%	552	76%	173

**Key Observations on Enrolment Trends for North Zone Schools**

- Sidney: enrolment to decrease slightly below capacity by 2028 and 2033
- Deep Cove: enrolment will decrease slightly to below capacity by 2028 and 2033
- KELSET: enrolment will increase by 2028 and level off to 2033; overcapacity increased
- Enrolment at NSMS expected to increase by 2028 and decrease by 2033; will remain undercapacity
- Parkland: will increase in enrolment and remain undercapacity

Figure 6.3A: Chart showing Cap\_Util in 2023/28/33 for Central Zone Schools

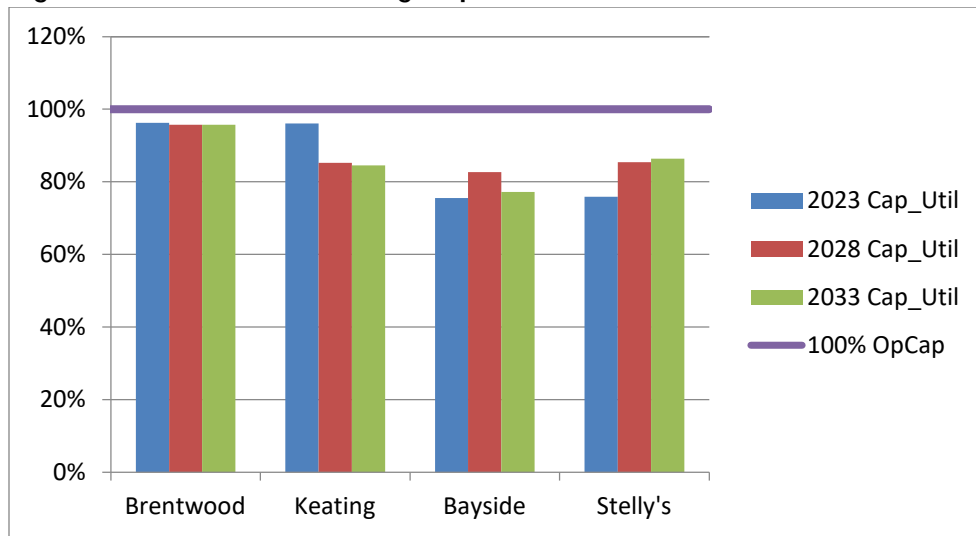


Figure 6.3B: Table showing Enrolment in 2023/28/33 for Central Zone Schools

	Op Cap	2023/24		2028/29		2033/34		
		Enr	Cap_Util	Enr	Cap_Util	Enr	Cap_Util	+/-
Brentwood	370	356	96%	354	96%	354	96%	16
Keating	509	489	96%	434	85%	430	84%	79
Bayside	775	585	75%	641	83%	598	77%	177
Stelly's	975	740	76%	833	85%	842	86%	133

### Key Observations on Enrolment Trends for Central Zone Schools

All schools are expected to remain undercapacity despite increase in enrolment at Bayside and Parkland

- Brentwood: enrolment expected to be fairly stable for next 10 years; will remain undercapacity
- Keating: decrease in enrolment and capacity utilization by 2028 and 2033
- Bayside: small enrolment increase by 2028 and decrease by 2033; will remain undercapacity
- Stelly's: increase in enrolment by 2028 and 2033; will remain undercapacity

Figure 6.4A: Chart showing Cap\_Util in 2023/28/33 for South Zone Schools

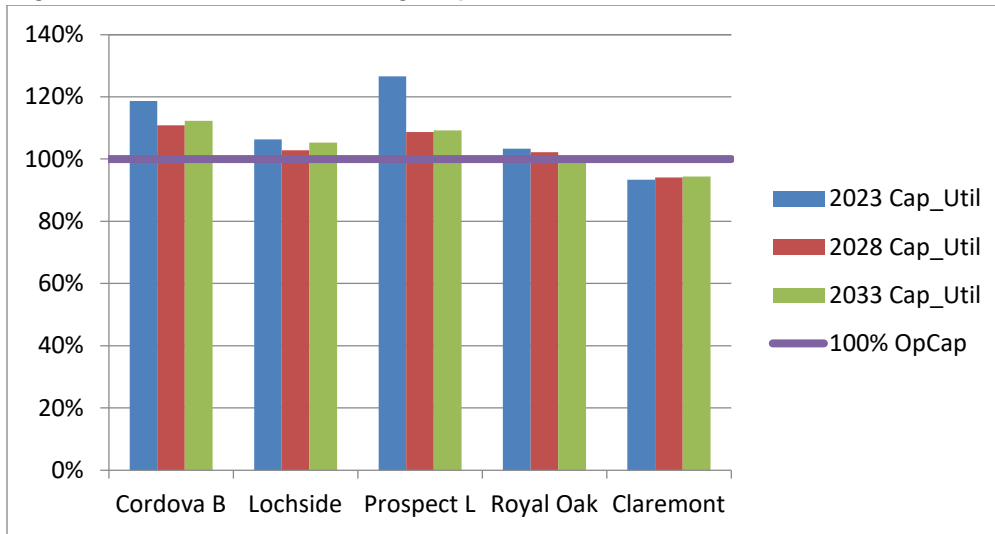


Figure 6.4B: Table showing Enrolment in 2023/28/33 for South Zone Schools

	Op Cap	2023/24		2028/29		2033/34		
		Enr	Cap_Util	Enr	Cap_Util	Enr	Cap_Util	+/-
Cordova B	268	318	119%	297	111%	301	112%	-33
Lochside	396	421	106%	407	103%	417	105%	-21
Prospect L	196	248	127%	213	109%	214	109%	-18
Royal Oak	600	620	103%	613	102%	606	101%	-6
Claremont	1,075	1004	93%	1011	94%	1015	94%	60

**Key Observations on Enrolment Trends for South Zone Schools**

The revised boundaries and attendance restrictions on OOC and OOD for the elementary schools in the South Zone are having the intended effect of reducing the capacity utilization of Prospect Lake and Lochside and to have the future enrolment growth provided by a classroom additon at Cordova Bay.

It is expected that new housing developments based on Cordova Bay’s Land Use Plan will be boosted by the housing targets set in May 2023 by the Province for Saanich.

- Cordova Bay: slight decrease in enrolment; will remain overcapacity
- Lochside: nominal decrease in enrolment; will remain slightly overcapacity
- Prospect lake: decrease in enrolment; overcapacity reduced
- ROMS: enrolment to be maintained at capacity around 600
- CSS: enrolment to be maintained at capacity around 1,000, slightly undercapacity

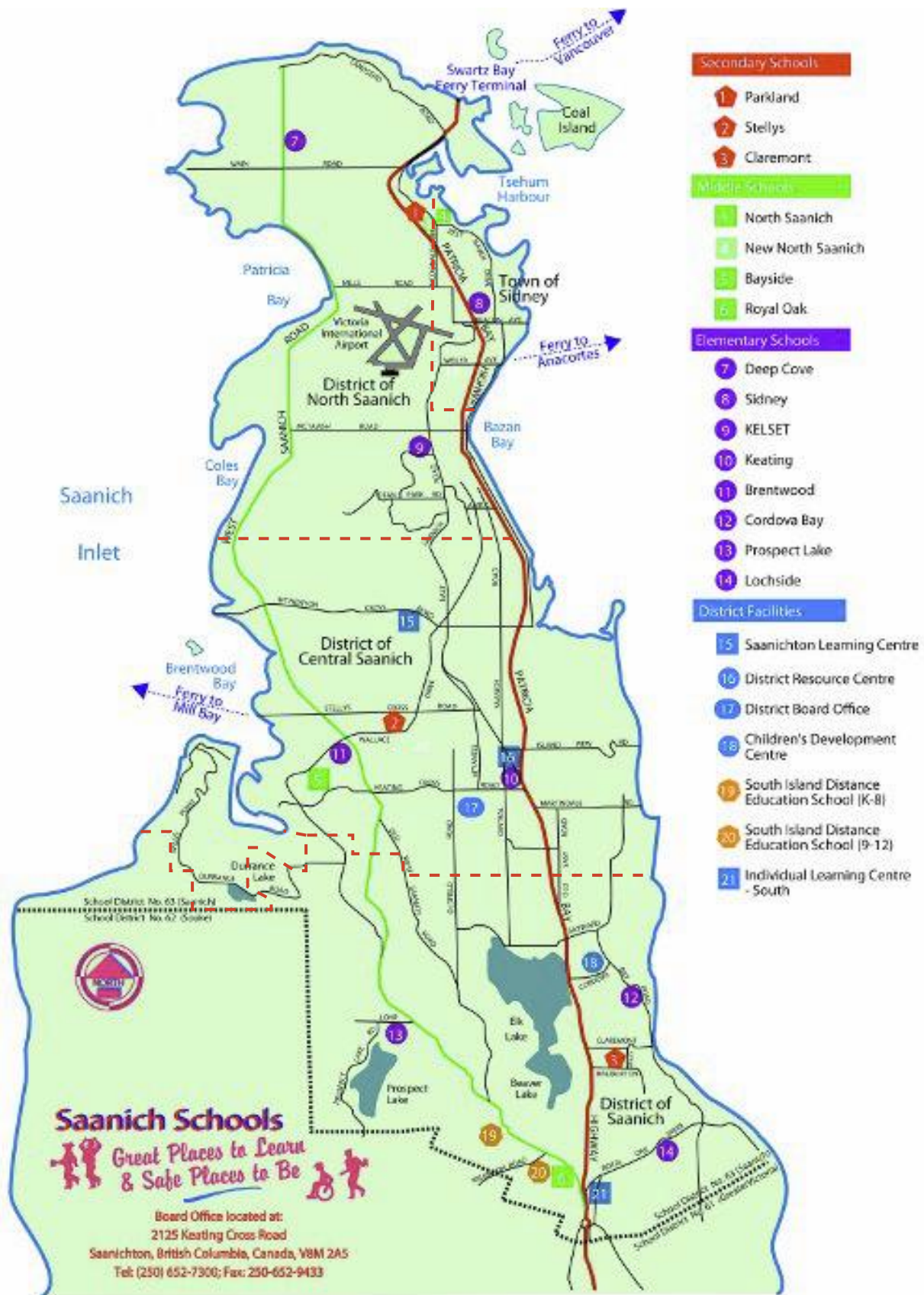
## 7. RECOMMENDATIONS

The proposed recommendations include:

- Limit intake of additional G6 OOD students (other than those attending elementary schools in the South Zone) at ROMS and G9 OOD students at Claremont (other than those attending ROMS ) to maintain their school capacities at 600 and 1,000 respectively
- Submit Capital Plan for a 4-classroom addition at Cordova Bay, based on the existing total shortfall of 72 by 2033 for the 3 South Zone elementary schools and the future enrolment need from new housing targets
- Consider removal of the OOC attendance restriction at Sidney in the future as enrolment declines
- Continue to monitor the K intake at South Zone elementary schools
- Develop a management plan for portable needs of the elementary schools in the North and South Zones
- Share and review information and trends with GVSD61 regarding decreased OOD enrolment of GVSD61 students at SD63 and vice versa
- as per the SD63 Energy Sustainability Plan,
  - Develop a program for Building Electrification projects for installation of heat pumps to be Included in future Capital Plan submissions to achieve the 2030 target of 59-64% GHG reduction amounting to 575-655 tCO<sub>2</sub>e
  - Continue to apply for 1-3 electric buses per year for replacement, as applicable under the Ministry of Education replacement formula
  - Apply for EV charging infrastructure funding through the NR Can Zero Emission Vehicle Infrastructure Program
  - Apply for incentives through the BC Hydro Continuous Optimization Program
- Achieve a target of 59-64% GHG reduction amounting to 575-655 tCO<sub>2</sub>e by 2030, as noted in the SD63 Energy Sustainability Plan

Other longer term recommendations include:

- Work in close coordination with the Planning Departments of Sidney, North Saanich, Central Saanich, Saanich and the CRD to share information on planning enquiries, applications, permit approvals for new housing to establish an accurate basis for estimating additional students from new housing for enrolment projections
- Dispose vacant lands which are too small, not suitable nor required for educational purposes in accordance with the School Act



**Inventory of Schools**

School Name	Nom Cap	Op Cap
Brentwood Elementary	80K/325	370
Cordova Bay Elementary	20K/275	268
*Deep Cove Elementary	60K/300	328
*Keating Elementary	60K/500	509
KELSET Elementary	60K/325	351
Lochside Elementary	60K/375	396
Prospect Lake Elementary	40K/175	196
Sidney Elementary	60K/300	328
*Bayside Middle	775	775
North Saanich Middle	475	475
Royal Oak Middle	600	600
Claremont Secondary	1075	1075
Parkland Secondary	725	725
*Stellys Secondary	975	975
<b>TOTAL</b>	<b>7640</b>	<b>7371</b>

\* Dual-Track Schools

**Enrolment Projections for SD63 - 2024 to 2033**

	Current	Forecasted Enrolment									
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Brentwood	356	350	364	358	354	354	352	352	350	350	354
Cordova Bay	318	315	323	315	294	297	298	293	294	294	301
Deep Cove	346	360	355	344	319	315	315	317	318	318	322
Keating	489	469	458	458	442	434	433	428	425	423	430
KELSET	367	360	375	395	388	390	394	388	401	381	388
Lochside	421	435	426	420	417	407	414	407	408	407	417
Prospect Lake	248	245	228	216	211	213	212	209	209	209	214
Sidney	392	390	357	351	332	322	307	304	305	307	315
Bayside	585	610	640	663	647	641	636	628	622	620	598
North Saanich	384	390	420	430	459	452	451	428	411	416	398
Royal Oak	620	630	631	608	614	613	596	601	605	608	606
Claremont	1,004	991	1,029	1,035	1,003	1,011	1,003	986	1,015	1,013	1,015
Parkland	428	438	456	474	484	510	528	555	562	557	552
Stellys	740	760	766	777	816	833	850	877	857	845	842
<b>TOT REG ENROL</b>	<b>6,697</b>	<b>6,743</b>	<b>6,828</b>	<b>6,844</b>	<b>6,780</b>	<b>6,792</b>	<b>6,789</b>	<b>6,773</b>	<b>6,782</b>	<b>6,748</b>	<b>6,752</b>

\* Intake of G6 OD students at ROMS and of G9 at CSS restricted, except OD students at SZ elem sch and ROMS

Chart showing FCI of Schools

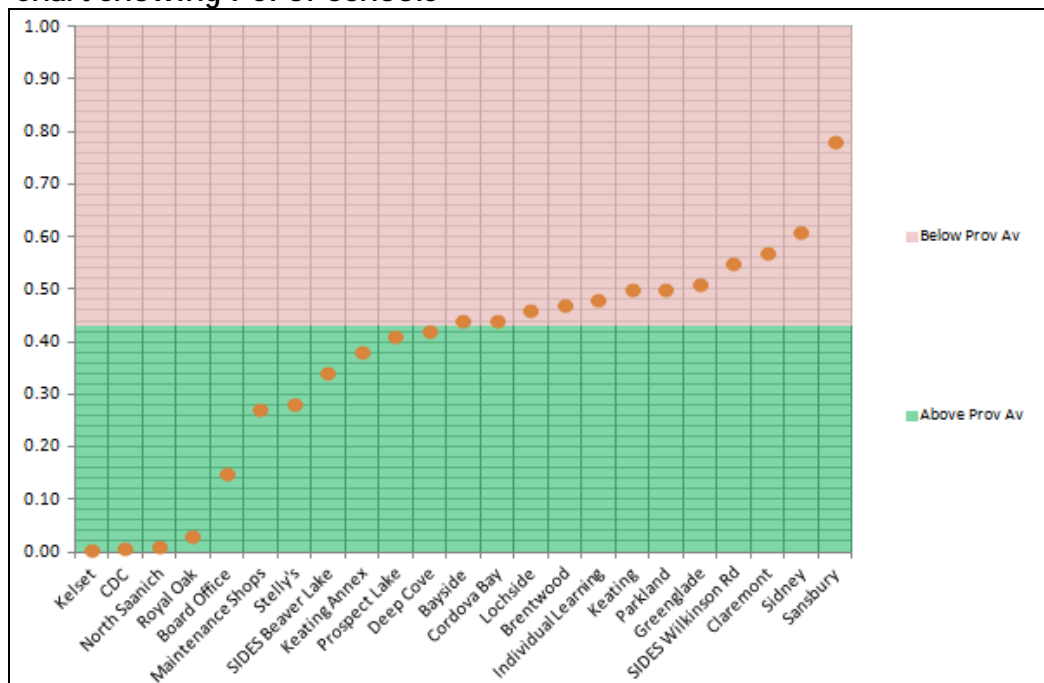


Table showing FCI of Schools

Facility Name	FCI	FCI Date
KELSET Elementary	0.003	
Child Development Centre	0.01	
North Saanich Middle School	0.01	Oct-18
Royal Oak Middle School	0.03	Oct-18
Board Office	0.15	Oct-18
Maintenance Shops	0.27	Oct-18
Stelly's Secondary School	0.28	Oct-18
SIDES Beaver Lake	0.34	Oct-18
Keating Elem Annex	0.38	Oct-18
Prospect Lake Elementary	0.41	Oct-18
Deep Cove Elementary	0.42	Oct-18
Bayside Middle School	0.44	Oct-18
Cordova Bay Elementary	0.44	Oct-18
Lochside Elementary	0.46	Oct-18
Brentwood Elementary	0.47	Oct-18
Individual Learning Centre	0.48	Oct-18
Keating Elementary	0.50	Oct-18
Parkland Secondary School	0.50	Oct-18
Greenglade Elementary	0.51	Oct-18
SIDES Wilkinson Rd	0.55	Oct-18
Claremont Secondary School	0.57	Oct-18
Sidney Elementary	0.61	Oct-18
Sansbury Elementary	0.78	Oct-18

\* Table to be updated for newly completed SESISEJ Chidcare Centre after FCI assessment

Figure D1A: Chart showing Cap\_Util in 2023/28/33 for North Zone Schools

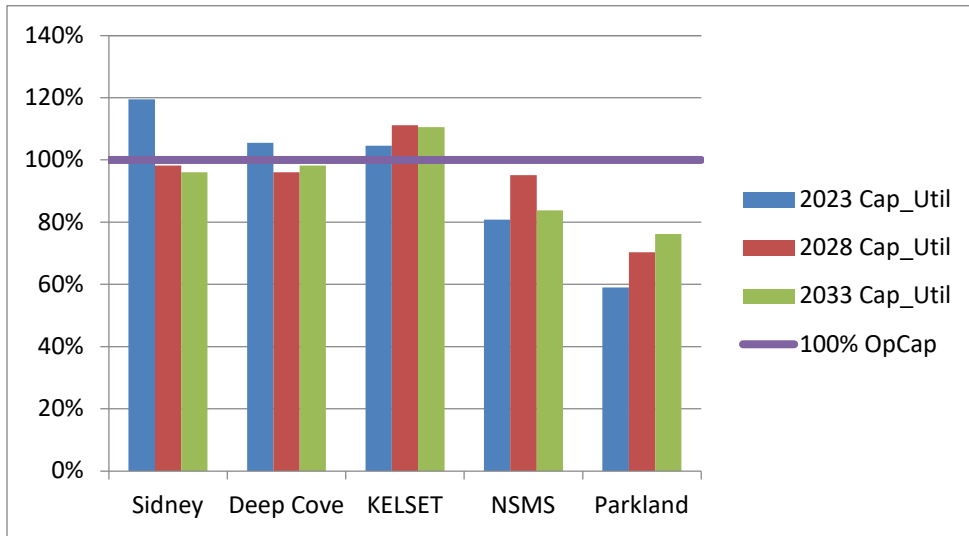


Figure D1B: Table showing Enrolment in 2023/28/33 for North Zone Schools

	Op Cap	2023/24		2028/29		2033/34		
		Enr	Cap_Util	Enr	Cap_Util	Enr	Cap_Util	+/-
Sidney	328	392	120%	322	98%	315	96%	13
Deep Cove	328	346	105%	315	96%	322	98%	6
KELSET	351	367	105%	390	111%	388	111%	-37
NSMS	475	384	81%	452	95%	398	84%	77
Parkland	725	428	59%	510	70%	552	76%	173

**Key Observations on Enrolment Trends for North Zone Schools**

- Sidney: enrolment to decrease slightly below capacity by 2028 and 2033
- Deep Cove: enrolment will decrease slightly to below capacity by 2028 and 2033
- KELSET: enrolment will increase by 2028 and level off to 2033; overcapacity increased
- Enrolment at NSMS expected to increase by 2028 and decrease by 2033; will remain undercapacity
- Parkland: will increase in enrolment and remain undercapacity



Figure D2A: Chart showing Cap\_Util in 2023/28/33 for Central Zone Schools

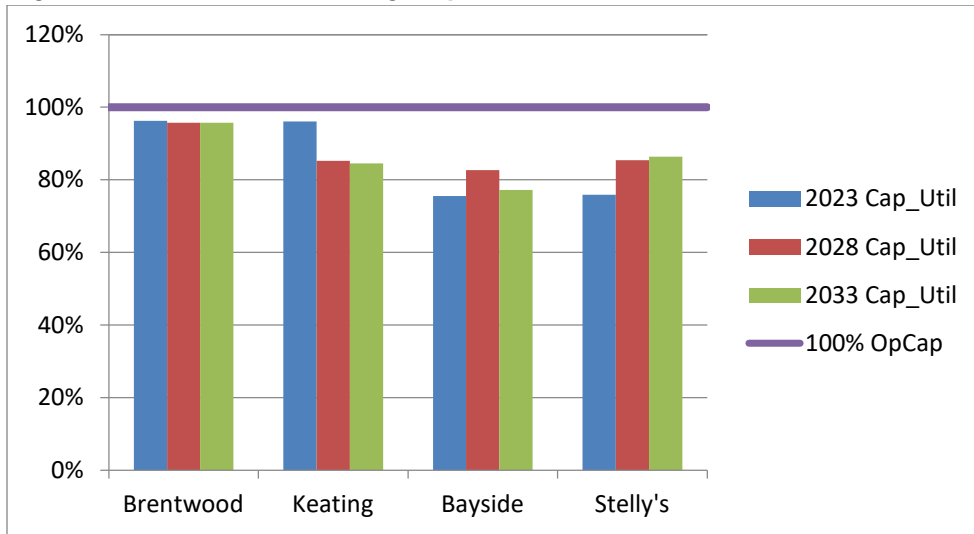


Figure D2B: Table showing Enrolment in 2023/28/33 for Central Zone Schools

	Op Cap	2023/24		2028/29		2033/34		
		Enr	Cap_Util	Enr	Cap_Util	Enr	Cap_Util	+/-
Brentwood	370	356	96%	354	96%	354	96%	16
Keating	509	489	96%	434	85%	430	84%	79
Bayside	775	585	75%	641	83%	598	77%	177
Stelly's	975	740	76%	833	85%	842	86%	133

### Key Observations on Enrolment Trends for Central Zone Schools

All schools are expected to remain undercapacity despite increase in enrolment at Bayside and Parkland

- Brentwood: enrolment expected to be fairly stable for next 10 years; will remain undercapacity
- Keating: decrease in enrolment and capacity utilization by 2028 and 2033
- Bayside: small enrolment increase by 2028 and decrease by 2033; will remain undercapacity
- Stelly's: increase in enrolment by 2028 and 2033; will remain undercapacity

Figure D3A: Chart showing Cap\_Util in 2023/28/33 for South Zone Schools

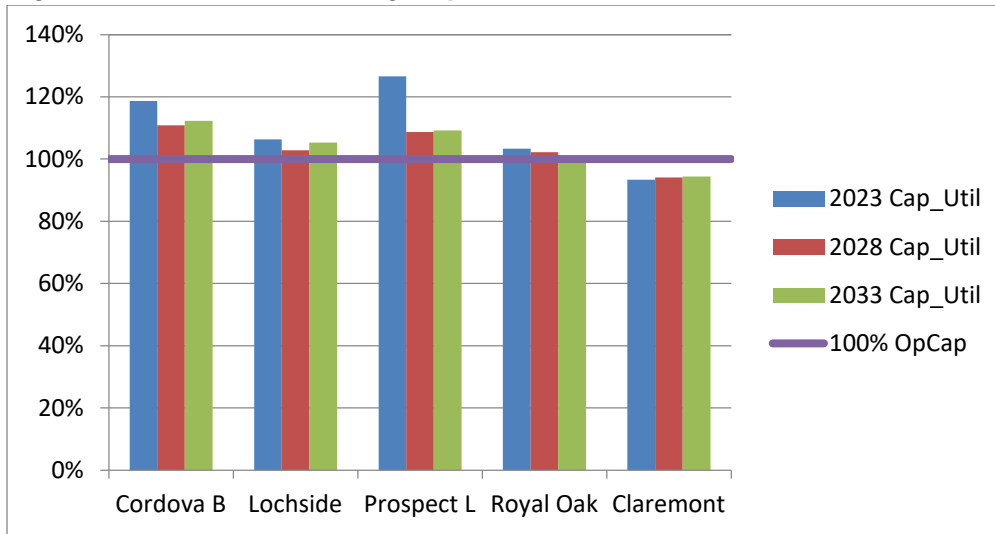


Figure D3B: Table showing Enrolment in 2023/28/33 for South Zone Schools

	Op Cap	2023/24		2028/29		2033/34		
		Enr	Cap_Util	Enr	Cap_Util	Enr	Cap_Util	+/-
Cordova B	268	318	119%	297	111%	301	112%	-33
Lochside	396	421	106%	407	103%	417	105%	-21
Prospect L	196	248	127%	213	109%	214	109%	-18
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Claremont	1,075	1004	93%	1011	94%	1015	94%	60

**Key Observations on Enrolment Trends for South Zone Schools**

The revised boundaries and attendance restrictions on OOC and OOD for the elementary schools in the South Zone are having the intended effect of reducing the capacity utilization of Prospect Lake and Lochside and to have the future enrolment growth provided by a classroom additon at Cordova Bay.

It is expected that new housing developments based on Cordova Bay’s Land Use Plan will be boosted by the housing targets set in May 2023 by the Province for Saanich.

- Cordova Bay: slight decrease in enrolment; will remain overcapacity
- Lochside: nominal decrease in enrolment; will remain slightly overcapacity
- Prospect lake: decrease in enrolment; overcapacity reduced
- ROMS: enrolment to be maintained at capacity around 600
- CSS: enrolment to be maintained at capacity around 1,000, slightly undercapacity

## **Public Consultation Summary**

The key recommendations in the Long Range Facilities Plan have been developed in consultation with the Finance, Facilities and Technology Committee, and with district and school based staff and educational partners.

The issue of elementary school capacity, particularly in the south zone, has been a planning focus for several years, and a number of measures have been implemented to both increase capacity and manage enrolment. As in-catchment enrolment has continued to grow above forecast in south zone schools, the school district has continued to plan for expansion with portable classrooms in the short term and permanent additions longer term.

A catchment boundary review of the South Zone elementary schools was conducted in October-November 2020 with community consultation and the proposed changes were approved for implementation in the 2021/22 school year. The changes comprise the reduction of the catchment area of Prospect Lake with increases to Brentwood and Lochside, and an exchange of catchment areas between Lochside and Cordova Bay.

As planning progresses in relation to the recommendations in the Long Range Facilities Plan, the district will continue to consult with staff, educational partners and the broader community as needed.

	Prior Year Actual 2022	Prior Year Actual 2023	Amended Budget	Current Budget	Revenue/ Expenditures to April 30, 2024	Projected Revenue and Expenditure	Variance From Budget	Notes
<b>Revenue</b>								
621 Consolidated Revenue Grants	(76,549,164)	(76,627,629)	(85,423,304)	(85,598,344)	(69,014,324)	(86,214,276)	615,932	Note 1
627 Indig. Northern Affairs Canada (INAC) Recovery	3,079,193	3,190,534	3,892,608	3,892,608	2,763,706	3,892,608	-	
629 Other Ministry Of Ed Grants <i>includes Pay Equity, Ad hoc MOE grants, Grad adult funding, Labour Settlement Funding</i>	(1,135,484)	(4,077,807)	(2,548,275)	(2,373,235)	(1,851,822)	(2,411,830)	38,595	
629 Classroom Enhancement Fund (CEF)	(8,912,124)	(11,142,827)	(12,005,932)	(12,005,931)	(9,663,823)	(12,005,931)	-	
630 Federal Grants <i>French Odyssey Grant, Jordan's Principle</i>	(39,492)	-	(574,918)	(574,918)	(568,851)	(574,918)	-	
641 Other Ministry Grants <i>ERASE Grant</i>	(183,610)	(181,545)	(172,333)	(112,833)	(99,232)	(112,833)	-	
645 Instructional Cafeteria Revenue	(184,506)	(247,679)	(68,000)	(68,000)	(212,747)	(212,747)	144,747	
646 Local Education Agreements/Direct Funding Indig.	(2,723,698)	(3,192,947)	(3,892,608)	(3,892,608)	(2,763,706)	(3,892,608)	-	
647 International and Out of Province Students	(5,738,618)	(6,559,217)	(6,847,678)	(6,847,678)	(7,344,210)	(7,344,210)	496,532	Note 2
649 Misc. Fees & Revenues <i>includes ad hoc grants received, recovery revenue from shared services, funding from municipalities</i>	(497,986)	(529,491)	(190,594)	(271,207)	(304,378)	(304,378)	33,171	
651 Community Use Of Facilities	(30,242)	(43,595)	-	-	(61,323)	(61,323)	61,323	
659 Other Rentals & Leases	(380,542)	(415,440)	(442,402)	(442,402)	(361,027)	(422,715)	(19,688)	
660 Exchange (Gain) Loss	(1,207)	-	-	-	2,427	2,427	(2,427)	
661 Interest On Short Term Deposits	(204,761)	(782,868)	(650,000)	(650,000)	(886,886)	(1,095,718)	445,718	
662 Appropriated Surplus (prior years carry forward amounts)	-	-	(1,358,605)	(1,358,605)	-	(1,358,605)	-	Note 3
672 Student Fees/Certifications	(108,010)	(63,077)	(50,000)	(50,000)	(62,000)	(72,700)	22,700	
<b>Total Revenue</b>	<b>(93,610,251)</b>	<b>(100,673,588)</b>	<b>(110,332,041)</b>	<b>(110,353,153)</b>	<b>(90,428,196)</b>	<b>(112,189,756)</b>	<b>1,836,604</b>	
<b>Expenses</b>								
105 Salaries - P/VP	4,781,071	4,929,172	5,245,399	5,245,399	4,236,942	5,232,180	13,219	
111 Salaries - Teachers (incl. POSR)	40,715,557	41,098,476	44,670,559	44,670,559	35,993,144	44,893,413	(222,854)	
307 - Teacher remedy	1,639,055	1,473,693	2,389,665	2,389,665	1,245,058	2,389,665	-	
Teacher remedy unspent					-	-	-	
122 Salaries - Support Staff (incl. In Service and First Aid)	8,541,427	8,574,110	9,580,832	9,600,867	7,324,672	9,385,977	214,890	Note 4
123 Salaries - Other Professionals	3,223,078	3,415,751	4,265,719	4,266,839	3,133,745	4,365,988	(99,149)	
131 Salaries - Educational Assistants	5,409,004	6,001,108	7,007,297	7,018,197	4,806,398	6,669,832	348,365	Note 5
143 Support Staff Replacement Costs	636,057	556,417	548,152	496,700	615,909	781,009	(284,309)	Note 6
146 Teacher Replacement Costs	3,473,416	3,996,096	3,960,646	3,999,007	2,999,130	4,068,166	(69,159)	Note 7
	68,418,665	70,044,823	77,668,268	77,687,232	60,354,998	77,786,230	(98,997)	
200 Benefits	16,612,271	17,876,595	18,446,510	18,447,990	14,752,378	18,443,892	4,098	
	16,612,271	17,876,595	18,446,510	18,447,990	14,752,378	18,443,892	4,098	
Services & Supplies								
Services	4,823,714	5,134,765	5,110,833	5,071,833	4,410,358	5,433,393	(361,560)	
Pro-D & Travel	457,956	572,033	845,197	813,086	527,030	813,086	-	
Rentals & Leases	137,659	157,541	182,000	182,000	131,090	182,000	-	
Dues & Fees	385,591	304,967	363,228	363,228	354,737	363,228	-	
Insurance	187,184	208,047	237,000	237,000	253,151	253,151	(16,151)	

Projection for Discussion Purposes - Actual Results May Differ From Projected

Prepared by Megan Cimaglia

	Prior Year Actual 2022	Prior Year Actual 2023	Amended Budget	Current Budget	Revenue/ Expenditures to April 30, 2024	Projected Revenue and Expenditure	Variance From Budget	Notes
Supplies	2,879,215	3,344,988	4,857,749	4,929,528	2,497,220	3,651,881	1,277,647	
Utilities	1,484,676	1,606,658	1,647,435	1,647,435	1,145,976	1,497,570	149,865	
	10,355,995	11,328,999	13,243,442	13,244,110	9,319,562	12,194,309	1,049,801	Note 8
Total Expenses	95,386,931	99,250,417	109,358,221	109,379,333	84,426,938	108,424,430	954,902	
Transfer from operating for purchase of capital assets	1,035,089	1,641,865	850,000	850,000	-	850,000	-	
Transfer to local capital for asset replacement reserve	109,982	116,820	123,820	123,820	-	123,820	-	
(Surplus)/Deficit	2,921,751	335,514	(0)	0	(6,001,258)	(2,791,506)	2,791,506	
					Opening Contingency Reserve	(2,300,838)	2.3%	
					Estimated School and District Carry Forwards	1,000,000		
					SIDES May enrolment count carry forward	310,450		
					Estimated Closing Contingency Reserve	(3,781,894)		Note 9

**Amended Budget** is the February *Amended Annual Budget*, which was approved by the Board on February 14, 2024.

**Current Budget** is the current working budget.

*Certain comparative figures have been restated to conform with current year's presentation*

**Variance comments:**

**Note 1** - February and May SIDES enrolment counts exceeded projections.

**Note 2** - International tuition revenue is currently expected to finish at 267 FTE vs. 265 FTE budgeted. We had budgeted 201.5 FTE homestay students and finished with 248 FTE homestay.

**Note 3** - Appropriated surplus consists of:  
\$522,701 District Activities Carry Forward  
\$252,928 School Activities Carry Forward  
\$582,976 Budget Appropriation

\$1,358,605

**Note 4** - Support Staff salaries positive variance is due to hiring lag for vacant positions and unpaid time off taken by staff. This variance is slightly offset by higher replacement costs.

**Note 5** - Education Assistant (EA) salaries positive variance is due to several factors:

- Hiring lag in deployment of EA funding.
  - Estimated continued understaffing due to inability to consistently fill all EA positions.
  - EAs taking unpaid time off.
  - All positions are budgeted at the continuing rate of pay, but about 10% of positions are staffed with temporary employees who earn \$1.43 less per hour.
- This variance is slightly offset by higher replacement costs when possible.

**Note 6** - Support Staff Replacement costs negative variance is due to higher than budgeted use of sick leave. We have savings from regular staff (typically EAs and custodians) taking unpaid time off on the Salaries - Support Staff row then additional costs for replacement on this row.

**Note 7** - Teacher Replacement Costs are now trending very close to budget. This change compared with past months is due to lower than budgeted maternity and parental leave top up payments expected upcoming. Usage of sick and emergency leave are no longer increasing over the prior year.

**Note 8** - Assumption made in preparing this forecast is that departments and schools will spend their services and supplies budgets as allocated, other than the following:

\$ 361,560 estimated homestay fees beyond budgeted (recovered with increased homestay fees paid)  
(\$1,000,000) expected school and district carry forward  
\$ 16,151 insurance spending over budget  
\$ 144,747 costs to generate cafeteria revenue  
\$ 27,606 additional grant supported spending  
(\$ 450,000) anticipated services and supplies savings to budget  
(\$ 149,865) anticipated utilities savings to budget (due to transitions to heat pumps at Brentwood and Deep Cove which positively affected electrical consumption and a warmer winter)

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(\$ 1,049,801)

**Note 9** - The projected closing contingency reserve has increased by \$564,377 to \$3,781,894 relative to the May 2024 forecast due to projected underspend of services and supplies and utilities budgets (see Note 8). As the Board is appropriating \$1,522,967 from the contingency reserve to balance Budget 2024/25, the contingency reserve is now projected to be \$2,258,927.