

SCHOOL DISTRICT 63 (SAANICH)

FINANCE, FACILITIES & TECHNOLOGY COMMITTEE

Report to the Board of March 12, 2025

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

Partner Representatives: Shannon Toronitz, STA
Candace Whitney, CUPE
Ryan Braun, SAA
David Tunbridge, COPACS

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

Committee Meeting

Tuesday, March 4, 2025

A. PRESENTATIONS AND QUESTIONS

No Items.

B. ITEMS DISCUSSED

No Items.

C. ITEMS FOR RECOMMENDATION

1. Audit Committee Responsibilities

Motion:

The Committee recommends and I, Trustee Elder move,
That the Board approve receiving annually an internal control summary report, in keeping with
clause 2.2.2.3 in Policy 7 (Board Committees).

2. Amended Budget

Motion:

The Committee recommends that the Board adopt the 2024/25 Amended Budget at the March
Board meeting through the adoption of a budget bylaw.

(i) First Reading of Amended Annual Budget Bylaw for fiscal year 2024/25

That the Board approve the first reading of the Amended Annual Budget Bylaw for fiscal year 2024/25 in the total amount of \$133,175,261.

(ii) Second Reading of Amended Annual Budget Bylaw for fiscal year 2024/25

That the Board approve the second reading of the Amended Annual Budget Bylaw for fiscal year 2024/25 in the total amount of \$133,175,261.

(iii) Motion to Read for a Third Time

That the Board approve the reading of the Amended Annual Budget Bylaw for fiscal year 2024/25 in the total amount of \$133,175,261 at this Board Meeting for a third time.

(iv) Third and Final Reading of Amended Annual Budget Bylaw for fiscal year 2024/25

That the Board approve the third reading, pass and adopt the Amended Annual Budget Bylaw for fiscal year 2024/25 in the total amount of \$133,175,261.

3. 2026/27 Saanich International Student Program Fees

The Committee agreed to request a report at the Board meeting on the implications of increasing the fee to \$17,000.

Motion:

The Committee recommends and I, Trustee Elder move,
That the Board approve increasing tuition fee for international program students from \$15,750 to \$16,750, effective for the 2026/27 school year.

4. Cordova Bay Elementary Land Swap

Motion:

The Committee recommends and I, Trustee Elder move,
That the Board approve signature of the Land Purchase and Dedication Agreement, which is subject to both subsequent approval of the land disposal by the Minister of Education and Childcare and adoption of a disposal bylaw by the Board of Education.

D. ITEMS FOR INFORMATION

1. Brentwood Childcare Modular Update
2. Report from Budget Advisory Committee
3. Fiscal Forecast

E. FUTURE AGENDA ITEMS

- Fiscal Forecast (April)
- 2025/26 Capital Plan Bylaw (April)
- 2025/26 Annual Facilities Grant Plan (April)
- Report from Budget Advisory Committee (April)

To: Finance Facilities & Technology Committee

Prepared By: Jason Reid
Secretary Treasurer

Subject: Audit Committee Responsibilities

Date: February 26, 2025

Purpose and Background

The purpose of this briefing note is to support the committee's continued consideration of its responsibilities related to the audit committee function.

[Policy 7 \(Board Committees\)](#) states that the Finance, Facilities and Technology ("FFT") Committee will serve as the Audit Committee of the Board. Policy 7 further clarifies that in this capacity the FFT Committee will:

1. Review the audited financial statements and once satisfied recommend Board approval of their submission to the Minister of Education and publication of the audited statements;
2. Review the Statement of Financial Information, specifically the compensation and expenses for employees;
3. Oversee the internal control structure with a focus on safeguarding district assets;
4. Review audit results with the external auditors and follow up on the implementation of the auditor's letter of recommendations;
5. Review the nature and extent of other services provided by the auditor in relation to auditor independence;
6. Monitor the development of and changes to accounting principles and practices and financial reporting standards, and their impact on the school district's financial reporting;
7. Oversee engagement of external auditors including the terms of the audit engagement and appropriateness of proposed fees;
8. Meet as necessary with the external auditors at an in-camera meeting, without staff members present;
9. Meet annually with the external auditor to review the financial statements; and,
10. Have a separate agenda and terms of reference which reflect best practice for audit committees.

Audit Committee Responsibilities

An overview of how the FFT Committee fulfills the above Audit Committee responsibilities is included as an attachment to this briefing note. As shown in the attachment, there are two areas identified that warrant further consideration.

Audit Committee Responsibility – Oversee the internal control structure with a focus on safeguarding district assets

While there are committee activities relating to this responsibility (as noted in the attachment), there is an opportunity to strengthen this oversight role by annually reviewing an internal control summary report.

This internal control summary report could be produced annually and would describe at high level:

- The purpose and goals of our internal controls,
- Our District's control environment and key control activities that mitigate risks,
- The common risks to be aware of that would affect achievement of objectives. These would be grouped by major business processes which may include:
 - Payroll
 - Purchasing, payables, payments,
 - Revenue, receivables, receipts
 - Financial statement preparation and
 - Fraud risks applicable across the business.
- The information and communication flows that support our internal controls, and,
- Our routine monitoring activities to ensure that our controls are effective.

This report could be reviewed by the committee at the same time the committee reviews the external auditor's audit plan in either May or June.

Audit Committee Responsibility – Have a separate agenda and terms of reference which reflect best practice for audit committees

This policy language has been in place for many years and does not appear to have been implemented. My recommendation is that either Policy 7 be amended to remove this responsibility, or the FFT committee discuss options for implementing.

The FFT committee has been designated to serve as the audit committee with the responsibilities outlined in policy 7. As shown in the attachment, these responsibilities are completed throughout the year. The creation of a separate agenda would complicate the logistics of the committee, and in my view, may not result in additional benefits.

Respectfully submitted,



Jason Reid
Secretary Treasurer

Attachment – Audit Committee Responsibilities

Summary of how the Finance Facilities and Technology Committee Functions as the Audit Committee

Audit Committee Duties (Policy 7)	How the Committee Fulfils This Responsibility
Review the audited financial statements and once satisfied recommend Board approval of their submission to the Minister of Education and publication of the audited statements;	This work is carried out annually at the September committee meeting.
Review the Statement of Financial Information, specifically the compensation and expenses for employees;	This work is carried out annually at the November committee meeting.
Oversee the internal control structure with a focus on safeguarding district assets;	<ul style="list-style-type: none"> • The committee reviews the Risk Management Report annually. • Opportunity to discuss internal control structure in camera with the external auditors twice per year. • The committee annually reviews the external auditor’s management letter recommendations related to improvements to internal controls, if any, and follow up on management implementation of any recommendations. <p>Recommendation: There is an opportunity to strengthen this oversight role by reviewing an internal control summary report for key business processes.</p>
Review audit results with the external auditors and follow up on the implementation of the auditor’s letter of recommendations;	This work is carried out annually at the September committee meeting (the external auditor is required to report the results of the audit and the status of auditor recommendations).
Review the nature and extent of other services provided by the auditor in relation to auditor independence;	This work is carried out annually at the May or June committee meeting (the external auditor is required to report matters relevant to assessing auditor independence).
Monitor the development of and changes to accounting principles and practices and financial reporting standards, and their impact on the school district’s financial reporting;	This work is carried out annually at the May or June committee meeting when the external auditor presents and highlights changes to accounting principles and financial reporting standards.

Attachment – Audit Committee Responsibilities

Audit Committee Duties (Policy 7)	How the Committee Fulfils This Responsibility
Oversee engagement of external auditors including the terms of the audit engagement and appropriateness of proposed fees;	The committee reviews the terms of engagement including audit fees at the May or June Committee meeting. The appropriateness of audit fees is reviewed more in-depth following the periodic completion of a request for proposal (RFP) for audit services (for up to 5 years).
Meet as necessary with the external auditors at an in-camera meeting, without staff members present;	This occurs annually at the September committee meeting.
Meet annually with the external auditor to review the financial statements;	This occurs annually at the September committee meeting.
Have a separate agenda and terms of reference which reflect best practice for audit committees.	<p>This policy language has been in place for many years and has not been implemented.</p> <p>Recommendation: Either amend the policy language or discuss options for implementation.</p>

To: Finance, Facilities & Technology Committee

Prepared By: Jason Reid
Secretary Treasurer

Subject: 2024/25 Amended Budget

Date: February 26, 2025

Purpose

The purpose of this briefing note is to outline budget adjustments made following the Board's adoption of the 2024/25 Preliminary Budget (in June 2024) that are reflected in the 2024/25 Amended Budget proposed for adoption. This information is provided to support the committee's review and consideration of recommending that the Board adopt the 2024/25 Amended Budget.

Background

Each year the Board approves a preliminary budget before the beginning of the July 1st to June 30th fiscal year. An amended annual budget is then adopted during the year reflecting changes that result from:

- analysis of prior year financial results and confirmation of available accumulated operating surplus;
- confirmation of fall enrolment and resulting funding and staffing costs; and
- other circumstances that have arisen subsequent to adoption of the preliminary budget.

Normally the amended budget is due by the end of February. This year the amended budget is due by March 28, 2025 due to a delay in the confirmation of operating funding.

Both the preliminary and amended budgets are adopted through three readings of a budget bylaw in a public Board meeting

2024/25 Amended Budget

Following adoption of the 2024/25 Preliminary Budget, the Board approved a number of budget changes in the fall of 2024 to be reflected as amendments to the 2024/25 Budget. These budgetary changes were reported and approved at the following regular Board meetings:

- September 18, 2024 - In conjunction with the Board's review and approval of the 2023/24 (prior year) financial statements, the Board approved appropriation of accumulated operating surplus in the 2024/25 budget for school activities (\$431,369), district activities (\$1,477,760), appropriation to balance budget 24/25 (\$1,769,467), and contingency reserve (\$3,081,561).

- October 23, 2024 - Following reporting of preliminary enrolment (pre-validation) the Board approved enrolment driven budget changes of \$842,869. The Board also approved reflecting \$88,000 in annual cost savings from the recent implementation of a new district phone system. Further allocation of projected revenue growth net of expenditure growth was deferred following validation of fall enrolment.
- November 27, 2024 – Following confirmation of final fall enrolment (post validation), the Board approved allocation of \$191,284 in net funding from growth to decrease the appropriation of accumulated surplus for budget to \$1,578,183, and increase the contingency reserve to \$3,272,845.

The table below summarizes the approved and proposed operating budget adjustments as described above:

Funding growth relative to preliminary budget	946,153
Expenditure Changes	
Increase - Enrolling Teacher (3.0 FTE)	(380,343)
Increase - Non-Enrolling TL (0.2 FTE)	(25,356)
Increase - Inclusive Education	(400,000)
Increase - Indigenous Education	(37,170)
Phone System Upgrade - annual operating savings	88,000
Net Funding From Growth (allocated to Contingency Reserve)	191,284

The table below presents the approved appropriation of accumulated surplus following both the September and November Board meetings.

	Sept 2024	Feb 2025	Change
School Activities (multi-year funding)	431,369	431,369	-
District Activities (multi-year funding)	1,477,760	1,477,760	-
Appropriated for Budget in following year	1,769,467	1,578,183	(191,284)
Total Internally Restricted	3,678,596	3,487,312	(191,284)
Contingency Reserve (Unappropriated Surplus)	3,081,561	3,272,845	191,284
Total Accumulated Surplus	6,760,157	6,760,157	-

Appropriation of accumulated surplus of \$3,487,312 for Budget (as approved November 27, 2024) is reflected in statement 2 (page 2) and in schedule 2 (page 6) of the 2024/25 Amended Annual Budget.

Changes from Confirmation of Additional Targeted Funding

In addition to the changes noted above, the amended budget also reflects other changes resulting from confirmation of targeted funding following the adoption of the preliminary budget. These changes include the following:

- Confirmation of \$1,339,201 in funding for contractual remedies through the classroom enhancement fund (reported in the special purpose fund).
- Confirmation of \$52,000 Mental Health in Schools grant (reported in the special purpose fund).
- Other changes to targeted funding confirmed following adoption of the preliminary budget.

School and Departmental Budget Adjustments

Following confirmation of budget carry-forwards and enrolment in the fall, schools and departments balanced their individual budgets and the resulting budget changes are reflected in the amended budget. As staffing budgets are centralized, these budget changes typically impact service and supply accounts (although small additions to staffing budgets may also occur in some circumstances). These changes are typically small reallocations between service and supply accounts as schools and departments plan for the school year ahead.

Staff Recommendations

That the Board adopt the 2024/25 Amended Budget at the March Board meeting through the adoption of a budget bylaw.

With Respect,



Jason Reid
Secretary Treasurer

JR/klg

Attachment: Amended Annual Budget 2024/25

Amended Annual Budget

School District No. 63 (Saanich)

June 30, 2025

School District No. 63 (Saanich)

June 30, 2025

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

AMENDED ANNUAL BUDGET BYLAW

A Bylaw of THE BOARD OF EDUCATION OF SCHOOL DISTRICT NO. 63 (SAANICH) (called the "Board") to adopt the Amended Annual Budget of the Board for the fiscal year 2024/2025 pursuant to section 113 of the *School Act*, R.S.B.C., 1996, c. 412 as amended from time to time (called the "Act").

1. The Board has complied with the provisions of the *Act*, Ministerial Orders, and Ministry of Education and Child Care Policies respecting the Amended Annual Budget adopted by this bylaw.
2. This bylaw may be cited as School District No. 63 (Saanich) Amended Annual Budget Bylaw for fiscal year 2024/2025.
3. The attached Statement 2 showing the estimated revenue and expense for the 2024/2025 fiscal year and the total budget bylaw amount of \$133,175,261 for the 2024/2025 fiscal year was prepared in accordance with the *Act*.
4. Statement 2, 4 and Schedules 1 to 4 are adopted as the Amended Annual Budget of the Board for the fiscal year 2024/2025.

READ A FIRST TIME THE 12th DAY OF MARCH, 2025;

READ A SECOND TIME THE 12th DAY OF MARCH, 2025;

READ A THIRD TIME, PASSED AND ADOPTED THE 12th DAY OF MARCH, 2025;

Chairperson of the Board

Secretary Treasurer

I HEREBY CERTIFY this to be a true original of School District No. 63 (Saanich) Amended Annual Budget Bylaw 2024/2025, adopted by the Board the 12th DAY OF MARCH, 2025.

Secretary Treasurer

School District No. 63 (Saanich)

Statement 2

Amended Annual Budget - Revenue and Expense
Year Ended June 30, 2025

	2025 Amended Annual Budget	2025 Annual Budget
Ministry Operating Grant Funded FTE's		
School-Age	7,906,250	7,784,750
Adult	83,000	72,500
Total Ministry Operating Grant Funded FTE's	7,989,250	7,857,250
Revenues	\$	\$
Provincial Grants		
Ministry of Education and Child Care	105,013,611	101,746,435
Other	173,750	172,333
Federal Grants	544,918	574,915
Tuition	4,582,194	4,544,616
Other Revenue	10,740,579	9,169,380
Rentals and Leases	464,500	525,738
Investment Income	680,000	733,000
Amortization of Deferred Capital Revenue	5,350,000	5,350,000
Total Revenue	127,549,552	122,816,417
Expenses		
Instruction	105,682,935	100,348,337
District Administration	4,592,166	4,214,106
Operations and Maintenance	18,990,400	18,360,790
Transportation and Housing	2,570,760	2,152,663
Total Expense	131,836,261	125,075,896
Net Revenue (Expense)	(4,286,709)	(2,259,479)
Budgeted Allocation (Retirement) of Surplus (Deficit)	3,487,312	1,522,967
Budgeted Surplus (Deficit), for the year	(799,397)	(736,512)
Budgeted Surplus (Deficit), for the year comprised of:		
Operating Fund Surplus (Deficit)		
Special Purpose Fund Surplus (Deficit)		
Capital Fund Surplus (Deficit)	(799,397)	(736,512)
Budgeted Surplus (Deficit), for the year	(799,397)	(736,512)

School District No. 63 (Saanich)

Amended Annual Budget - Revenue and Expense
Year Ended June 30, 2025

	2025 Amended Annual Budget	2025 Annual Budget
Budget Bylaw Amount		
Operating - Total Expense	105,161,432	101,815,723
Operating - Tangible Capital Assets Purchased	1,339,000	850,000
Special Purpose Funds - Total Expense	19,024,829	16,150,173
Capital Fund - Total Expense	7,650,000	7,110,000
Total Budget Bylaw Amount	133,175,261	125,925,896

Approved by the Board

Signature of the Chairperson of the Board of Education _____ Date Signed _____

Signature of the Superintendent _____ Date Signed _____

Signature of the Secretary Treasurer _____ Date Signed _____

School District No. 63 (Saanich)

Amended Annual Budget - Changes in Net Financial Assets (Debt)
Year Ended June 30, 2025

	2025 Amended Annual Budget	2025 Annual Budget
	\$	\$
Surplus (Deficit) for the year	<u>(4,286,709)</u>	<u>(2,259,479)</u>
Effect of change in Tangible Capital Assets		
Acquisition of Tangible Capital Assets		
From Operating and Special Purpose Funds	<u>(1,339,000)</u>	<u>(850,000)</u>
Total Acquisition of Tangible Capital Assets	<u>(1,339,000)</u>	<u>(850,000)</u>
Amortization of Tangible Capital Assets	<u>7,650,000</u>	<u>7,110,000</u>
Total Effect of change in Tangible Capital Assets	<u>6,311,000</u>	<u>6,260,000</u>
	<u>-</u>	<u>-</u>
(Increase) Decrease in Net Financial Assets (Debt)	<u><u>2,024,291</u></u>	<u><u>4,000,521</u></u>

School District No. 63 (Saanich)

Amended Annual Budget - Schedule of Changes in Accumulated Surplus (Deficit) by Fund
 Year Ended June 30, 2025

	Operating Fund	Special Purpose Fund	Capital Fund	2025 Amended Annual Budget
	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	6,760,157	-	12,345,740	19,105,897
Changes for the year				
Net Revenue (Expense) for the year	(2,000,709)		(2,286,000)	(4,286,709)
Interfund Transfers				
Tangible Capital Assets Purchased	(1,339,000)		1,339,000	-
Local Capital	(147,603)		147,603	-
Net Changes for the year	(3,487,312)	-	(799,397)	(4,286,709)
Budgeted Accumulated Surplus (Deficit), end of year	3,272,845	-	11,546,343	14,819,188

School District No. 63 (Saanich)

Amended Annual Budget - Operating Revenue and Expense
Year Ended June 30, 2025

	2025 Amended Annual Budget	2025 Annual Budget
	\$	\$
Revenues		
Provincial Grants		
Ministry of Education and Child Care	89,064,782	88,746,262
Other	173,750	172,333
Federal Grants	544,918	574,915
Tuition	4,582,194	4,544,616
Other Revenue	7,680,579	6,094,380
Rentals and Leases	464,500	525,738
Investment Income	650,000	650,000
Total Revenue	103,160,723	101,308,244
Expenses		
Instruction	87,362,516	84,743,318
District Administration	4,505,522	4,122,284
Operations and Maintenance	11,284,528	11,104,918
Transportation and Housing	2,008,866	1,845,203
Total Expense	105,161,432	101,815,723
Net Revenue (Expense)	(2,000,709)	(507,479)
Budgeted Prior Year Surplus Appropriation	3,487,312	1,522,967
Net Transfers (to) from other funds		
Tangible Capital Assets Purchased	(1,339,000)	(850,000)
Local Capital	(147,603)	(165,488)
Total Net Transfers	(1,486,603)	(1,015,488)
Budgeted Surplus (Deficit), for the year	-	-

School District No. 63 (Saanich)

Amended Annual Budget - Schedule of Operating Revenue by Source
Year Ended June 30, 2025

	2025 Amended Annual Budget	2025 Annual Budget
	\$	\$
Provincial Grants - Ministry of Education and Child Care		
Operating Grant, Ministry of Education and Child Care	91,058,993	89,611,020
ISC/LEA Recovery	(4,149,650)	(3,190,534)
Other Ministry of Education and Child Care Grants		
Pay Equity	377,315	377,315
Funding for Graduated Adults	550,000	240,000
Student Transportation Fund	280,000	280,000
FSA Scorer Grant	14,464	15,214
Labour Settlement Funding	989,678	902,520
Operating Grant Enrolment Adjustment	(144,635)	510,727
Indigenous Education Council	88,617	-
Total Provincial Grants - Ministry of Education and Child Care	89,064,782	88,746,262
Provincial Grants - Other	173,750	172,333
Federal Grants	544,918	574,915
Tuition		
International and Out of Province Students	4,582,194	4,544,616
Total Tuition	4,582,194	4,544,616
Other Revenues		
Funding from First Nations	4,149,650	3,190,534
Miscellaneous		
Miscellaneous and School Generated	367,828	190,596
Cafeteria	109,176	68,000
Textbook Deposit and Distance Ed Fees	50,000	50,000
International and Out of Province Homestay Fees	2,980,500	2,595,250
Bus Fees	23,425	-
Total Other Revenue	7,680,579	6,094,380
Rentals and Leases	464,500	525,738
Investment Income	650,000	650,000
Total Operating Revenue	103,160,723	101,308,244

School District No. 63 (Saanich)

Amended Annual Budget - Schedule of Operating Expense by Object
Year Ended June 30, 2025

	2025 Amended Annual Budget	2025 Annual Budget
	\$	\$
Salaries		
Teachers	40,377,138	39,478,699
Principals and Vice Principals	5,408,507	5,251,290
Educational Assistants	7,556,725	7,225,329
Support Staff	10,200,970	9,737,648
Other Professionals	4,888,663	4,582,546
Substitutes	4,445,674	4,298,486
Total Salaries	72,877,677	70,573,998
Employee Benefits	18,402,941	17,995,628
Total Salaries and Benefits	91,280,618	88,569,626
Services and Supplies		
Services	5,982,511	5,177,501
Professional Development and Travel	837,387	833,197
Rentals and Leases	164,000	182,000
Dues and Fees	701,328	363,228
Insurance	255,000	247,000
Supplies	4,477,887	4,778,736
Utilities	1,462,701	1,664,435
Total Services and Supplies	13,880,814	13,246,097
Total Operating Expense	105,161,432	101,815,723

School District No. 63 (Saanich)

Amended Annual Budget - Operating Expense by Function, Program and Object

Year Ended June 30, 2025

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	30,384,327	736,363	85,432	520,297		3,828,011	35,554,430
1.03 Career Programs	403,297	93,121	2,408	72,950		1,140	572,916
1.07 Library Services	874,135			430,326		3,800	1,308,261
1.08 Counselling	1,097,189	10,531					1,107,720
1.10 Inclusive Education	5,146,847	346,049	7,024,191	291,431	1,742,934	249,699	14,801,151
1.30 English Language Learning	674,921	3,619					678,540
1.31 Indigenous Education	558,915		444,694	95,743	39,100	12,164	1,150,616
1.41 School Administration		3,794,979		1,996,785		28,861	5,820,625
1.62 International and Out of Province Students	1,237,507	182,979		421,241	206,011	2,000	2,049,738
Total Function 1	40,377,138	5,167,641	7,556,725	3,828,773	1,988,045	4,125,675	63,043,997
4 District Administration							
4.11 Educational Administration		240,866		46,085	937,311		1,224,262
4.40 School District Governance					141,445		141,445
4.41 Business Administration				557,712	993,329	29,166	1,580,207
Total Function 4	-	240,866	-	603,797	2,072,085	29,166	2,945,914
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				76,825	710,181	90,000	877,006
5.50 Maintenance Operations				4,374,046		135,833	4,509,879
5.52 Maintenance of Grounds				596,371			596,371
5.56 Utilities							-
Total Function 5	-	-	-	5,047,242	710,181	225,833	5,983,256
7 Transportation and Housing							
7.41 Transportation and Housing Administration				104,413	118,352		222,765
7.70 Student Transportation				616,745		65,000	681,745
Total Function 7	-	-	-	721,158	118,352	65,000	904,510
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	40,377,138	5,408,507	7,556,725	10,200,970	4,888,663	4,445,674	72,877,677

School District No. 63 (Saanich)

Amended Annual Budget - Operating Expense by Function, Program and Object

Year Ended June 30, 2025

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2025 Amended Annual Budget	2025 Annual Budget
	\$	\$	\$	\$	\$	\$
1 Instruction						
1.02 Regular Instruction	35,554,430	8,774,346	44,328,776	3,473,282	47,802,058	46,758,196
1.03 Career Programs	572,916	141,408	714,324	432,184	1,146,508	1,090,940
1.07 Library Services	1,308,261	343,396	1,651,657	56,956	1,708,613	1,671,040
1.08 Counselling	1,107,720	282,100	1,389,820	1,000	1,390,820	1,376,626
1.10 Inclusive Education	14,801,151	3,793,605	18,594,756	734,707	19,329,463	18,419,345
1.30 English Language Learning	678,540	172,901	851,441	4,500	855,941	843,016
1.31 Indigenous Education	1,150,616	260,876	1,411,492	109,937	1,521,429	1,609,639
1.41 School Administration	5,820,625	1,393,995	7,214,620	47,600	7,262,220	7,071,624
1.62 International and Out of Province Students	2,049,738	513,289	2,563,027	3,782,437	6,345,464	5,902,892
Total Function 1	63,043,997	15,675,916	78,719,913	8,642,603	87,362,516	84,743,318
4 District Administration						
4.11 Educational Administration	1,224,262	243,983	1,468,245	119,717	1,587,962	1,264,221
4.40 School District Governance	141,445	5,927	147,372	89,908	237,280	239,703
4.41 Business Administration	1,580,207	479,062	2,059,269	621,011	2,680,280	2,618,360
Total Function 4	2,945,914	728,972	3,674,886	830,636	4,505,522	4,122,284
5 Operations and Maintenance						
5.41 Operations and Maintenance Administration	877,006	156,445	1,033,451	432,751	1,466,202	1,399,243
5.50 Maintenance Operations	4,509,879	1,374,863	5,884,742	1,563,728	7,448,470	7,210,218
5.52 Maintenance of Grounds	596,371	169,784	766,155	141,000	907,155	856,022
5.56 Utilities	-	-	-	1,462,701	1,462,701	1,639,435
Total Function 5	5,983,256	1,701,092	7,684,348	3,600,180	11,284,528	11,104,918
7 Transportation and Housing						
7.41 Transportation and Housing Administration	222,765	51,723	274,488	6,750	281,238	294,669
7.70 Student Transportation	681,745	245,238	926,983	800,645	1,727,628	1,550,534
Total Function 7	904,510	296,961	1,201,471	807,395	2,008,866	1,845,203
9 Debt Services						
Total Function 9	-	-	-	-	-	-
Total Functions 1 - 9	72,877,677	18,402,941	91,280,618	13,880,814	105,161,432	101,815,723

School District No. 63 (Saanich)

Amended Annual Budget - Special Purpose Revenue and Expense
Year Ended June 30, 2025

	<u>2025 Amended Annual Budget</u>	<u>2025 Annual Budget</u>
	\$	\$
Revenues		
Provincial Grants		
Ministry of Education and Child Care	15,948,829	13,000,173
Other Revenue	3,060,000	3,075,000
Investment Income	16,000	75,000
Total Revenue	<u>19,024,829</u>	<u>16,150,173</u>
Expenses		
Instruction	18,320,419	15,605,019
District Administration	86,644	91,822
Operations and Maintenance	405,872	305,872
Transportation and Housing	211,894	147,460
Total Expense	<u>19,024,829</u>	<u>16,150,173</u>
Budgeted Surplus (Deficit), for the year	<u>-</u>	<u>-</u>

School District No. 63 (Saanich)

Amended Annual Budget - Changes in Special Purpose Funds
Year Ended June 30, 2025

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$		\$	\$	\$
Deferred Revenue, beginning of year	-	103,916	323,460	1,629,624	-	1,183	31,642	-	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	305,872	317,292			96,000	22,050	198,864	486,599	947,371
Other			60,000	3,000,000					
Investment Income			16,000						
	305,872	317,292	76,000	3,000,000	96,000	22,050	198,864	486,599	947,371
Less: Allocated to Revenue	305,872	421,208	76,000	3,000,000	96,000	23,233	230,506	486,599	947,371
Deferred Revenue, end of year	-	-	323,460	1,629,624	-	-	-	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	305,872	421,208			96,000	23,233	230,506	486,599	947,371
Other Revenue			60,000	3,000,000					
Investment Income			16,000						
	305,872	421,208	76,000	3,000,000	96,000	23,233	230,506	486,599	947,371
Expenses									
Salaries									
Teachers							56,525		
Principals and Vice Principals								72,625	143,442
Educational Assistants		327,504							195,312
Support Staff					61,117			310,935	78,125
Other Professionals									72,811
Substitutes							36,847		259,435
	-	327,504	-	-	61,117	-	93,372	383,560	749,125
Employee Benefits		91,702					18,395	103,039	171,246
Services and Supplies	305,872	2,002	76,000	3,000,000	17,770	23,233	118,739		27,000
	305,872	421,208	76,000	3,000,000	96,000	23,233	230,506	486,599	947,371
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 63 (Saanich)

Amended Annual Budget - Changes in Special Purpose Funds
Year Ended June 30, 2025

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Student & Family Affordability	SEY2KT (Early Years to Kindergarten)	ECL Early Care & Learning	Feeding Futures Fund
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	117,374	-	3,700	230,389	6,107	101,350	232,935
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	9,979,894	1,339,201	94,520	52,000	6,750	-	19,000	175,000	853,981
Other									
Investment Income									
	9,979,894	1,339,201	94,520	52,000	6,750	-	19,000	175,000	853,981
Less: Allocated to Revenue	9,979,894	1,339,201	211,894	52,000	10,450	230,389	25,107	276,350	1,086,916
Deferred Revenue, end of year	-	-	-	-	-	-	-	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	9,979,894	1,339,201	211,894	52,000	10,450	230,389	25,107	276,350	1,086,916
Other Revenue									
Investment Income									
	9,979,894	1,339,201	211,894	52,000	10,450	230,389	25,107	276,350	1,086,916
Expenses									
Salaries									
Teachers	7,952,107							90,268	
Principals and Vice Principals									28,987
Educational Assistants				16,807					160,395
Support Staff			126,825						79,904
Other Professionals									
Substitutes		1,067,092			6,449		4,202	4,202	
	7,952,107	1,067,092	126,825	16,807	6,449	-	4,202	94,470	269,286
Employee Benefits	2,027,787	272,109	35,510	3,193	1,219		792	20,657	73,659
Services and Supplies			49,559	32,000	2,782	230,389	20,113	161,223	743,971
	9,979,894	1,339,201	211,894	52,000	10,450	230,389	25,107	276,350	1,086,916
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 63 (Saanich)

Amended Annual Budget - Changes in Special Purpose Funds
 Year Ended June 30, 2025

	K-12 Literacy Supports	
	Initiative	TOTAL
	\$	\$
Deferred Revenue, beginning of year	-	2,781,680
Add: Restricted Grants		
Provincial Grants - Ministry of Education and Child Care	225,839	15,120,233
Other		3,060,000
Investment Income		16,000
	<u>225,839</u>	<u>18,196,233</u>
Less: Allocated to Revenue	225,839	19,024,829
Deferred Revenue, end of year	<u>-</u>	<u>1,953,084</u>
Revenues		
Provincial Grants - Ministry of Education and Child Care	225,839	15,948,829
Other Revenue		3,060,000
Investment Income		16,000
	<u>225,839</u>	<u>19,024,829</u>
Expenses		
Salaries		
Teachers		8,098,900
Principals and Vice Principals		245,054
Educational Assistants		700,018
Support Staff		656,906
Other Professionals		72,811
Substitutes		1,378,227
	<u>-</u>	<u>11,151,916</u>
Employee Benefits		2,836,421
Services and Supplies	225,839	5,036,492
	<u>225,839</u>	<u>19,024,829</u>
Net Revenue (Expense)	<u>-</u>	<u>-</u>

School District No. 63 (Saanich)

Amended Annual Budget - Capital Revenue and Expense
 Year Ended June 30, 2025

	2025 Amended Annual Budget			2025 Annual Budget
	Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$
Revenues				
Investment Income		14,000	14,000	8,000
Amortization of Deferred Capital Revenue	5,350,000		5,350,000	5,350,000
Total Revenue	5,350,000	14,000	5,364,000	5,358,000
Expenses				
Amortization of Tangible Capital Assets				
Operations and Maintenance	7,300,000		7,300,000	6,950,000
Transportation and Housing	350,000		350,000	160,000
Total Expense	7,650,000	-	7,650,000	7,110,000
Net Revenue (Expense)	(2,300,000)	14,000	(2,286,000)	(1,752,000)
Net Transfers (to) from other funds				
Tangible Capital Assets Purchased	1,339,000		1,339,000	850,000
Local Capital		147,603	147,603	165,488
Total Net Transfers	1,339,000	147,603	1,486,603	1,015,488
Other Adjustments to Fund Balances				
Total Other Adjustments to Fund Balances	-	-	-	
Budgeted Surplus (Deficit), for the year	(961,000)	161,603	(799,397)	(736,512)

To: Finance, Facilities & Technology Committee

Prepared By: Jason Reid
Secretary Treasurer

Subject: International Program Tuition

Date: February 26, 2025

Purpose and Background

The purpose of this briefing note is to recommend that the tuition fee for international program students be increased from \$15,750 to \$16,750, effective for the 2026/27 school year.

The Board establishes tuition and homestay fees for international students per policy 25 (International Student Program).

In April 2024, the Board approved increasing the monthly homestay fee from \$1,200 per student per month to \$1,350 per student per month, effective for the 2025/26 school year.

In March 2023, the Board approved the following International Student Program fee adjustments effective for the 2024/25 school year:

- increase tuition fee from \$14,750 to \$15,750,
- increase homestay placement fee from \$650 to \$750, and
- increase application fee from \$250 to \$300.

Proposed Increase to Tuition Fees

This fee adjustment is recommended to ensure the program is able to fund annual inflationary cost pressures (driven primarily by wage increases), while at the same time ensuring fees remain competitive. The proposed fee increase of \$1,000 represents a 6.8% increase reflecting inflationary costs over a 2-year period (fees were last adjusted for the 2024/25 school year).

For the 2025/26 school year, SD62 (Sooke) is charging a tuition fee of \$15,750 and SD61 (Victoria) is charging a tuition fee of \$17,000. These districts have not yet published updated fees for the 2026/27 school year.

The homestay fee was adjusted last April from \$1,200 to \$1,350 effective for the 2025/26 school year, and further adjustment is not required at this time for the 2026/27 school year.

Staff Recommendation:

That the Board approve increasing tuition fee for international program students from \$15,750 to \$16,750, effective for the 2026/27 school year.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Jason Reid". The signature is stylized and cursive.

Jason Reid
Secretary Treasurer

To: Finance Facilities & and Technology Committee

Prepared By: Rob Lumb

Subject: Cordova Bay Elementary Land Swap

Date: Feb 26, 2025

Purpose and Background

The purpose of this briefing note is to inform the Board of Education of a project being undertaken by the District of Saanich (the municipality) that will see road improvements along the frontage of Cordova Bay Elementary, and a required land acquisition / land swap between the School District and the municipality.

Cordova Bay Rd Road Improvements – See Attachment #1 for plans

In August of 2024, the School District was approached by Engineering Staff from the District of Saanich regarding road improvements on Cordova Bay Rd right in front of Cordova Bay Elementary. Details of the project can be found here:

https://hello.saanich.ca/en/projects/cordova-bay-road-improvement-project-rambler-road-to-walema-avenue-1?_ga=2.42969254.288695171.1740603261-217206861.1739474685

From the Saanich Engineering web page, the details are as follows:

The District of Saanich is undertaking an active transportation improvement project on Cordova Bay Road between Rambler Road and Walema Road. These pedestrian and cycling infrastructure improvements are identified in the District of Saanich Active Transportation Plan and Safe Routes to School plan for Cordova Bay Elementary.

- Concrete sidewalk, concrete curb and bike lane on the west side of Cordova Bay Road
- Concrete curbs and bike lane/multiuse pathway on the east side of the road.
- Sidewalk on the south side of Fenn Road / Parker Avenue from 5229 Cordova Bay Road to 5251 Parker Avenue.
- 3 new raised crosswalks complete with pedestrian activated flashing lights will be installed across Cordova Bay Road at Fenn Road and Rambler Road and Walema Road.
- Rambler Road at Cordova Bay Road will be realigned and the crossing at Rambler Road will be shortened with new corner ramps.
- Drainage improvements with new catch basins will be installed.
- Parking bays fronting the school and the park will be formalized.

Tendering for this project is anticipated to be tendered in the spring of 2025.

The current area in front of Cordova Bay School consists of a walking path and a gravel shoulder for parking.

We have historically received concerns over the present state of this frontage, mostly due to limited site lines when entering and exiting the parking lot at Cordova Bay School. The current layout makes it

difficult to see oncoming traffic without vehicles having to encroach into the walking paths. This new improvement will be an improvement to the current conditions and will allow for much better sight lines.

In addition, there will be an extension of bike lanes which will encourage more active transportation options to and from the school.

Land Acquisition / Land Swap

During the design stage of this project the municipality identified a requirement to acquire two pieces of land from the Cordova Bay Elementary site.

The first is a piece on the West Side of the property across from Fenn Rd. The other is piece on the North end of the property. See attachment #2, schedule A, Page 15.

The municipality also identified an area of land On the West side of the property that is owned by the municipality and the School Property has encroached upon by way of fencing. This area is home to several mature trees and is used as play space for the school. See attachment #2, schedule D, Page 17.

The municipality has requested that we transfer the two areas over to them and that they transfer the area of encroachment over to the School District.

D.R. Coell & Associates Real Estate Appraisers were retained by the municipality to determine the value of the three sections of land. This appraisal is copied below in attachment #2, in schedule F

This land swap will result in an amount of \$14,800 being paid to the School District.

Area	Vendor	Size (sq. ft.)	Value Rate (PSF)	Value
A	SD63	3,083	\$50.00	\$154,150
B	SD63	551	\$50.00	\$27,500
C	Saanich	3,338	\$50.00	\$166,900
Net Compensation Payable to SD63				\$14,800**

To facilitate the municipality’s project the School District is required to relocate an existing irrigation shed on the Cordova Bay Elementary site at a cost of \$6,339.50. The municipality is aware and will be compensating the School District for this work. See attachment #2, schedule C.

Recommendations

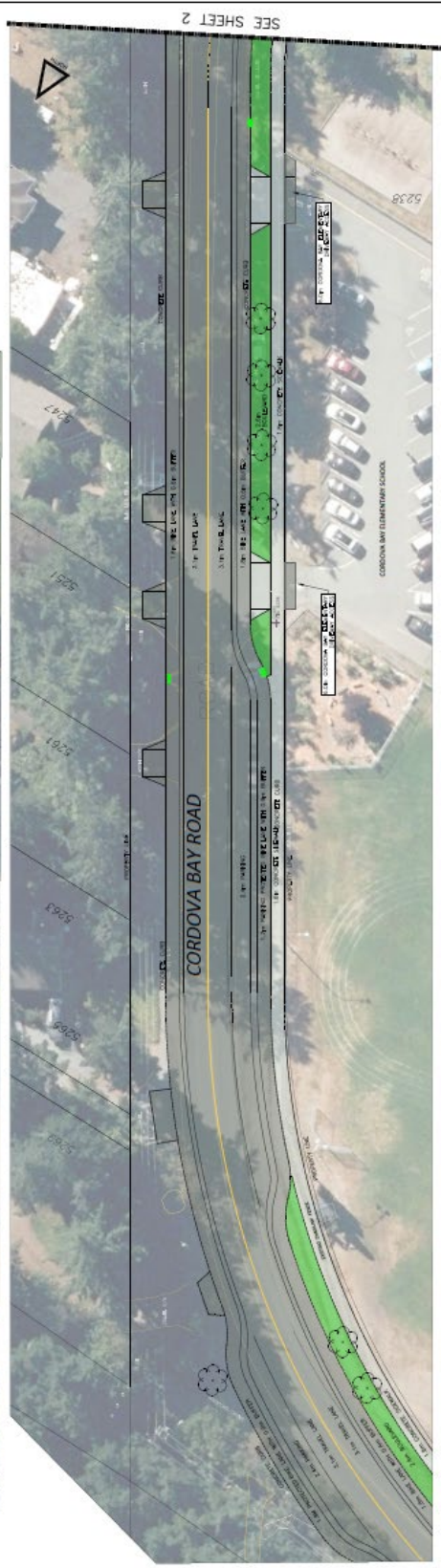
That the Board approve signature of the Land Purchase and Dedication Agreement, which is subject to both subsequent approval of the land disposal by the Minister of Education and Childcare and adoption of a disposal bylaw by the Board of Education.

Respectfully submitted



Rob Lumb, Director of Facilities

Attachment #1 – Cordova Bay Rd Improvements Plan





CORDOVA BAY ROAD
SIDEWALKS & BIKE LANES - RAMBLER TO WALEMA
CONCEPT

FOR INFORMATION ONLY
 JANUARY 25, 2022

SHEET 1 OF 3
 SCALE 1:250





MATCH LINE - SEE SHEET 2



**SIDEWALKS & BIKE LANES - RAMBLER TO WALEMA AND FENN ROAD TO PARKER
CONCEPT**

FOR INFORMATION ONLY
MAY 26, 2021

SHEET 3 OF 3
SCALE 1:250



Attachment #2 – Agreement from District of Saanich

LAND PURCHASE AND DEDICATION AGREEMENT – CLOSED ROAD

THIS AGREEMENT dated for reference this ____ day of _____, 2025.

BETWEEN:

THE CORPORATION OF THE DISTRICT OF SAANICH

770 Vernon Avenue
Victoria, BC V8X 2W7

("Saanich")

OF THE FIRST PART

AND:

**THE BOARD OF EDUCATION OF SCHOOL DISTRICT NO. 63
(SAANICH)**

2125 Keating Cross Road
Victoria, BC V8M 2A5

(the "School Board")

OF THE SECOND PART

WHEREAS:

- A. Saanich is the registered owner in fee simple of public highways, other than arterial highways, within its jurisdiction;
- B. The School Board is the registered owner in fee simple of the land and improvements located at 5238 Cordova Bay Road, Victoria, BC, and legally described as PID: 009-800-263, That part of Parcel E (DD746461) of Section 32, Lake District, lying to the West of Cordova Bay Road (the "**Property**");
- C. Saanich wishes to acquire those parts of the Property comprised of the following areas:
 - (a) 454.9 m² and marked as "ROAD AREA 'A'"; and
 - (b) 85.9m² and marked as "ROAD AREA 'B'"marked on Reference Plan EPP140275, prepared by Glen A. Quarmby, BCLS #710, and attached as Schedule "A", (collectively, the "**Dedication Area**");
- D. Saanich intends to carry out certain works on the Property, the road right-of-way fronting the Property, and the Dedication Area, as described in more detail within attached Schedule "B" to this Agreement (the "**Works**");
- E. The School Board has a longstanding encroachment onto that portion of the road shown as "Closed Road", on reduced draft of Reference Plan EPP140276, prepared by Glen A. Quarmby, BCLS #710, and attached as Schedule "D" (the "**Closed Road**"); and

- F. Saanich has agreed to transfer the Closed Road in fee simple to the School Board, as partial compensation for the acquisition of the Dedication Area.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement, the parties agree as follows:

1.0 DEFINITIONS

- 1.1 In this Agreement the following terms shall have the following meanings:

"Agreement" means this Agreement, including its Recitals and Schedules.

"Business Day" means any day except Saturday, Sunday, or a holiday as defined in the *Interpretation Act* (British Columbia).

"Closed Road" means the portions of public highway comprising of 310.2 square metres, more or less, outlined in heavy black line on the Road Closure Plan.

"Compensated Items" means the amount of Six Thousand Three Hundred and Thirty Nine Dollars and Fifty Cents in compensation for those items to be replaced or restored by the School Board at their sole discretion, as further detailed in Schedule "C" to this Agreement.

"Completion Date" means the date that is 30 days following the date of satisfaction of the last condition precedent under section 3.1 or such earlier date as agreed to between the parties and evidenced in writing.

"Dedication Area" means parts of the Property comprised of the following areas:(a) 454.9 m² and marked as "ROAD AREA 'A'"; and (b) 85.9m² and marked as "ROAD AREA 'B'" on the Reference Plan.

"Contaminants" means any explosives, radioactive materials, asbestos materials, urea formaldehyde, chlorobiphenols, hydrocarbon contaminates, underground or above ground tanks, pollutants, contaminants, hazards, corrosive or toxic substances, special waste, hazardous waste or waste of any kind or any other substance the storage, manufacture, disposal, handling, treatment, generation, use, transport, remediation or release into the environment of which is prohibited, controlled, regulated or licensed under Environmental Laws.

"Environmental Laws" means any and all statutes, laws, regulations, orders, bylaws, standards, guidelines, protocols, criteria, permits, codes of practice, and other lawful requirements of any federal, provincial, municipal or other governmental authority having jurisdiction over the Lands, now or hereafter in force relating in any way to the environment, environmental assessment, health, occupational health and safety, protection of any form of plant or animal life, product liability, or transportation of dangerous goods, including the principles of common law and equity.

"Goods and Services Tax" or **"GST"** means the goods and services tax levied pursuant to the *Excise Tax Act* (Canada).

"Payment" means the Compensated Items and Purchase Price, collectively.

"Permitted Encumbrances" means all exceptions, reservations, legal notations, liens, charges, and encumbrances listed in the attached Schedule "E".

"Purchase Price" means the amount of Fourteen Thousand Eight Hundred Dollars paid to the School Board for the Dedication Area, as supported by the appraisal dated December 8, 2024 prepared by D.R. Coell & Associates and attached hereto as Schedule "G".

"Reference Plan" means Plan EPP1340275, prepared by Glen Quarmby, BCLS, a draft copy of which is attached hereto as Schedule "A".

"Road Closure Plan" means Plan EPP140276, prepared by Glen Quarmby, BCLS, a reduced draft copy of which is attached hereto as Schedule "D".

"Transfer Documents" means all documents necessary to support the transfer of the Road Closure to the School Board and the transfer of the Dedication Area to Saanich.

"Subdivision Plan" means Plan EPP142525, prepared by Glen Quarmby, BCLS, a reduced draft copy of which is attached hereto as Schedule "F".

"Works" means the Scope of Work as described in detail within the attached Schedule "B" to this Agreement.

2.0 CONSIDERATION BETWEEN PARTIES

2.1 The School Board agrees to the following consideration to Saanich, on the terms and conditions contained in this Agreement:

- (a) Transfer of a good and marketable freehold title to the Dedication Area, free and clear of all liens, charges, and encumbrances, except for the Permitted Encumbrances, by execution of a reference plan which dedicates the Dedication Area as Road; and
- (b) Licence to Saanich, Saanich's employees, contractors, and other authorized agents to enter the Property and complete the Works.

2.2 Saanich agrees to the following consideration to the School Board, on the terms and conditions contained in this Agreement:

- (a) Transfer of a good and marketable freehold title to the Closed Road, free and clear of all liens, charges and encumbrances, except for the Permitted Encumbrances.
- (b) payment of the Purchase Price;
- (c) payment of the Compensated Items;

2.3 The consideration set out in this above section, and the terms and conditions of this Agreement are accepted voluntarily by each party as full and final compensation.

3.0 CONDITIONS PRECEDENT

3.1 The obligation of the parties to complete the transfer of the Land Dedication and the Closed Road on the Completion Date is subject to the following conditions precedent being satisfied within the time herein provided:

- (a) on or before May 14, 2025 the adoption by Saanich's Council of a bylaw to close to traffic and remove the dedication of the Closed Road pursuant to section 40 of the *Community Charter*;
- (b) on or before May 14, 2025, the adoption by the School Board of a bylaw authorizing the disposal of land pursuant to Section 65(5) of the *School Act*;
- (c) on or before May 14, 2025, the approval by the Minister of Education and Childcare of the disposal of land pursuant to Section 96(3) of the *School Act*

3.2 If the conditions precedent in section 3.1 are not satisfied within the time therein provided, then the obligation of the parties to complete the purchase of the Closed Road on the Completion Date will be at an end.

3.3 For greater certainty, the transfer of the Dedication Area and Works will not proceed if the Closed Road transfer fails, by failing to satisfy the Closed Road condition precedent set out in section 3.1 above.

4.0 COVENANTS

4.1 The Parties covenant and agree to the following, as it pertains to Saanich's Works on the Property:

- (a) Saanich shall not carry out the Works on the Property until the Transfer Documents have been registered in accordance with article 9 of this Agreement.
- (b) Saanich shall assume complete responsibility for carrying out the Works on the Property.
- (c) Prior to commencement of the Works, the School Board shall notify Saanich in writing of any existing irrigation systems and the location of the same within thirty (30) days of execution of this Agreement.
- (d) If the Works include capping any existing irrigation systems, Saanich's sole responsibility shall be to cap any existing irrigation system by sealing any cut ends such that no water will escape if the system is activated.
- (e) The School Board is responsible to relocate or remove any items contained in the Dedication Area or the Property affected by the Works or the installation of the Works that they wish to preserve or relocate for their own use within 30 days of the date of this agreement.
- (f) Following the deadline defined in section 4.1(e) of this agreement, Saanich may remove and dispose of any items on the Property or Dedication Area that in its reasonable opinion conflict with the Works, including but not limited to any and all

walls, fences, hedges, grass, bushes, vegetation, soil, and irrigation systems or ornamental landscape features.

- (g) Notwithstanding section 7.1, any damage to existing underground utility services or other storm drainage infrastructure caused by the Works on the Property, but excluding the Dedication Area, shall be remedied by Saanich.

4.2 The parties covenant and agree, as it pertains to the Dedication Area and Closed Road, to the following:

- (a) If the School Board wishes to dispose of the fee simple interest in the Property prior to completion of the Works, prior to such disposition, the School Board will require such new owner to expressly covenant with Saanich to assume and perform all obligations of the School Board, including the release set out in section 7.1, and grant Saanich all rights granted to Saanich under this Agreement.
- (b) Each party will make no financial adjustment relating to the transfer of the Dedication Area or the Transfer of the Closed Road, whether in respect of property taxes, local improvement charges, rents, utilities or any other matters customarily the subject of adjustment on the purchase and sale of similar properties.
- (c) Saanich will bear all costs of the process to close the road, including publication of the road closure bylaw.

5.0 REPRESENTATIONS AND WARRANTIES

5.1 Saanich's Representations and Warranties

Saanich represents and warrants to the School Board that as of the date of this Agreement and the Completion Date:

- (a) Saanich is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada);
- (b) Saanich is the registered and beneficial owner of the fee simple interest in the Closed Road, free and clear of all liens, charges and encumbrances except the Permitted Encumbrances;
- (c) no lien under the *Builders Lien Act* exists or, to the best of Saanich's knowledge, is claimed with respect to the Closed Road nor any part of the Closed Road;
- (d) Saanich is a municipality duly incorporated under the laws of British Columbia and vested with the powers given it under the *Community Charter*, S.B.C. 2003, c. 26, and Saanich has full power, authority and capacity to enter into this Agreement and carry out the transactions contemplated herein, and the entering into of this Agreement and the completion of the transactions contemplated herein will upon the satisfaction of the conditions precedent in section 3.1 have been duly and validly authorized by all necessary proceedings and actions of Saanich and this Agreement is a valid and legally binding obligation of Saanich, enforceable against Saanich in accordance with its terms.

5.2 School Board Representations and Warranties

The School Board represents and warrants to Saanich that as of the date of this Agreement and the Completion Date:

- (a) it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada);
- (b) the School Board is the registered and beneficial owner of the fee simple interest in the Dedication Area, free and clear of all liens, charges, and encumbrances except the Permitted Encumbrances;
- (c) no lien under the *Builders Lien Act* exists or, to the best of the School Board's knowledge, is claimed with respect to the Dedication Area, nor any part of the Dedication Area.

5.3 Survival of Representations, Warranties and Disclaimers

The representations, warranties and disclaimers contained in sections 5.1 and 5.2 shall survive the Completion Date and shall continue in full force and effect for the benefit of the benefiting party after the Completion Date, notwithstanding any independent inquiry or investigation by the benefiting party.

6.0 **AS IS CONDITION**

6.1 In this section, the term "Transferred Land" means:

- (a) the Closed Road, as the clauses attach to the School Board; and
- (b) the Dedication Area, as the clauses attach to Saanich.

6.2 Each party acknowledges and agrees that, except as expressly set out in this Agreement, the other party, its elected and appointed officials, officers, employees and agents have made no representations, warranties, inducements, guarantees, promises, consents, conditions or agreements, direct or indirect or express or implied (collectively, the "**Representations**"), and are not required to make any Representations in respect of, or in connection with the Transferred Land, including, without limitation, the Transferred Land's size, state, condition, fitness, environmental condition or impact, usefulness, topography, divisibility, suitability, use (past, present or future), purpose, utilities, improvements, services, designation, zoning, permits, boundary, access, occupants, licensees or tenants (whether legal or not), permitted encumbrances, timber, soil condition, ground or surface water condition, state of repair, latent or patent defects, any substance, Contaminants, waste, pollutant or other condition (whether toxic, hazardous, special or not), property condition disclosure statement, information on or relating to the Transferred Land, the presence or absence of, or to, any of the foregoing, or any other aspect, matter, information or thing whatsoever.

6.3 Except as expressly set out in this Agreement, each party is acquiring the Transferred Land "as is, where is". Without limiting the foregoing, each party acknowledges it has, prior to entering this Agreement, used and hereafter will use its own due diligence, resources and independent investigations to satisfy itself fully on every aspect, matter, information or thing relating to, or in connection with the respective Transferred Land, that

no statement or information about the Transferred Land supplied by the other party, its elected or appointed officials, officers, employees or agents forms part of this Agreement or has been relied upon by the party, and each party is released from all obligations to deliver site profiles, site investigations, permits, approvals, covenants, security, bonding, clearances, reports and information of an environmental nature, or any other consents, declarations, certificates, documents or resolutions unless expressly required by this Agreement to the contrary.

- 6.4 Each party will assume, effective on the Completion Date, and at its own cost, full and complete responsibility for the past, present and future environmental condition of the Transferred Land, including, without limitation, remediation work, if any, in respect thereof and releases and will indemnify and save harmless the other party, its elected and appointed officials, officers, employees and agents from and against any and all liabilities, obligations, duties, losses, damages, costs, expenses (including legal fees and expenses on a solicitor and own client basis, and fees and disbursements of experts, consultants and contractors), and costs and expenses with respect to or related to or arising out of the past, present and future environmental condition of the Transferred Land as of the Completion Date.

7.0 RELEASE

- 7.1 The School Board hereby releases Saanich, including its agent(s), elected and appointed officials, officers, and employees, from any claim, action, cause of action, liability or demand whatsoever, at law or in equity, arising out of or in connection with the Works, and the Dedication Area, except to the extent caused by the negligence of Saanich and except for any damage referenced in section 4.1(f).

8.0 RISK/POSSESSION

8.1 Passing of Risk

- (a) The Closed Road is at the risk of Saanich until 12:00 AM on the Completion Date. From and after 12:00 AM on the Completion Date, the Closed Road shall be at the risk of the School Board.
- (b) The Dedication Area is at the risk of the School Board until 12:00 AM on the Completion Date. From and after 12:00AM on the Completion Date, the Dedication Area shall be at the risk of Saanich.

8.2 Possession

- (a) The School Board shall have the right to vacant possession of the Closed Road on the Completion Date, subject only to:
- (i) all exceptions, reservations, and provisos contained in the original Crown grant; and
 - (ii) the Permitted Encumbrances
- (b) Saanich shall have the right to vacant possession of the Dedication Area on the Completion Date, subject only to:

- (i) The Permitted Encumbrances

9.0 CLOSING PROCEDURE

9.1 Closing

The closing of the purchase of the Closed Road and transfer of the Dedication Area will occur on the Completion Date.

9.2 School Board's Documents

On or before the Completion Date, the School Board's solicitor will prepare the following, in registrable form where applicable (the "**School Board's Documents**"):

- (a) one (1) or more Form A freehold transfers of the fee simple interest in the Closed Road to the School Board;
- (b) a certificate regarding the GST registration and status of the School Board taking a transfer of a fee simple interest in the Closed Road under subsection (a); and
- (c) such other documents and assurances as may be reasonably required by the School Board to give full effect to the intent and meaning of this Agreement.

9.3 Saanich's Documents

On or before the Completion Date, Saanich's solicitor will prepare the following, in registrable form where applicable (the "**Saanich Documents**"):

- (a) the Application to Deposit the Reference Plan;
- (b) the Application to Deposit the Road Closure Plan;
- (c) the Application to Deposit the Subdivision Plan;
- (d) a Form 17 raising title to the Closed Road;
- (e) a Form 17 cancelling the right of resumption over the Closed Road pursuant to subsection 35(10)(b) of the *Community Charter* and the Resumption of Highways Regulation, B.C. Reg. 245/2004;
- (f) a certificate regarding the GST registration and status of Saanich; and
- (g) such other documents and assurances as may be reasonably required by Saanich to give full effect to the intent and meaning of this Agreement.

9.4 Delivery of School Board's Documents

Those School Board's Documents requiring execution on behalf of Saanich will be delivered to Saanich's solicitor at least five (5) Business Days before the Completion Date, together with courtesy copies of the remainder of the School Board's Documents. The School Board's Documents executed on behalf of Saanich shall be returned to the School Board's solicitor on or before the Completion Date.

9.5 Delivery of Saanich Documents

Those Saanich Documents requiring execution on behalf of the School Board will be delivered to the School Board's solicitor at least five (5) Business Days before the Completion Date, together with courtesy copies of the remainder of the Saanich Documents. The Saanich Documents executed by the School Board shall be returned to Saanich's solicitor on or before the Completion Date.

9.6 Registration

On the Completion Date, the School Board's solicitor and Saanich's solicitor shall, by way of an "electronic meet", file in the Victoria Land Title Office the documents referred to in subsections 9.2, the documents referred to in subsections 9.3, and any other documents required to be registered to give full effect to the meaning and intent of this agreement.

9.7 Consolidation

Concurrently with and immediately following the filing of the transfers referred to in section 9.6, the School Board shall, as a condition of the purchase and sale of the Closed Road, and at its sole cost and expense, register or cause to be registered the Subdivision Plan for the purposes of consolidating the Closed Road with one (1) or more of the parcels comprising the Property.

9.8 Concurrent Requirements

It is a condition of this Agreement that all requirements of this Article 9, except section 9.9, are concurrent requirements and it is specifically agreed that nothing will be completed on the Completion Date until everything required to be executed and delivered on the Completion Date has been so executed and delivered.

9.9 Transfer of Payment

Saanich shall provide the Payment to the School Board within thirty (30) days of final registration of the Transfer Documents.

10.0 MISCELLANEOUS

10.1 Time

Time is of the essence of this Agreement and the transactions contemplated in this Agreement notwithstanding the extension of any of the dates under this Agreement.

10.2 Notices

- (a) Each notice sent pursuant to this Agreement ("**Notice**") shall be in writing and shall be sent to the relevant party at the relevant address, facsimile number or e-mail address set out below. Each such Notice may be sent by registered mail, by commercial courier, by facsimile transmission, or by electronic mail. The contact information for the parties is:

The School Board	Saanich
The Board of Education of School District No. 63 (Saanich) 2125 Keating Cross Road Victoria, BC V9M 2A5 Attention: Rob Lumb Tel: Email: rlumb@saanichschools.ca Fax: _____ copy to Legal Counsel: _____ _____ _____	The Corporation of the District of Saanich 770 Vernon Avenue Victoria, BC V8X 2W7 Attention: Andie Britton-Foster Municipal Solicitor Tel: 250-475-5592 Email: andie.britton-foster@saanich.ca Fax: 250-475-5444

- (b) Each Notice sent by electronic mail ("E-Mail Notice") must show the e-mail address of the sender, the name or e-mail address of the recipient, and the date and time of transmission, must be fully accessible by the recipient, and unless receipt is acknowledged, must be followed within twenty-four (24) hours by a true copy of such Notice, including all addressing and transmission details, delivered (including by commercial courier) or sent by facsimile transmission.
- (c) Subject to subsections 10.2(d) through 10.2(g) each Notice shall be deemed to have been given or made at the following times:
- (i) if delivered to the address (including by commercial courier), on the day the Notice is delivered;
 - (ii) if sent by registered mail, seven (7) days following the date of such mailing by sender;
 - (iii) if sent by facsimile transmission, on the date the Notice is sent by facsimile transmission; or
 - (iv) if sent by electronic mail, on the date the E-Mail Notice is sent electronically by e-mail by the sender.
- (d) If a Notice is delivered, sent by facsimile transmission or sent by electronic mail after 4:00 p.m., or if the date of deemed receipt of a Notice falls upon a day that is

not a Business Day, then the Notice shall be deemed to have been given or made on the next Business Day following.

- (e) Notice given by facsimile transmission in accordance with the terms of this Section 10.2 will only be deemed to be received by the recipient if the sender's facsimile machine generates written confirmation indicating that the facsimile transmission was sent.
- (f) If normal mail service, facsimile or electronic mail is interrupted by strike, slow down, force majeure or other cause beyond the control of the parties, then a Notice sent by the impaired means of communication will not be deemed to be received until actually received, and the party sending the Notice shall utilize any other such services which have not been so interrupted or shall personally deliver such Notice in order to ensure prompt receipt thereof.
- (g) Each Party shall provide Notice to the other Party of any change of address, facsimile number, or e-mail address of such Party within a reasonable time of such change.

10.3 Further Assurances

Each of the parties shall, at the expense of the other party, execute and deliver all such further documents and do such further acts and things as the other party may reasonably request from time to time to give full effect to this Agreement.

10.4 Assignment

Neither party shall assign its rights under this Agreement.

10.5 Non-merger

None of the provisions of this Agreement shall merge in the transfer of the Closed Road or any other document delivered on the Completion Date, and the provisions of this Agreement shall survive the Completion Date.

10.6 Certificates

Wherever this Agreement provides for a certificate from a party, that certificate shall be signed by a responsible officer of a party, and that certificate shall be deemed to constitute a representation and warranty or a covenant, as the case may be, by the party whose officer signed the certificate.

10.7 Legal Advice

Each party has obtained, or has freely elected not to obtain, independent legal advice with respect to this Agreement.

10.8 Payment of Legal Fees

Each party shall pay its own legal fees. The School Board shall pay any fees associated with the registration of the School Board's Documents. Saanich shall pay any fees associated with the registration of the Saanich Documents.

10.9 Goods and Services Tax

Each party shall self-assess and remit directly to the Canada Revenue Agency any GST applicable to the transfer of the property it receives on the Completion Date. For greater clarity, the School Board shall be responsible for any GST applicable to the transfer of the Closed Road, Saanich shall be responsible for any GST applicable to the transfer of the Dedication Area. Each party shall deliver to the other a certificate confirming GST registration and status on or before the Completion Date.

10.10 Binding Effect

This Agreement shall enure to the benefit of and be binding upon the parties, their respective heirs, executors, administrators, successors and other legal representatives.

10.11 No Derogation from Statutory Powers

Nothing in this Agreement shall be interpreted as prejudicing or impairing Saanich in the exercise of any statutory legislative powers under the *Local Government Act*, the *Community Charter* or any other enactment all of which may be exercised as if this Agreement had not been executed, provided that the foregoing shall not restrict or limit the rights and remedies of the School Board resulting or arising from a breach or non-performance of the terms of this Agreement by Saanich.

10.12 Extended Meanings

In this Agreement words importing the singular number include the plural and vice versa, and words importing the masculine gender include the feminine and neuter genders.

10.13 Headings

The headings in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

10.14 Articles

For the purposes of this Agreement, except as otherwise expressly provided herein, all references in this Agreement to an article, section, subsection, paragraph, or other subdivision, or to a schedule, is to the article, section, subsection, paragraph or other subdivision of or schedule to this Agreement unless otherwise specifically stated.

10.15 Applicable Law

This Agreement shall be governed by and interpreted in accordance with the laws of British Columbia.

10.16 Waiver

Except as may be specifically agreed in writing, no action or failure to act by a party to this Agreement shall constitute a waiver of any right or duty afforded any of them under this Agreement nor shall any such action or failure to act constitute an approval of or acquiescence in any breach of this Agreement.

10.17 Entire Agreement

This Agreement and the agreements set out in the schedules hereto constitute the entire agreement between the parties with respect to the subject matter of the Agreement and contains all of the representations, warranties, covenants and agreements of the respective parties, and may not be amended or modified except by an instrument in writing executed by all parties. This Agreement supersedes all prior agreements, memoranda, and negotiations between the parties.

10.18 Schedules

The following attached to this Agreement form part of this Agreement:

- (a) Schedule A: Reference Plan (draft)
- (b) Schedule B: Scope of Work
- (c) Schedule C: Compensated Items
- (d) Schedule D: Road Closure Plan
(draft)
- (e) Schedule E: Permitted Encumbrances
- (f) Schedule F: Subdivision Plan (draft)
- (g) Schedule G: Appraisal

10.19 Counterparts

This Agreement may be executed in counterparts and when the counterparts have been executed by the parties, each originally executed counterpart, whether a facsimile, photocopy or original, will be effective as if one original copy had been executed by the parties to this Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF the parties have executed this Agreement.

The Corporation of the District of Saanich
by its authorized signatory:

Print Name:

Date: _____

The Board of Education of School District No. 63 (Saanich)
by its authorized signatories:

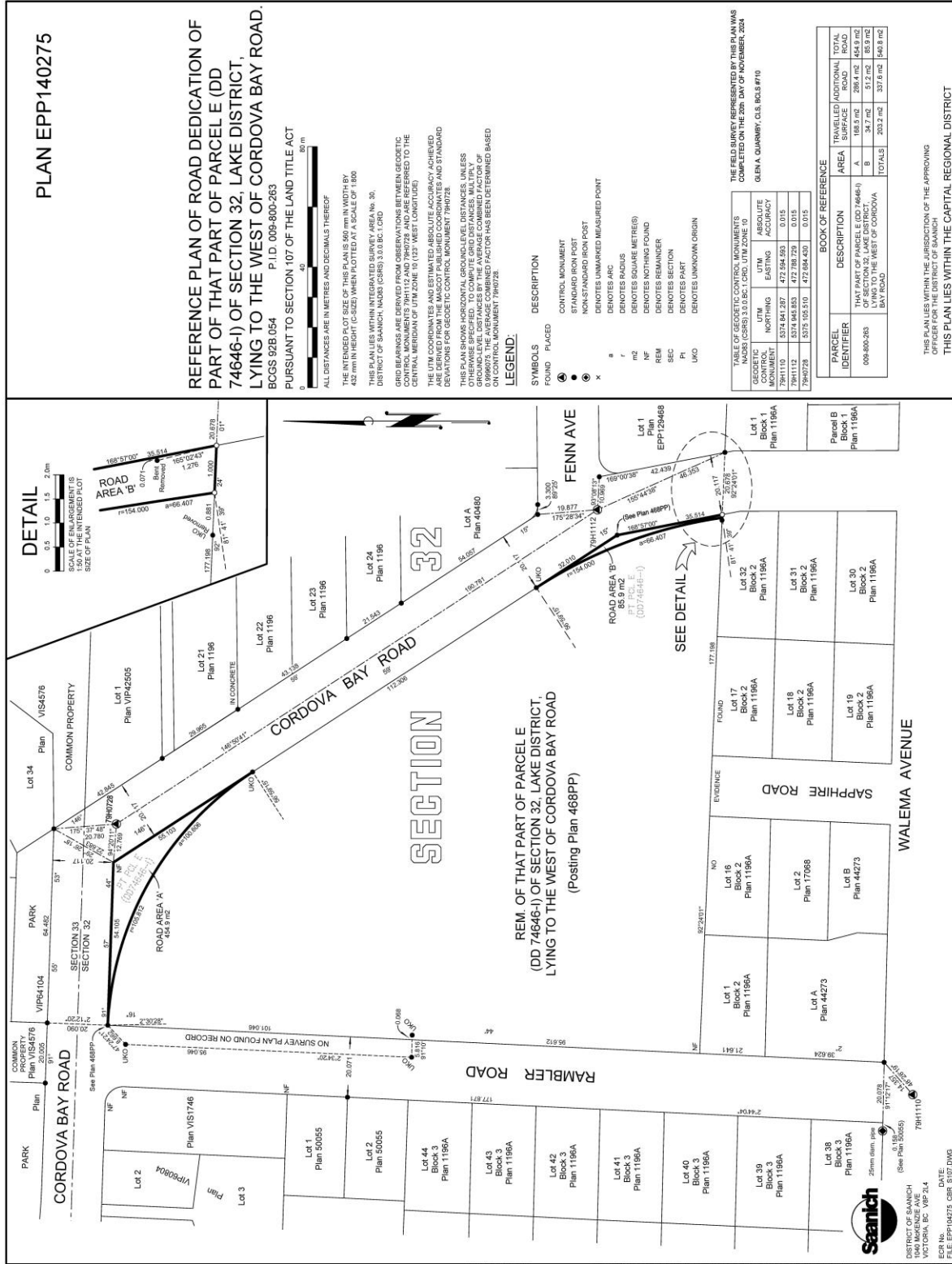
Print Name:

Date: _____

Print Name:

Date: _____

Schedule "A" - Reference Plan EPP104275



DISTRICT OF SWANICH
1000 MORENZE AVE
FOUR OAKS, BC V0P 3L4
E.P.P. EPP104275_OB_2107.DWG

Schedule “B” – Scope of Work

Scope of Work Description

The Works proposed to be undertaken by the District, at no cost to the School Board, are as follows:

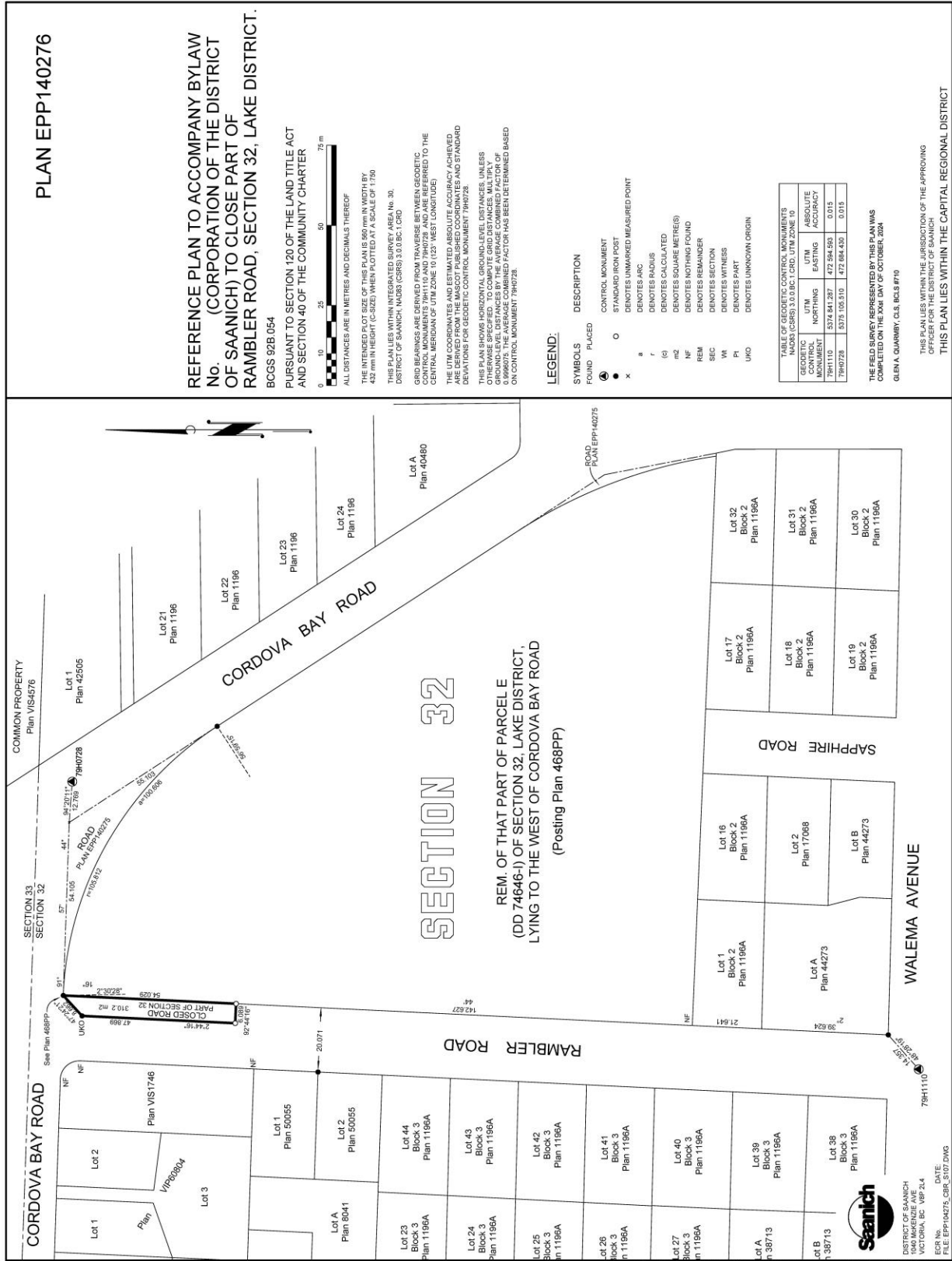
- Within the Dedication Area, utility rights-of-way or road rights-of-way (may include but is not limited to):
 - New concrete curb along the road edge;
 - New grass boulevard complete with periodic street trees;
 - New asphalt bike lane;
 - New concrete sidewalk;
 - Removal of fence on the corner in conflict with sidewalk installation
- 1)
 - Within the Property including:
 - Removal of cedar Tree in conflict with proposed works; and
 - Relocation of fence;

Schedule “C” – Compensated Items

Compensation will be paid for the following items to be replaced or restored by the School Board at the School Board’s sole discretion. The compensation is set out in Recital 2.2(c) of the Agreement, the total of which is broken down as follows:

Material/Item/Location	Required Amount	Cost
Shed Relocation		\$6,339.50
TOTAL PAYMENT:		\$6,339.50

Schedule "D" - Road Closure Plan EPP140276



Schedule "E" – Permitted Encumbrances

Permitted Encumbrances Concerning the Closed Road

The exceptions, reservations and encumbrances referred to in subsections 35(7)(b), (c) and (d) of the *Community Charter*.

Permitted Encumbrances Concerning the Dedication Area

No permitted encumbrances

Schedule "G" – Appraisal

[begins on next page]



**D.R. COELL
& ASSOCIATES**

EST. 1974

CURRENT MARKET VALUATION

Notional Areas A, B, and C

Located at 5238 Cordova Bay Road

Victoria, British Columbia

VALUATION DATE

December 8, 2024

PREPARED FOR

District of Saanich





Our File: S9781

February 14, 2025

District of Saanich
770 Vernon Ave.
Victoria BC V8X 2W7

Attention: Janet Racz, Land Agent

**Re: Market Value Estimate of Notional Areas A, B, and C
Located at 5238 Cordova Bay Road, Victoria, British Columbia**

In response to your instructions, I have estimated the net compensation payable of the fee simple interest of three portions of the above noted property identified herein as the subject property. The effective date of the value estimate is December 8, 2024, which is the date of inspection.

The authorized use of the report is to estimate the compensation payable for a proposed land swap between the District of Saanich and School District 63. The areas involving the subject property are specifically identified herein Area A, Area B, and Area C. Areas A and B are proposed to be acquired by the District of Saanich for road dedication whereas Area C is proposed to be acquired by School District 63. The net compensation payable is estimated below.

Based on an inspection of the property and the investigation and analysis undertaken, I have formed an opinion that as of December 8, 2024, subject to the assumptions and limiting conditions contained herein, the net compensation payable of the fee simple interest is:

Area	Vendor	Size (sq. ft.)	Value Rate (PSF)	Value
A	SD63	3,083	\$50.00	\$154,150
B	SD63	551	\$50.00	\$27,500
C	Saanich	3,338	\$50.00	\$166,900
Net Compensation Payable to SD63				\$14,800**

**** NOTE: THE VALUE ESTIMATES CONTAINED HEREIN ARE CONTINGENT UPON AND SUBJECT TO THE EXTRAORDINARY ASSUMPTIONS, HYPOTHETICAL CONDITIONS AND EXTRAORDINARY LIMITING CONDITIONS AS DESCRIBED IN THIS REPORT.**

This current appraisal report includes the relevant research, analysis, results and conclusions of my inspection and investigations, together with the reasoning leading to the estimate of value as stated herein. No other party may rely on this appraisal without specific written approval of the appraiser and approval by the authorized client designated as the exclusive user.

Should you require further information regarding this report, please do not hesitate to contact me.

D.R. COELL & ASSOCIATES INC.

Per:

Alanna Gagliani, BSc AACI P.App
AIC Membership #: 909738
Digital Signature Security: Microsoft

NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.

D.R. COELL & ASSOCIATES
REAL ESTATE VALUATION & ADVISORY SERVICES



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5238 Cordova Bay Road
Victoria, British Columbia



1.0 EXECUTIVE SUMMARY

SALIENT FACTS

Civic Address:	5238 Cordova Bay Road, Victoria, British Columbia
Jurisdiction:	District of Saanich
Legal Description:	That Part of Parcel E (DD 74646i) of Section 32, Lake District, Lying to The West of Cordova Bay Road
PID	009-800-263
Registered Owner:	The Board of Education of School District No. 63
Parent Property Size:	30,351m ² (326,700 square feet or 7.5 acres)
Area A	454.9m ² (4,897 square feet) less 168.5m ² (1,814 sq. ft.) of travelled road area for a total compensation area of 286.4 m ² (3,083 sq. ft.)
Area B	85.9m ² (925 square feet) less 34.7m ² (374 sq. ft.) of travelled road area for a total compensation area of 51.2m ² (551 sq. ft.)
Area C	310.2m ² (3,338 square feet)
Zoning:	P-1, Assembly
Highest and Best Use:	Continuation of existing use.
Effective Date:	December 8, 2024
Inspection Date:	December 8, 2024
Valuation Approaches:	Direct Comparison Approach

Area	Vendor	Size (sq. ft.)	Value Rate (PSF)	Value
A	SD63	3,083	\$50.00	\$154,150
B	SD63	551	\$50.00	\$27,550
C	Saanich	3,338	\$50.00	\$166,900
Net Compensation Payable				\$14,800**

**** NOTE: THE VALUE ESTIMATES CONTAINED HEREIN ARE CONTINGENT UPON AND SUBJECT TO THE EXTRAORDINARY ASSUMPTIONS, HYPOTHETICAL CONDITIONS AND EXTRAORDINARY LIMITING CONDITIONS AS DESCRIBED IN THIS REPORT.**



2.0 BASIS OF THE APPRAISAL

2.1 PURPOSE

The purpose of this appraisal is to estimate the net compensation payable associated with the proposed land swap. In order to establish compensation, the current market value of the subject property described in this report is estimated as at the effective date.

Market Value

“The most probable price which a property should bring in a competitive and open market as of the specified date under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. *the buyer and seller are typically motivated;*
2. *both parties are well informed or well advised, and acting in what they consider their best interests;*
3. *a reasonable time is allowed for exposure in the open market;*
4. *payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and*
5. *the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”*

Source: Canadian Uniform Standards of Appraisal Practice, January 2024

2.2 AUTHORIZED USE

For the purpose of this report, the authorized client is Janet Racz, representing District of Saanich. The authorized use is to provide the authorized client with valuation guidance. All other uses are denied.

No other party may rely on this appraisal without specific written approval of the appraiser and approval by the authorized client designated as the exclusive user. This report is prepared on the assumption that no other party will rely on it for any other purpose and that all liability to all other parties is strictly denied. Any party who does not comply with the procedure to become entitled to rely on this appraisal shall not be entitled to rely on any aspect of this appraisal and should proceed at their own risk.

Possession of this report, or a copy thereof, does not carry with it the right to reproduction or publication in any manner, in whole or in part. Applications may be made to the appraiser for written approval for use. This report shall be considered “marketable” for a period of one year from the effective date as noted herein. Release of the report after the “market” period shall be limited to the professional associations of which the Appraisers are members, or by a court of law or any other body with the power of subpoena.



2.3 EFFECTIVE DATE

The effective date of this appraisal report is December 8, 2024, and the property was inspected on December 8, 2024.

2.4 PROPERTY RIGHTS APPRAISED

The property rights appraised are those of the Fee Simple interest in the deeded property. A Fee Simple Estate is defined as follows:

“Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat”.

2.5 SCOPE OF WORK

Definitions and Sources This is a narrative appraisal report and complies with the reporting requirements set forth under the Canadian Uniform Standards of the Appraisal Institute of Canada (2024) to estimate the current market value. As such, all relevant material is provided in this report including the discussion of appropriate data, reasoning, and analyses that were used in the appraisal process to develop the appraiser’s opinion of current market value.

Instructions concerning the purpose and authorized use of the appraisal were received from the authorized client. Additional supporting documentation concerning the data, reasoning, and analyses are retained in the appraiser’s file. The depth of discussion contained in this report is specific to the needs of the authorized client and for the authorized use stated herein.

Physical Inspection Improved properties are typically inspected on the interior and exterior. When properties have no improvements, only the site is inspected. Whenever possible, a visual off-site inspection has been made of the comparable properties utilized in the report.

Alanna Gagliani BSc AACI P.App completed an inspection the subject property on December 8, 2024. As the subject improvements are not affected by the proposed acquisition, they were not inspected, nor is their contributory value considered in this valuation. The inspection was otherwise limited to an assessment of the property’s apparent land characteristics, and it should not be construed as a comprehensive and/or technical inspection/review.

My identification of the property also involved a review of mapping prepared by the local municipality;



Site measurements were provided by BC Assessment and the District of Saanich. No measurements or calculations were undertaken by D.R. Coell & Associates Inc. to determine or confirm the site areas. I have assumed that the information provided is accurate; if not, the analysis and value conclusions may require adjustment. No warranty or representation is provided by D.R. Coell & Associates Inc. pertaining to this matter.

Scope of Research

Information sources included the following, unless otherwise indicated in the report:

- the Authorized Client;
- Reviewed and relied on Reference Plan EPP140275 by Glen A. Quarmby signed February 6, 2025;
- Maps and / or plans provided by third parties;
- D.R. Coell & Associates Inc. information files and computer records;
- Reviewed the District of Saanich Zoning Bylaw and Official Community Plan;
- BC Land Titles Office otherwise known as the Province of B.C. Land Title and Survey Authority (LTSA). The LTSA is the Provincial registry for land titles and Surveyor General records;
- Published advertising and interviews realtors;
- The appraiser has relied upon sales and listing activity reported by the Victoria Real Estate Board, contracted reporting services and the appraiser's own files. Sources of market evidence included, as appropriate, the local real estate board, Land Title Office transactions – including those reported by Data Systems (Landcor) and local assessors, and real estate agents, vendors and purchasers active in the market.
- This report is a brief recapitulation of the data, analyses and conclusions arising from the research performed during the course of this assignment. The full context of the Scope of the Report and other supporting documentation, without which this report may not be understood properly, have been retained in the working files of D.R. Coell & Associates Inc.;
- The analysis set out in this report relied on written and verbal information obtained from a variety of sources I considered reliable. Unless otherwise stated herein, I did not verify client-supplied information, which I believed to be correct. Reasonable efforts have been made to verify this information.;



Appraisal Techniques All of the traditional appraisal approaches (Cost, Direct Comparison and Income) have been considered, however only those believed to be most appropriate for the type of property and market have been applied.

The subject property has been analyzed on a cash equivalent basis. Any current financing is not considered in the market value estimate.

Limitations The Appraisal is limited to estimating (not “determining”) market value of the subject property, as of the date and for the purpose specified. Market value is dynamic and changes over time because of continually changing factors.

Valuation of fixed and non-fixed assets required in a “going-concern” or “value in use” assignment valuation are not included.

Not Within the Scope of this Appraisal The scope of the appraisal does not include market analysis, economic, legal or market feasibility studies, or detailed highest and best use analysis other than as a normal part of the appraisal process.

Legal investigation as to adverse influences on Title and marketability are also not within the scope of the appraisal.

Finally, the appraisal does not include inspection or use of engineers’ reports related to roofing, mechanical systems (plumbing and heating), electrical, insulation, structural (including foundation), soil stability or toxic contamination unless indicated in the report. Appraisers are not qualified to complete inspections or offer opinion in these areas. Nor are they trained to detect the presence or absence of toxic materials.

2.6 ASSUMPTIONS & LIMITING CONDITIONS

Preamble This appraisal is contingent upon a number of general assumptions and conditions, which are listed in the Addenda (Ordinary Assumptions & Limiting Conditions).

A variety of other assumptions and subjective judgements are necessary in the valuation process. These are made throughout the report where necessary and deemed appropriate.

All of the assumptions and limiting conditions should be considered when reading this report, and if the reader does not fully concur with them, this report should not be used.

The extraordinary assumptions and limiting conditions as noted, are critical to this analysis in that should the assumed conditions not hold true, the estimated market value as noted herein would be void and irrelevant.



Wherever value estimates are provided throughout this report (Letter of Transmittal, Executive Summary, Valuation and Certification), a ** **Note** will appear referring the reader to this section and the specific Assumptions noted.

Extraordinary Assumptions

An Extraordinary Assumption refers to a hypothesis (either supported or unconfirmed), which, if not true, could alter the Appraiser's opinions and conclusions.

In this appraisal report, the following extraordinary assumptions were invoked.

- It is assumed there is demonstrated demand for the subject property by an educational entity by (a) an attempt to bargain in good faith for the acquisition of the property; (b) an attempt to expropriate the property; or (c) by other well-established means.
- The compensation payable is calculated in accordance with Section 40(3) of the *Expropriation Act*, R.S.B.C. 1996, which in brief, requires compensation payable to be no less than the pro rata value of the land taken.
- The estimate of compensation in this report is subject to adjustment in the event the size of the surveyed proposed taking is materially different than the estimated area as described herein. The area estimated in this report are dimensions based on the design drawings. The actual dimensions need to be verified after the construction is complete and validated by a legal surveyor.
- The BC Assessment recorded parcel area on the parent property before the acquisition is assumed accurate. The appraiser does not warrant the site area relied upon and presented within this report to be to the standard of a present-day survey and is subject to verification by a British Columbia Land Surveyor. The appraised value is subject to adjustment should a variation in site area be found.
- It is an Extraordinary Assumption of this report the following Hypothetical Conditions are invoked:



Hypothetical Conditions A Hypothetical Condition is something which is contradictory to what exists, but is supposed for the purpose of analysis. Hypothetical conditions may be used when they are required for legal purposes of reasonable analysis or for purposes of comparison. Common hypothetical conditions include proposed improvements and prospective appraisals. For every Hypothetical Condition, an Extraordinary Assumption is required.

In this appraisal report, the following hypothetical condition was invoked.

- In determining the value of the property, the subject land is assumed vacant (e.g., any contributory value and/or demolition/remediation expense for any existing improvements to the subject lands have been disregarded for the purposes of this valuation).

Extraordinary Limiting Conditions An Extraordinary Limiting Condition refers to a necessary modification or exclusion of a standard rule of appraisal. Before accepting the assignment and invoking this limiting condition, the Appraiser has concluded that the scope of work applied will result in credible opinions and conclusions.

In this case, the following Extraordinary Limiting Conditions was invoked.

- Within this valuation, the existing school board ownership is considered given the limitations on Fee Simple ownership, namely with respect to the right to close a school or dispose of a school property, imposed under the jurisdiction of the School Act and the Ministry of Education and Child Care (MECC). The consideration of property ownership within a valuation is a non-standard practice but is deemed necessary to fully account for the applicable provincial law. For valuation purposes, MECC is assumed to be cooperative in the disposition of the subject school property.

Jurisdictional Exception The Jurisdictional Exception permits the appraiser to disregard a part or parts of the Standards determined to be contrary to law or public policy in a given jurisdiction and only that part shall be void and of no force or effect in that jurisdiction. The following comments identify that part or parts, if any, and the legal authority justifying these actions.

In this case, no Jurisdictional Exceptions were invoked.



3.0 FACTUAL INFORMATION

This section of report includes a description of property identification facts, title information, sales history, location descriptions and pertinent statistics, site and improvement descriptions, various land use information and property assessment data as relates to the subject property. With respect to site and improvement data, each is summarized and discussed primarily in the context of how it may impact the valuation.

3.1 PROPERTY IDENTIFICATION

Civic Address:	5238 Cordova Bay Road, Victoria, British Columbia
Jurisdiction:	District of Saanich
Legal Description:	That Part of Parcel E (DD 74646I) of Section 32, Lake District, Lying to The West of Cordova Bay Road
PID	009-800-263

3.2 OWNERSHIP / SALES HISTORY

Current Status	The subject parcel is registered to the Corporation of the Board of Education of School District No. 63 as title number CB280566 dated October 13, 2022.
Sales History	CUSPAP requires that the appraiser report and analyze any listings or sales of the subject property over the previous three years. According to the records of the local Real Estate Board, BC Assessment and the Victoria Land Title Office, there have been no listings or sales information relative to the subject property over the past three years.

3.3 ENCUMBRANCES

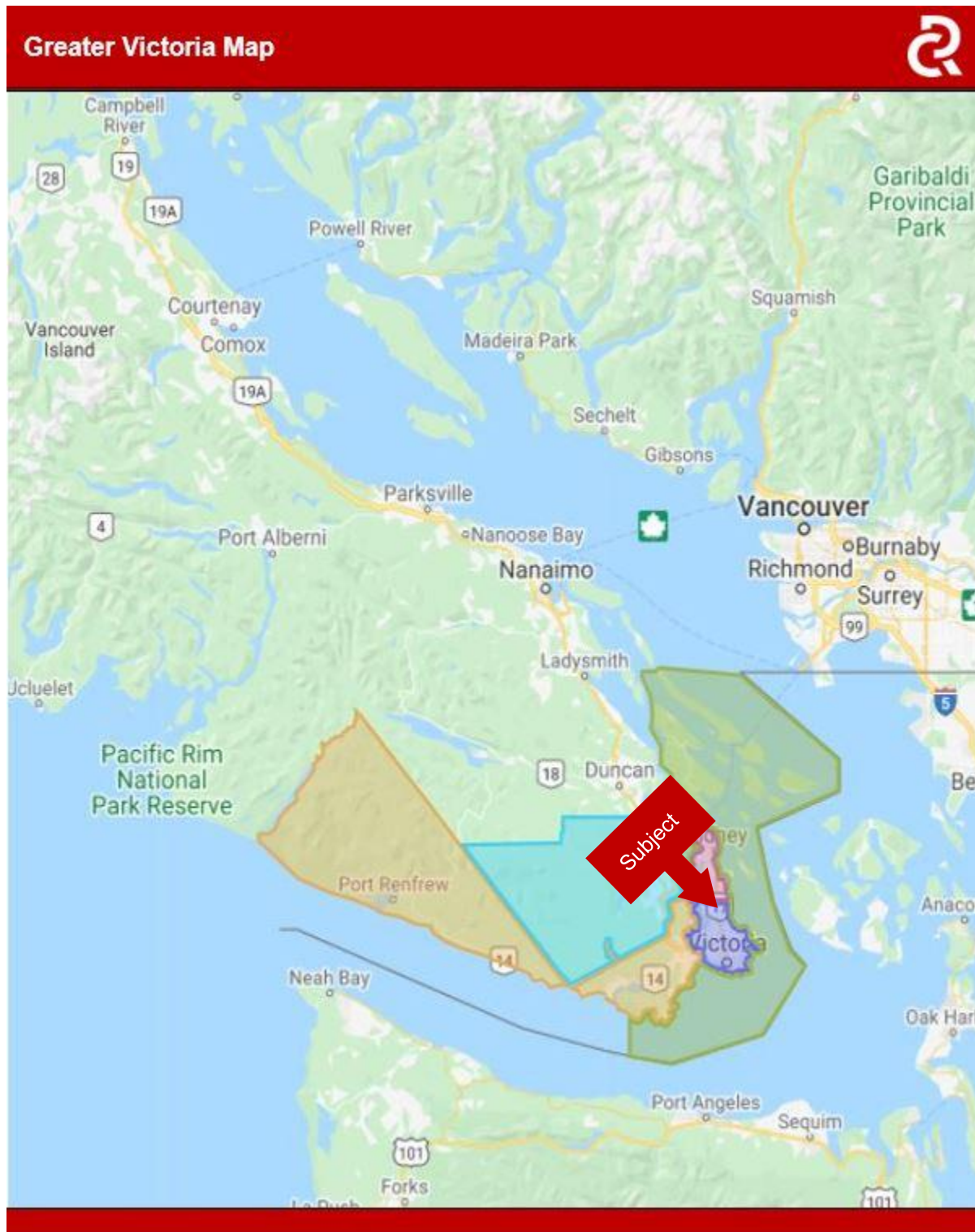
An encumbrance is a claim or liability against real estate, held by someone other than the fee owner of the property that affects the title to the property, and therefore has the potential to affect its value. The subject has the following encumbrances registered on title.

Right of Way (ROW)	L80872	Registered in favour of the District of Saanich dated November 19, 1982. This SRW is located along the southern boundary between Sapphire Road and Rambler Road and will not impact the proposed acquisition.
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This is not to be construed as a legal opinion of title. Given the boundary-oriented and linear nature of the above ROW, it is deemed not to have a material impact on the subject property's marketability beyond what is typically imposed by legal constraints. No professional legal opinion as to the state of the property's title has been obtained. A copy of the title document is included in the addenda.



3.4 REGIONAL MAP





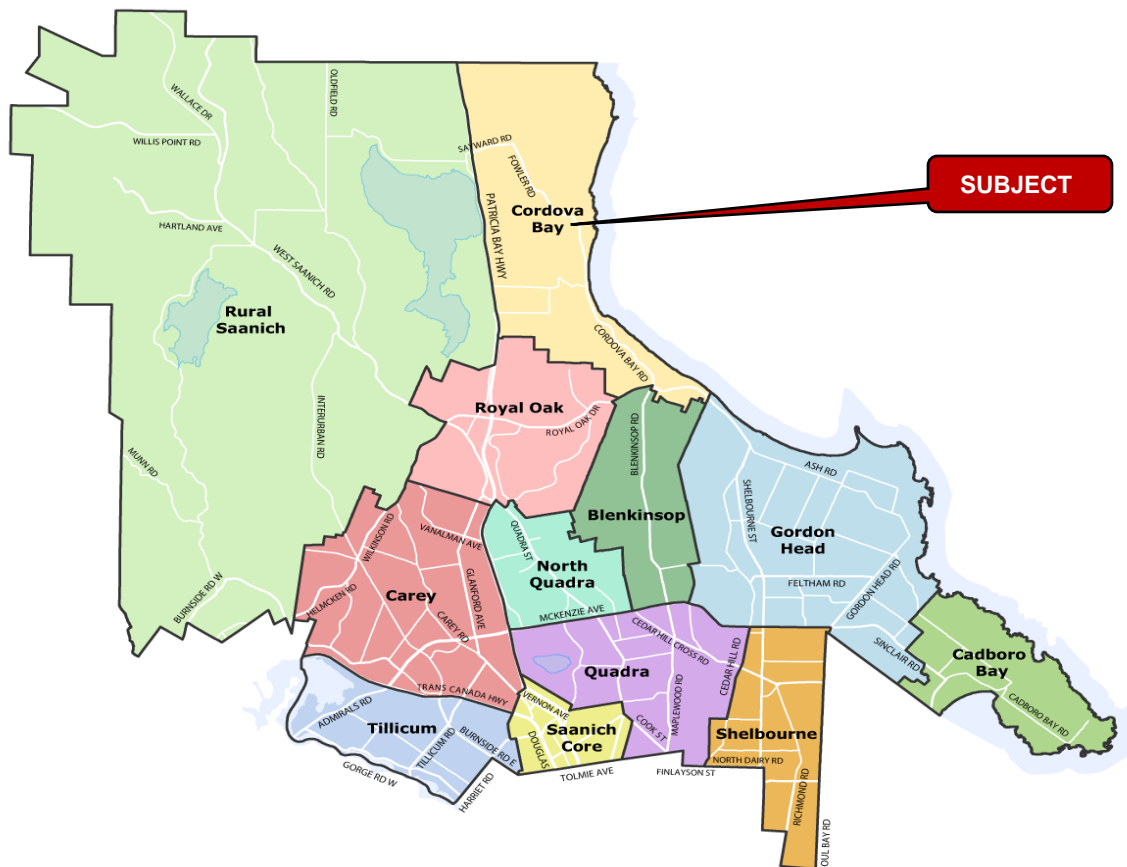
3.5 MUNICIPAL DESCRIPTION

Saanich

Municipality

The District of Saanich is one of the four municipalities which comprise the area often referred to as the 'Urban Core' of the Capital Regional District (CRD). The municipality is located 2.5 kilometres north of Victoria's Inner Harbour and is bordered by the Saanich Peninsula to the north, the Haro Strait to the east, the remaining municipalities of the Urban Core (Victoria, Oak Bay and Esquimalt) to the south and the Western Communities and the rugged Highlands area to the west.

Saanich is geographically the largest municipality in the CRD, and has a total area of 107 square kilometres. The municipality is bisected into roughly two equal halves by Highway 17 which runs north-south, from downtown Victoria to the ferry terminal at Swartz Bay. Although Saanich is part of the 'Urban Core', the municipality contains considerable areas of agricultural, rural, recreational, residential acreage and suburban residential land uses. Commercial and industrial activities within the municipality are concentrated in the southern and central portions of the district.



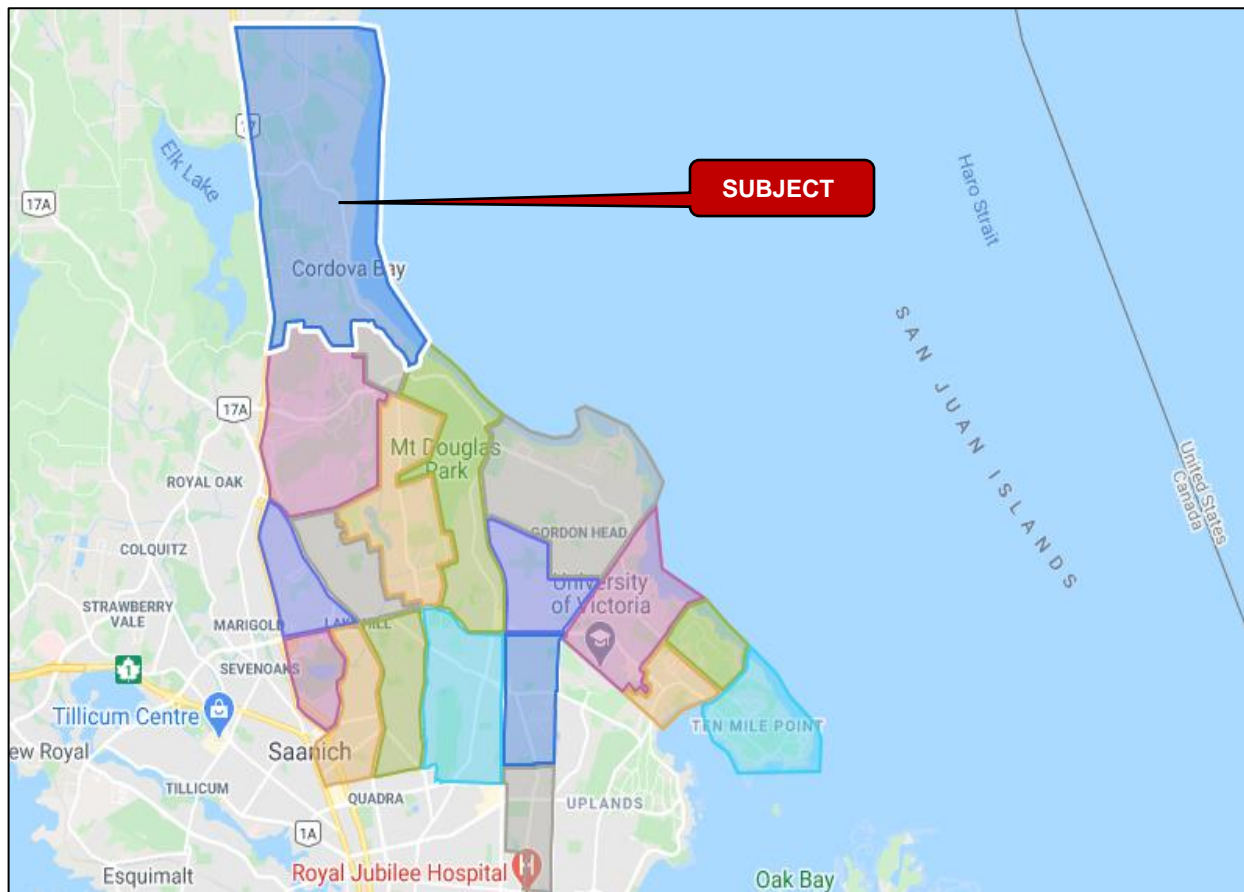


3.6 NEIGHBOURHOOD DESCRIPTION

Cordova Bay



The property is situated in the good quality residential Cordova Bay neighbourhood in the District of Saanich located within the Capital Regional District (CRD) on Vancouver Island.



District Boundaries

- North • Martindale (Neighbourhood in Central Saanich)
- South • Broadmead, Sunnymead and Mount Doug (Neighbourhoods)
- East • Haro Strait
- West • Elk Lake and Beaver Lake (Neighbourhoods)

Major Arterials & Access

- Access • General access to the neighbourhood is good.
- Arterial • Cordova Bay Road



Real Estate Summary

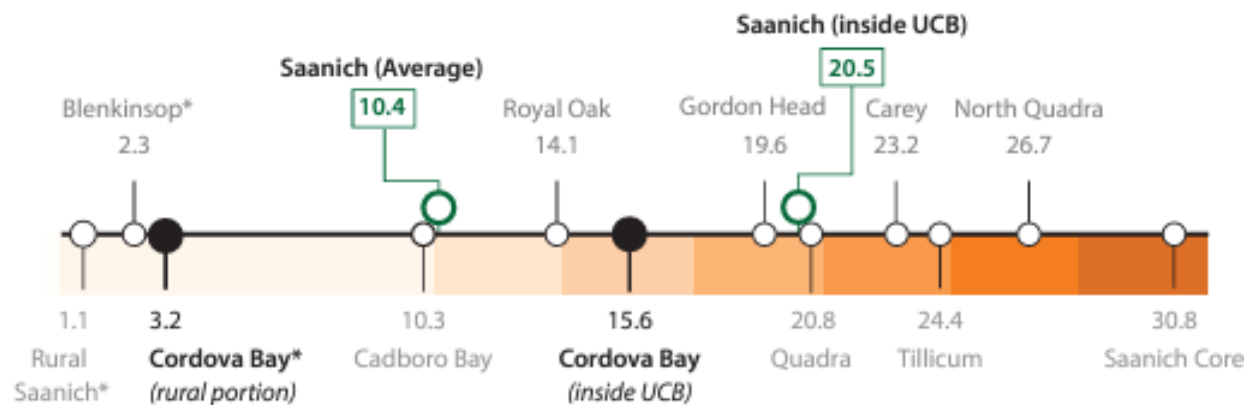
Cordova Bay is a very desirable location considering its waterfront location situated between the city of Victoria and the Swartz Bay Ferry Terminal. The Haro is a new mixed-use development to the area that consists of three four-storey condominium buildings and a ground floor retail component. This modern complex has excellent ocean views of the Haro Strait and Mount Baker, doorstep access to a vibrant village of local shops and services and is only steps from the beach and local walking trails.

Neighbourhood Summary

Cordova Bay is a seaside community that sits along the Haro Strait. The neighbourhood is bordered by parts of Sunnymeade, Broadmead and Mount Doug to the south, Central Saanich to the north and Elk Lake and Beaver Lake neighbourhoods to the west. Housing is varied containing both newer and older homes in a semi-rural setting about a 15-minute drive from the city of Victoria. The neighbourhood is also popular for golf enthusiasts with the Cordova Bay Golf Course and The Ridge (a par 3). Matticks farm is another prominent location which is a shopping mall that provides a mix of shops and services. Cordova Bay Beach is another popular landmark that is nearby seaside cottages and restaurants.

The neighbourhood is mostly traversed by residential corridors that are connected by the main arterial Cordova Bay Road. Locals also enjoy using the Lochside Regional Trail which runs through Cordova Bay and other neighbourhoods in Saanich.

The population density of the urban area of Cordova Bay is 15.6 persons per hectare (PPH). This density is on the low end of local areas in Saanich and compares to a population density of 20.5 for urban Saanich. The area outside the Urban Containment Boundary in Cordova Bay has a density of 3.2 persons per hectare. Cordova Bay was one of the last urban areas within Saanich to develop. The population of Cordova Bay grew by 18% over the 20-year period between 1996 and 2016 compared to 13% for Saanich overall. This is an annual growth rate of 0.82% while Saanich's was 0.59%. In the last census period, the population of Cordova Bay has stayed the same.



* denotes land outside Urban Containment Boundary (UCB)



3.7 SITE DESCRIPTION

Location The parent property represents a corner parcel that is slightly irregular in shape, and it is improved with an elementary school. Primary frontage is on Cordova Bay Road with secondary frontage on Rambler Road and Sapphire Road.

Proposed Land Swap: The areas involving the subject property are specifically identified herein Area A, Area B, and Area C as outlined on the survey plans to follow. Areas A and B are proposed to be acquired by the District of Saanich for road dedication.

Area A is located along the northern boundary as the property lot lines extend over an area that is partially improved as roadway for Cordova Bay Road. Approximately 168.5m² of Area is currently already used as roadway and under the Transportation Act, compensation for this area is not required. Thus, this area as been reduced in my calculation to follow.

Area B is located at the southeasterly corner of the site, also partially already improved as roadway. Approximately 34.7m² of this Area is currently already used as roadway.

Area C is proposed to be acquired by School District 63, and it is comprised of an area of Rambler Road that was formerly road dedicated area however it was never constructed into road improvements. Area C is contiguous with the school property and includes fencing around the area which naturally consolidates it with the site.

BOOK OF REFERENCE					
PARCEL IDENTIFIER	DESCRIPTION	AREA	TRAVELLED SURFACE	ADDITIONAL ROAD	TOTAL ROAD
009-800-263	THAT PART OF PARCEL E (DD 74646-I) OF SECTION 32, LAKE DISTRICT, LYING TO THE WEST OF CORDOVA BAY ROAD	A	168.5 m2	286.4 m2	454.9 m2
		B	34.7 m2	51.2 m2	85.9 m2
		TOTALS	203.2 m2	337.6 m2	540.8 m2

Note: Red box denotes areas that qualify for compensation as per the Transportation Act, Section 42 (1)

Parent Property Size: 30,351m² (326,700 square feet or 7.5 acres)

Area A 454.9m² (4,897 square feet) less 168.5m² (1,814 sq. ft.) of travelled road area for a total compensation area of 286.4m² (3,083 sq. ft.)

Area B 85.9m² (925 square feet) less 34.7m² (374 sq. ft.) of travelled road area for a total compensation area of 51.2m² (551 sq. ft.)

Area C 310.2m² (3,338 square feet)



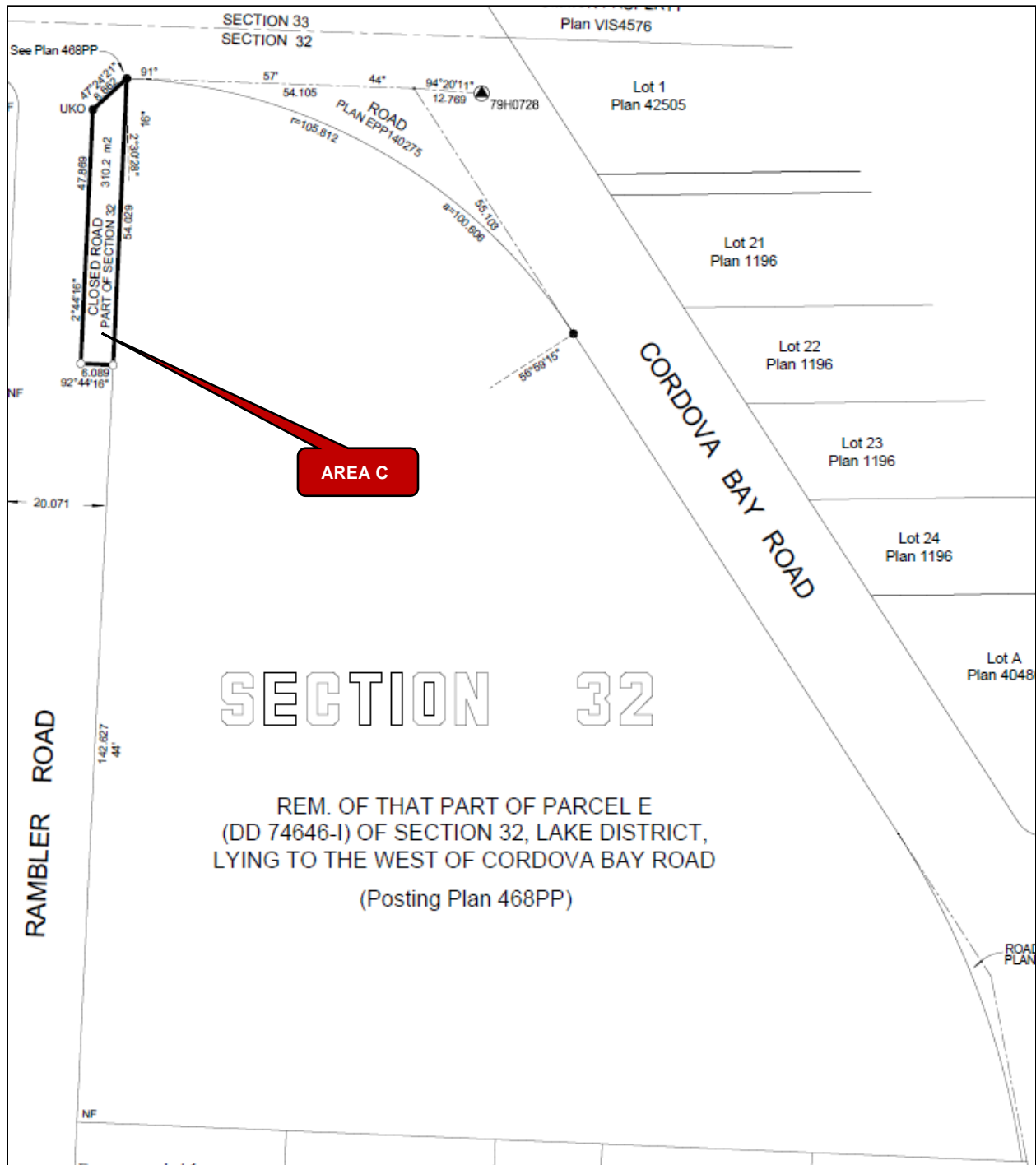
Utilities and Services	The site has been serviced with the usual municipal services and private utilities including municipal water and sewer, overhead street lighting, electrical power, and telephone/internet service. Fire and police protection are also provided.
Topography	The parcel is generally level at road grade.
Influences	The subject property is positively influenced by nearby commercial amenities and the oceanfront. It is in a desirable affluent neighbourhood.
Street Improvements	Most of the roadways within this neighbourhood are two directional, single lane asphalt paved with street lighting.
Ingress and Egress	Vehicular access is provided from Cordova Bay Road, Sapphire Road.
Site Improvements	<p>Site improvements include a U-shaped driveway providing access into a parking lot with two access points onto Cordova Bay Road. A secondary parking lot is accessed from Sapphire Road.</p> <p>Other site improvements include a field, perimeter fencing, playground, and annex structures for school operation.</p>
Assemblage	There is no assemblage potential of note other than the proposed assemblage of Area C.
Unapparent Conditions	There are no known environmental reports, studies, soil surveys or other investigations indicating the existence or possibility of contamination. Furthermore, no investigation was carried out regarding past or present uses of either the subject or any adjacent properties to determine potential for contamination from any uses. It is therefore assumed that no actual or potential contaminative uses have ever been carried out on the property. Should it be subsequently found that contamination is or has been present on/from/near the subject property; this report and the market value conclusion could be altered significantly.
General Acquisition Comments	<p>The principal impacts forecast as result of the proposed taking are as follows.</p> <ul style="list-style-type: none">• The parent property will be reduced by 5,334 square feet (Areas A and B) but then will increase by 3,338 square feet (Area C).• Little to no impact of the use of the parent property as the total net area of the proposed acquisition will be 185.43 m² (1,996 square feet). This total net area is insignificant relative to the parent parcel as a whole and the existing improvements will remain unaffected.



- Considering the foregoing, the overall impact of the proposed acquisition would consist only of a minor reduction in the total site area. Specifically, the lot size will be reduced by 0.61%.



Area C





3.8 SITE PHOTOGRAPHS



AREA C



AREA A



AREA B



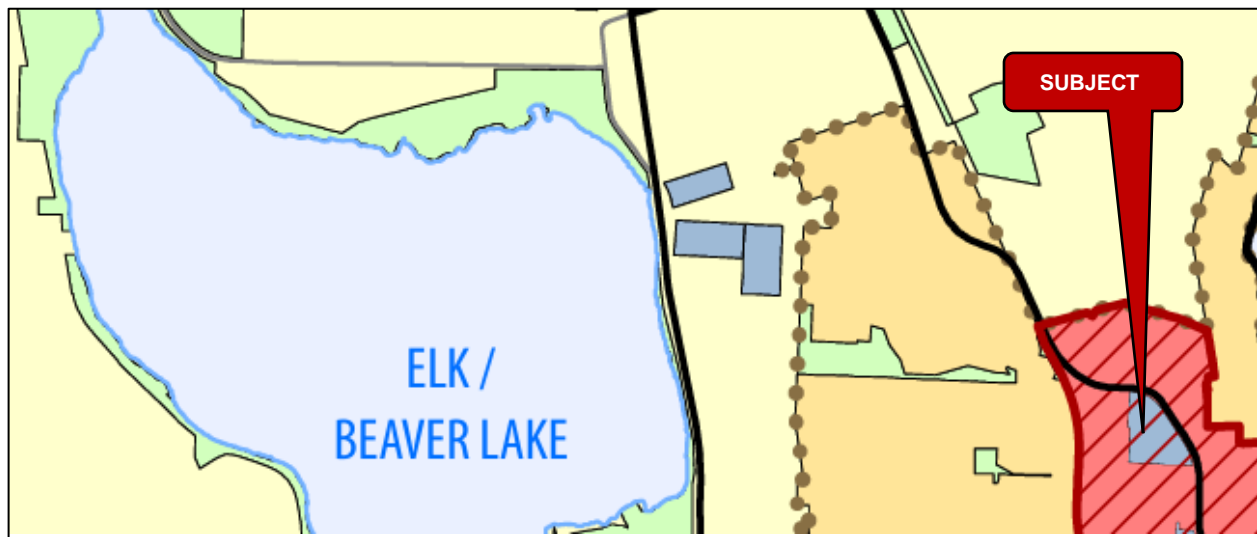
3.9 LAND USE CLASSIFICATION

The land use of a property is regulated by two municipal documents; the Zoning Bylaw and the Official Community Plan which may be altered by bylaw amendments. The Zoning Bylaw is a detailed document outlining guidelines for construction and development. The Official Community Plan is a long-term policy document which dictates proposed land uses for zoning purposes and also addresses issues such as traffic, transportation, servicing amenity provision and a range of other matters throughout the municipality.

Official Community Plan (OCP) All local governments are required to ensure that zoning bylaws and new development conform to the OCP. Proposed zoning changes must comply with land uses permitted by the OCP in order to be passed by city council. Proposed re-zoning not supported by the OCP requires that the OCP be amended. Such applications are also considered by city council.

New OCP The District of Saanich adopted a new OCP on May 7, 2024. The new OCP is better reflective of current demographics and places greater emphasis on sustainable development.

The new OCP classifies the subject lands as “Institutional” as per the Land Use map to follow.



Institutional Lands	
Description	Provide essential community services, contribute to individual well-being, foster community vibrancy, and offer local employment. Supported by transit service and other sustainable transportation infrastructure with larger sites scaling up to have more extensive service and infrastructure.
Uses	Institutional/Mixed Institutional, Non-Market Residential, Recreation, Park, Public Utility.
Building Forms/Height	Mix of forms and heights consistent with adjacent land use designations as shown on Map 2 and Map 3.



In cases where redevelopment is being considered on institutional land:

- Policies of Designation**
- 7.5.5a *Prioritize the retention of ownership of the property as institutional or non-profit, including through supporting partnerships and incentives;*
 - 7.5.5b *Support the use of the site for non-profit rental housing and/or non-market housing with a mix of institutional, small-scale commercial, and other compatible uses;*
 - 7.5.6 *Require an OCP amendment where a development project will result in a change away from uses outlined in Table 2 for institutional lands.*
 - 7.5.7 *Support rezoning of existing public school district sites to allow for noninstitutional uses only where the proposed use would result in: a. The setting aside of at least 50% of the site as publicly accessible open space; or the b. Provision of other significant neighbourhood public amenities*

The subject property is also located within a “primary growth area” as per the OCP within the sub-classification as “villages” which is detailed below.

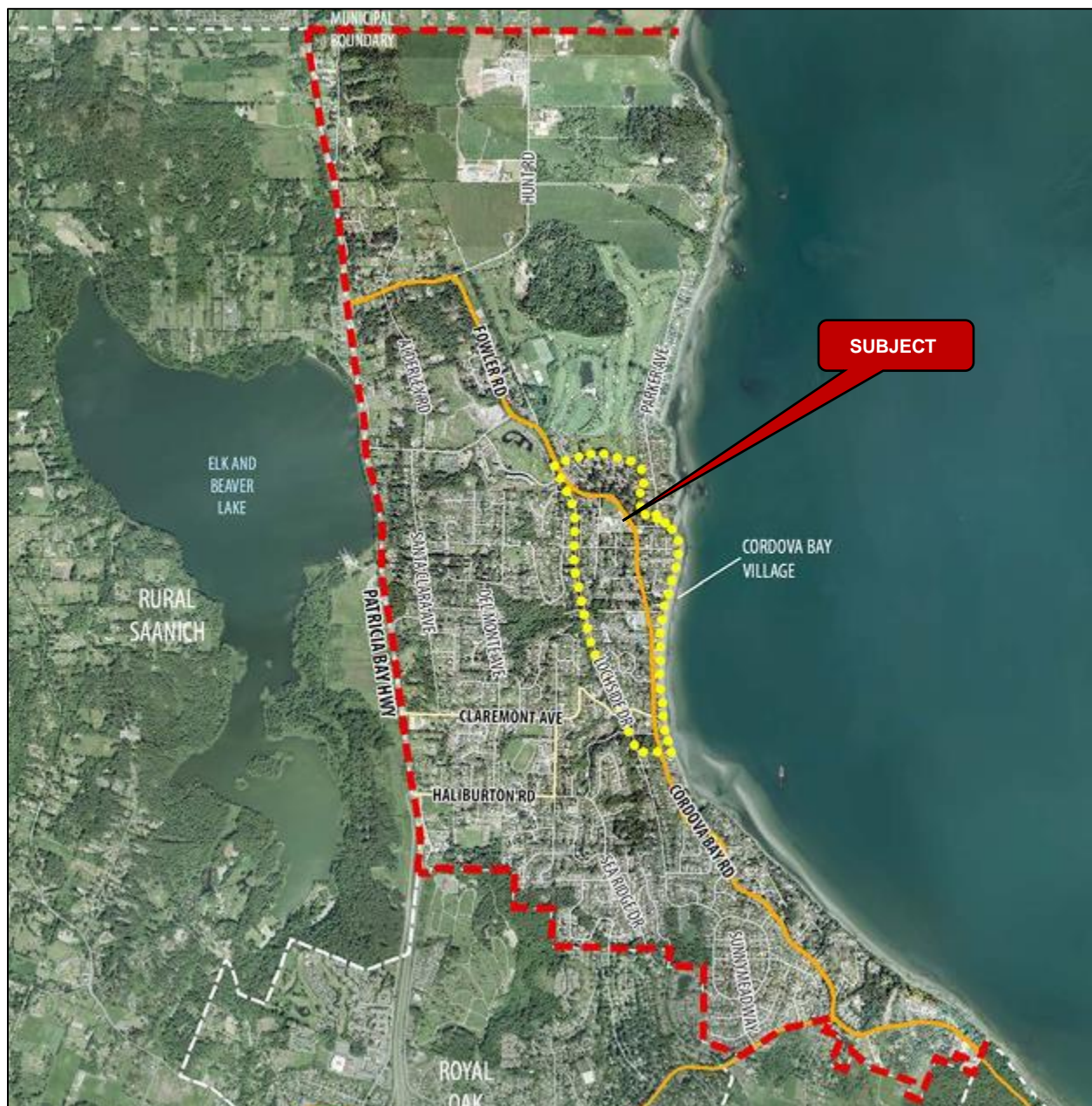
Villages	
Description	Smaller neighbourhood-serving centres that meet a range of basic commercial and service needs with medium-density housing. Supported by transit service, all ages and abilities cycling facilities, and other sustainable transportation infrastructure. Includes high-quality public spaces and urban design.
Uses	Mixed-Use, Residential, Commercial, Institutional/Mixed Institutional, Recreation, Park, Public Utility.
Building Forms	<ul style="list-style-type: none"> • Mid-rise buildings (select locations) • Low-rise buildings • Townhouses, including stacked and row house • Houseplexes
Height	Up to 6-storeys considered where a Village is located along a Primary Corridor (Gorge, Four Corners, Feltham) or within a Transit Oriented Area (Broadmead Village) as per policy 7.3.28. Up to 4-storeys in all other villages within the Urban Containment Boundary (Strawberry Vale, Cordova Bay, Cadboro Bay).

Cordova Bay Local Area Plan The subject is located in the Cordova Bay LAP which was adopted May 7, 2024 and the subject is designated as “institutional”. The policies of this designation are as follows.

- *Work with and support community institutional organizations as they consider future planning and encourage them to work in cooperation and collaboration with other community partners to provide services to Cordova Bay residents.*
- *Support future affordable housing and local community institutional uses on church sites.*



- Consider community institutional uses as part of the redevelopment of the Trio site provided they will be beneficial to future residents of the Trio site and to the broader local community.
- Support the Community Club in their efforts to explore potential recreation and community uses that will be of benefit to the local community.
- For properties designated institutional on Map 5.1, consider affordable or supportive housing or other use that has a significant community benefit.





Zoning

The subject is zoned P-1 – Assembly Zone, within Saanich Zoning Bylaw 8200. A copy of the Zoning Bylaw excerpt is contained in the Addenda.

Permitted Uses

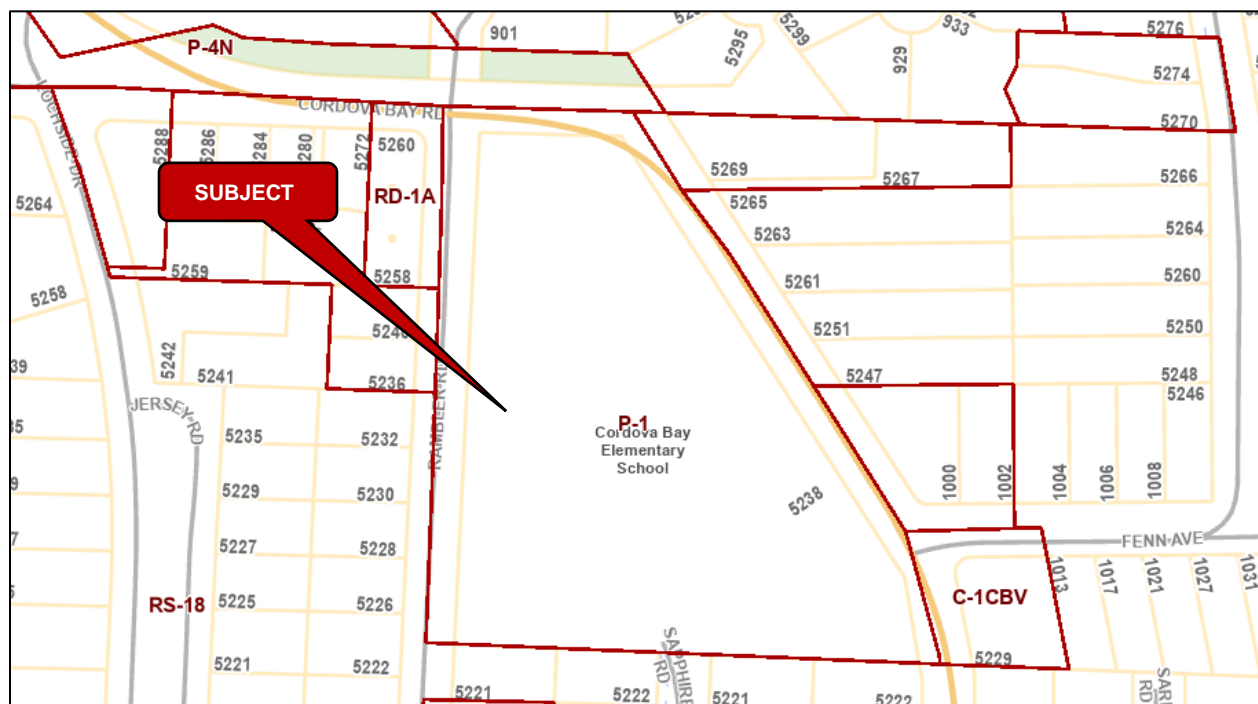
The P-1 zone permits a limited range of institutional uses and includes art gallery, church, college, community centre, daycare, school, recreation facility, school, library, and accessory residential.

Setbacks include 10 meters from a front, rear, and exterior lot line and 6 meters from an interior lot line.

Summary

The building height and current Institutional land-use as a public-school property conforms to the P-1 Zone. Further, a limited range of additional institutional uses are possible under the P-1 zone which are often open to the public and are associated with community gathering, public recreation, arts/culture or education.

The use of the site is consistent with the Saanich OCP and LAP. It is noted that Saanich OCP policies require a substantial amenity contribution or large land contribution for rezoning of institutional zoned lands. Further, public school sites are noted as an exception to those Institutional-zoned sites which may be considered for rezoning to private market commercial, mixed-use, apartment or townhouse uses, consistent with adjacent land use designations in this Plan. Thus, receiving rezoning approval to a non-educational use is considered unlikely at this time.



SAANICH ZONING MAP



School Act of British Columbia

The B.C. School Act is a provincial statute governing primary education and secondary education in B.C. The Act outlines important roles, rights and responsibilities for parents, students and the education system. This Act was published originally in 1996 and has been amended to April, 2022.

Part 7 of B.C.'s School Act deals with the Acquisition and Disposal of Land and Improvements. Relevant provisions within the act regulating the use and sale of school property are presented as follows:

Acquisition and disposal of land

96 (1) In this section, "land" includes any interest in land, including any right, title or estate in it of any tenure.

(2) A board may, for educational purposes, including the provision of housing accommodation for students or employees, board offices and outdoor activities or for the purposes of section 98 (2),

- (a) acquire and hold land or improvements, or both, within its school district,*
- (b) with the approval of the minister, acquire and hold land or improvements, or both, in another school district, and*
- (c) expropriate land or improvements, or both, within its school district.*

(3) Subject to the orders of the minister, the board may dispose of land or improvements, or both.

Assets in board's name

97 (1) Unless otherwise approved by the minister, a board may acquire assets only in its name.

(2) Assets that are used by the board and that are vested in a municipality may, by agreement between the board and the municipality, be transferred without charge to the board or remain vested in the municipality.

(3) A board may incur liabilities only in its name.

Sites

98 (1) The construction by a board of a new building must not be started unless:

- (a) title to the site for the new building is held by the board, or*
- (b) use of the site is approved by the minister.*

(2) A board may enter into an agreement with municipalities or regional districts that are located in or located in part of the school district or with other persons for the purposes of

- (a) constructing, maintaining, operating or using jointly, or*
- (b) contributing to the cost of the construction, maintenance or operation of facilities for joint board and community use.*



Grants of Crown Land

99 (1) *The Lieutenant Governor in Council may grant Crown land in a school district to the board of the school district, in trust for educational purposes and as a site for a school building, housing accommodation for students or employees or board offices.*

(2) *Crown land granted under subsection (1) must be held by the board in trust for educational purposes and must not be disposed of except with the consent of and on terms and conditions first approved by the Lieutenant Governor in Council.*

(3) *If the land granted under subsection (1) is no longer required for those educational purposes, the minister may notify the registrar of the land title district in which the land is located, and the registrar must then cancel the registration of the board's title on the records of the land title office.*

Disposition of proceeds on alienation

100 (1) *In this section:*

"board's contribution" means the percentage of the capital expenditure that was a local capital expenditure or was not paid for by the minister under a former Act;

"capital expenditure" does not include an annual facility expenditure;

"minister's contribution" means the percentage of the capital expenditure that was not a board's contribution.

(2) *Subject to subsection (3), if a board receives money in respect of the disposition of any asset that was the subject of a capital expenditure, the money must be allocated between the board and the minister according to the board's contribution and the minister's contribution to the capital expenditure.*

(3) *The minister may allocate the money between the minister and the board if*

- (a) the minister is not able to determine the board's contribution or the minister's contribution to the capital expenditure, or*
- (b) in the opinion of the minister, the allocation under subsection (2) is not appropriate in the circumstances.*

(4) *Money allocated to the minister must be used by the board only*

- (a) for capital projects, and*
- (b) with the minister's approval.*

(5) *Money allocated to the board must be used by the board only for capital projects.*



School sites under the Local Government Act

(3) A board may only use money provided from a local government under section 580

(1) of the Local Government Act, or received as proceeds of a sale of land provided to the board under section 577 or transferred to the board under section 580 (2) of that Act,

- (a) for the acquisition of land to meet the board's eligible school site requirements, as defined in section 571, of that Act,*
- (b) to pay administration fees and disbursements authorized by a regulation made under section 581 (h) of that Act, and*
- (c) to pay any disbursements related to the sale, transfer or subdivision of land received under Division 20 of Part 14 of that Act.*

Authority to provide housing

A board may provide housing accommodation for its employees only if the minister grants prior approval.

Financing

A board must not mortgage any land or improvements other than the land and improvements acquired for housing accommodation for its employees under this Division.

Establishment and closure of schools

73 (1) A board may

- (a) subject to the orders of the minister, open, close or reopen a school permanently or for a specified period of time, and*
- (b) temporarily close a school building if the health or safety of the students is endangered.*

(2) The board may operate more than one school in a single building or location.



Disposal of Land or Improvements Order
(Excerpt)

The Ministry of Education and Child Care (MECC) issued a 'Disposal of Land or Improvements Order' that took effect September 3, 2008 and has been amended to April 4, 2022. This order has authority under sections 96(3) and 168(2)(t) of the School Act and is therefore a legal extension of the School Act.

Interpretation

"a lease of 10 years or more" means a lease of 10 years or more, including the cumulative total of all options and rights to extend or renew the lease,

"alternative community use" means a use by a community agency or organization for land or improvements owned by a board, other than for the educational purposes of the board,

"board" means a board as defined in the School Act and includes a francophone education authority,

"dispose" means dispose as defined in the Interpretation Act,

"independent school" means an independent school as defined in the Independent School Act.

Application

2 This Order does not apply to grants of Crown land described in section 99 of the School Act.

Disposal of land or improvements

3 Boards must not dispose of land or improvements by sale and transfer in fee simple or by way of a lease of 10 years or more unless such disposal is to another board or an independent school for educational purposes or is approved by the Minister in accordance with section 5.

4 Boards may dispose of land or improvements by way of lease, other than a lease of 10 years or more, if such disposition is to an agency or organization for an alternative community use.

5 Despite section 3 and 4, the Minister may approve, with any terms and conditions, a disposition of land or improvements.

Bylaws

7 A board's bylaw made pursuant to section 65(5) of the School Act relating to a disposition in accordance with sections 3, 4 or 5, must include:

- (a) confirmation that the board will not require the land or improvements for future educational purposes,
- (b) the name and the facility number, if any, and the address and legal description.



School Opening and Closure Order

The Ministry of Education and Child Care (MECC) issued a 'School Opening and Closure Order' that took effect September 3, 2008 and has been amended to April 4, 2022. This order has authority under sections 96(3) and 168(2)(p) of the School Act and is therefore a legal extension of the School Act.

Interpretation

In this Order:

1 "alternative community use" means alternative community use as defined in Ministerial Order 193/2008, the Disposal of Land or Improvements Order.

Opening of Schools

2 If a board decides to open a new school or to reopen a previously closed school under section 73 of the School Act, the board must, without delay, provide the Ministry with written notification of the decision containing the following information:

- (a) the school's name,
- (b) the school's facility number,
- (c) the school's address, and
- (d) the date on which the school will open or reopen.

Closure of Schools

3 (1) In this Ministerial Order, closing a school permanently means the closing, for a period exceeding 12 months, of a school building used for purposes of providing an educational program to students.

(2) Despite subsection (1), the closing of a school for the purposes of effecting repairs, renovations or additions to a school building shall not be deemed to be a permanent closure of the school if the board intends to reopen the building upon completion of the repairs, renovations or additions.

4 (1) The board must develop and implement a policy that includes a public consultation process with respect to permanent school closures and this policy must be made available to the public.

(2) When considering closing a school permanently, the board must apply the policy referred to in subsection (1).

5 (1) The public consultation process must include:

- (a) a fair consideration of the community's input and adequate opportunity for the community to respond to a board's proposal to close the school permanently;
- (b) consideration of future enrolment growth in the district of persons of school age, persons of less than school age and adults; and
- (c) consideration of possible alternative community use for all or part of the school.



6 *The power of a board to permanently, close a school under section 73 of the School Act must be exercised only by bylaw.*

7 *If a board decides to permanently close a school under section 73 of the School Act, the board must, without delay, provide the Minister with written notification of the decision containing the following information:*

- (a) the school's name,*
- (b) the school's facility number,*
- (c) the school's address, and*
- (d) the date on which the school will close.*

MECC Disposal of Land or Improvements Order and School Building Closure and Disposal Policy Clarification

Public Consultation

Just like consultation undertaken around school closures, a board must consult with local government, community organizations and the general public regarding alternative community uses and the disposal of land. Such consultation should be in accordance with the board's policies and procedures established for its school district with respect to the disposal of land or improvements. Boards of education are in the best position to determine the type of community consultation that would be required for site-specific cases.

Ownership

A board of education is the owner of all school district property that is held in its own name. The exception is any school site being used for education purposes that is the subject of a Crown Land grant, as described under s. 99 of the School Act.

Extent of Order

All real property (land) owned by the board is affected by the Order, whether vacant or with a school or other building on it, except if the land is the subject of a Crown grant in trust for educational purposes.

Steps in the Approval Process

A board of education must make a formal request to the Minister of Education for approval to dispose of a property by sale, exchange or lease of 10 years or more, unless that disposal is to another board or an independent school authority for educational purposes. That request must address the following issues:

- For schools, verification that the school closure was completed in accordance with the provisions under the current or a former School Opening and Closure Order.*
- Description of exceptional circumstances compelling the board to request ministerial approval for the disposal of the property.*



- **Confirmation that the property will not be required for future educational purposes, including K-12 programming and new educational initiatives, such as early learning programs.**
- Description of broad consultation that was undertaken with respect to the proposed disposal.
- Description of how the property was first acquired for educational purposes by the board.
- Confirmation that the property is owned by the board and not the subject of a Crown Land grant, as evidenced by the following documents obtained from the Land Title Office:
 - (i) State of Title Certificate (certified copy of title); or
 - (ii) Title Search Print (computer generated printout of a comprehensive title search, which must include a Parcel Identifier number)
- Address and legal description of the property
- Site plan showing the subject property clearly outlined in bold or in colour
- Property appraisal by two licensed property appraisers. In situations where it is not practical to obtain two comprehensive appraisals, the latest property assessment notice may be acceptable as one of the appraisals.
- Statement of expected purchase price

A board's bylaw, as described under section 7 of the Disposal of Land or Improvements Order, is not required as part of a board's request for ministerial approval of a disposition of a property by sale or lease of 10 years or more. The adoption of such a bylaw by the board only becomes necessary after ministerial approval has been granted.

Timing of Consultation and Sale

Broad consultation with respect to the disposition of a particular school property must be completed prior to requesting the Minister's approval.

Ministerial approval is required before entering into any such agreements for the sale, exchange or lease of 10 years or more of school property, except where the purchaser is another board of education or an independent school authority.



As established by recent court decisions, a public consultation process with respect to surplus or underutilized school space must be completed prior to any final decision on closing a school being rendered by a board. Only after a decision to close a school has been finalized and the school has been properly closed in accordance with s. 5 of the School Opening and Closure, should the question of the potential disposition of the property be appropriately considered. As such, the school closure consultation and property disposal consultation should not be done simultaneously.

Application

The Order applies to the disposition of land or improvements by sale and transfer in fee simple (where there is a change in legal ownership), or by way of a lease of 10 years or more (including the cumulative total of all options and rights to extend or renew the lease).

The Order does not apply to situations where there is a transfer of interest in a board property, such as rights-of-way and easements, which may be registered as a charge on title of the property, and leases of less than 10 years.

School sites that are the subject of a Crown Land grant are not affected by the Disposal of Land or Improvements Order. Crown Land grants no longer required for educational purposes revert to the Crown as per s. 99 of the School Act.

Partial Sales

Under the Interpretation Act, “dispose” means to transfer by any method and includes assign, give, sell, grant, charge, convey, bequeath, devise, lease, divest, release and agree to do any of those things. As partial sale, transfers of property or land swaps can be deemed to be property disposals, the provisions under the Order apply.

Priority of Groups Vying for Surplus School Space

Boards of education are in the best position to determine the types of alternative community uses or other educational purposes that might be suited for surplus school space available in their school districts.

Any decisions regarding prioritization of uses should be based on the results of broad community consultation and in accordance with the policies and procedures that must be developed by a board with respect to the disposal of land or improvements.



School Act, Orders and MECC Policy Conclusion

Key Takeaways are as follows:

- All crown-granted school sites must revert to the crown upon closure of a school.
- The provisions of any student housing must receive MECC approval and be at-cost. Market rental property development is not permitted.
- Laws are in place to prevent a school board from increasing its operating costs as a result of the proceeds of disposition. Proceeds of a school property disposition are to go towards capital expenditures.
- Boards must not dispose of land or improvements by sale and transfer in fee simple (or by lease of 10+ years) unless such disposal is to another board or an independent school for educational purposes or is approved by the Minister.
- Any disposal of school property requires confirmation that the board will not require the land or improvements for future educational purposes.
- A separate public consultation process must be undertaken both to (a) close a school and (b) to dispose of land or improvements.
- A board of education is the owner of all school district property that is held in its own name. Given the impact of the various applicable orders, the School Act and stated MECC policy, there are additional restrictions on Fee Simple ownership over and above that most often seen with non-school property.
- Crown grants and the registration of title charges do not fall under the Order, but partial sales are governed by the Order.
- School boards are not required to sell surplus school property to independent or francophone schools. However, the MECC works with both independent schools and francophone schools and has the authority to deny a private market disposition where there is a demonstrated need for a surplus school property by one of these groups.

Will MECC grant approval of a request for disposal?

- To be granted approval for the disposal of a school *for non-educational purposes*, confirmation that the property will not be required for future educational purposes is required.
- It therefore follows that where there is a demand for surplus school property by another education group which falls under the MECC's jurisdiction, the surplus property-owning school board will fail the above test and will not be granted approval to dispose of school property for non-educational purposes in most cases. There may always be exceptional circumstances – possibly where a school district is in dire need of funds to allocate towards capital improvements. For most healthy and functioning school boards, this approval is not likely to be granted. Therefore, the maximally productive use of the land that is most reasonably probable is not for private market disposition, where the need for the facility by another educational entity can be established.



3.10 ASSESSMENT & TAXES

In the Province of British Columbia, property tax assessments are based on fair market value standard using a process known as “mass appraisal”. The assessed value is effective as at July 1 in the year prior to the tax year and the condition of the property is referenced as at October 31 in the year prior to the tax year. The 2024 assessment is therefore effective as at July 1, 2023 with the condition referenced as at October 31, 2023.

Mass appraisal evaluates properties in groups as opposed to individually and employs a variety of statistical tests to measure the quality and equity of the process. Mass appraisal may not always recognize the site-specific advantages or disadvantages of a property. Property Assessment is based on a Mass Model Valuation process and applied on a general basis. As a result, the values to follow may not necessarily represent current market value of the subject property.

By definition and necessity, the mass appraisal process relies on land use classifications as one of the elements in estimating market values and is not always cognizant of alternate or transitional Highest and Best Use considerations.

Typically, properties are assessed as of July 1, 2023 for 2024 tax year.

ASSESSMENT AND TAXES (2024)	
Assessment	
Land	\$7,597,000
Improvements	\$6,043,000
Exempt	\$13,640,000
Total Assessed Value	\$0
Taxes	
Total Taxes	\$0

The subject property is not taxable by virtue of ownership. The assessment appears below my estimate of current market value. BC Assessment is rarely cognizant of specific property attributes for institutional property and many characteristics are often overlooked.



4.0 MARKET OVERVIEWS

4.1 NATIONAL OVERVIEW

Q3 2024 Canadian Economic Overview



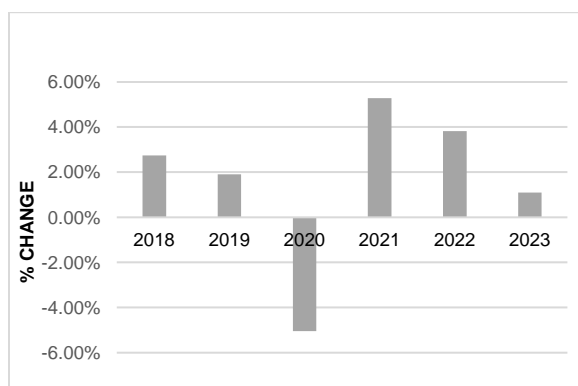
In the third quarter of 2024 Canada's economic outlook remains mixed, marked by both progress and persistent challenges. The Bank of Canada led global central banks by initiating interest rate cuts in June, with further reductions likely. Inflation is on track to hit 2% by year-end, but overall growth remains subdued. Real GDP is expected to grow just 1.1% this year, below the trend rate of 1.8%.

For Canadian consumers, the picture remains weak. Consumer spending barely grew in the second quarter, advancing by only 0.6% on an annualized basis, and the third quarter is shaping up similarly. While population growth, driven by high immigration levels, has slightly improved spending forecasts compared to last quarter, challenges remain. The government has struggled to manage immigration flows, which has implications for consumer demand and broader economic performance. Additionally, the Bank of Canada's interest rate cuts have contributed to the outlook, helping to ease financial conditions.

Productivity, however, continues to be a weak spot for Canada. Business investment has underperformed this year, but there is hope for improvement in 2024, thanks to lower borrowing costs and stronger overall growth. Investments in renewable energy and infrastructure projects are expected to lead this recovery. Residential investment, which has been in decline for over two years, is also projected to pick up starting in the third quarter.

The following statistical and forecast data is derived from Statistics Canada (SC), Royal Bank of Canada (RBC) and TD Canada Trust (TD) and is updated on annual, quarterly, and monthly basis:

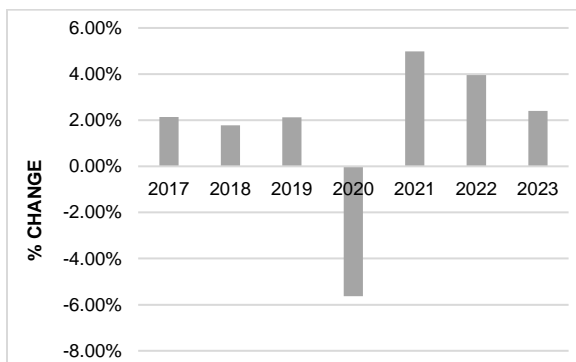
Real Gross Domestic Product (GDP)



Canada's real GDP (at market prices) registered a reduction of -5.04% in 2020, before growing to a 5.29% rate in 2021. Then in 2022, we saw a slight decrease in its growth rate to 3.8%. In 2023 we experienced a further decline, dropping to 1.1% growth rate.

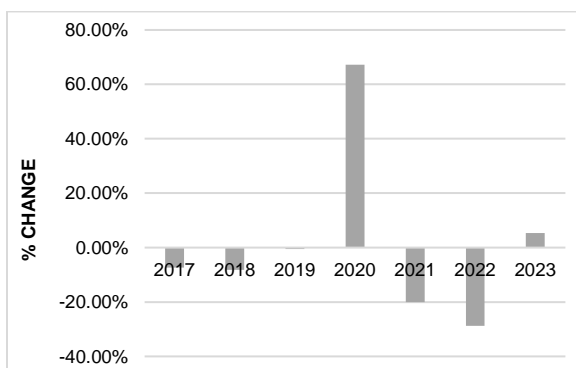


Employment



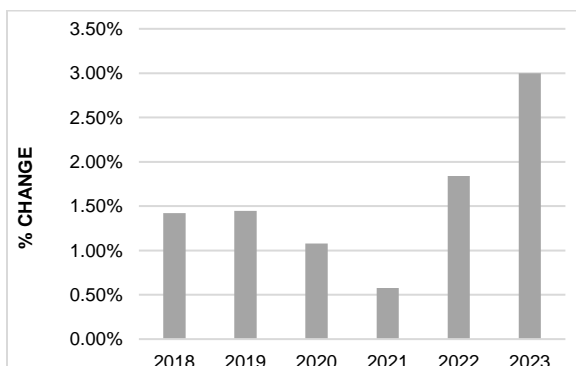
Canada's employment rate of change decreased significantly in 2020, dropping to a low of -5.63%. However, this quickly rebounded to 4.98% in 2021, before stabilizing at 3.96% in 2022. In 2023 we saw a continued gradual decrease to 2.40%.

Unemployment



The effects of the pandemic were felt strongly in the Canadian unemployment rate in 2020, as it skyrocketed to a 67.18% increase from 2019 levels. In 2021, it began to level out, falling by 20.06% from the previous year, before decreasing further in 2022 by 28.81%. In 2023 we saw an increase of 23.4% as unemployment rates began to rise again.

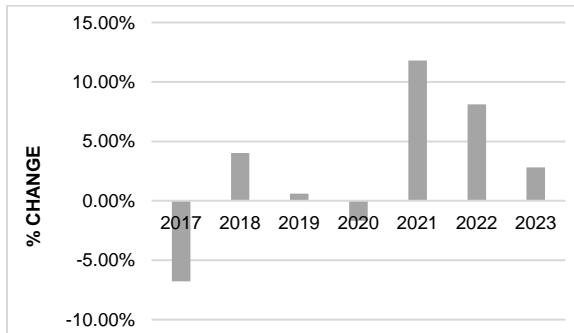
Population Growth



As illustrated, Canada's population growth rate fell to 1.08% in 2020 from the previous year, before further decreasing to just 0.58% in 2021. The national population growth rate then grew to 1.84% in 2022 and increased further in 2023 to 3.00%. Canada's population was at 40,097,761 in 2023 which was an increase from 38,929,902 in 2022.

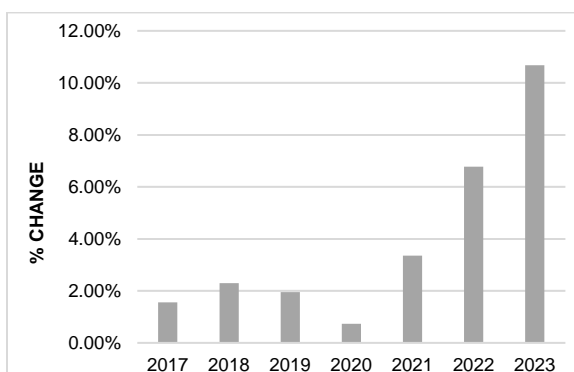


Retail Sales



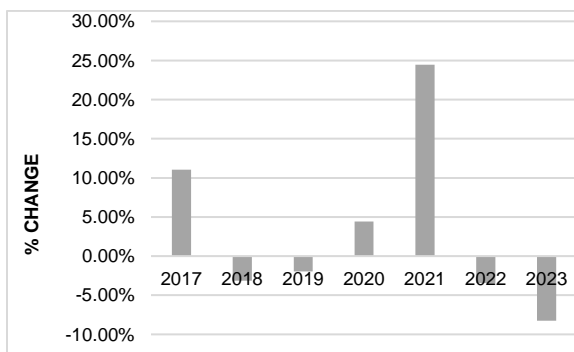
Canada's Retail Sales reduction registered at 1.7% in 2020 and subsequently grew to 11.8% in 2021, then by 8.1% in 2022. This came as a result of increased consumer confidence and savings post pandemic. In 2023 there was an unanticipated decrease of 5.3%.

Consumer Price Index (CPI)



Canada's CPI registered an annual growth rate of just 0.74% in 2020, before a strong rebound in 2021 of 3.36% growth rate. In 2022 there was a rise to 6.78%. 2023 saw a continuation of this trend as the annual CPI growth increased to 10.68% from the previous year.

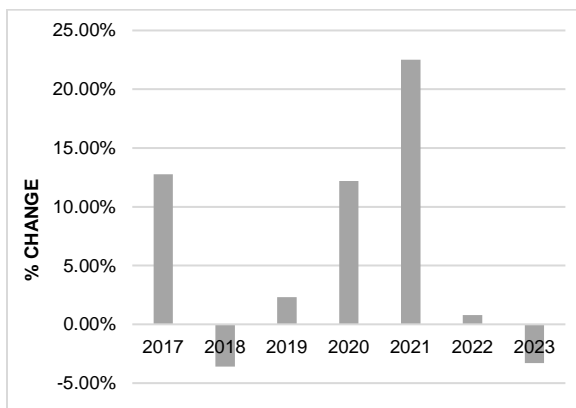
Housing Starts



The growth rate for Canada's housing starts increased by 3.51% in 2020, before growing to a substantial rate of 28.2% in 2021. This came as a result of increased demand and limited supply across Canada. Despite this, housing start numbers significantly declined in 2022 reducing by 5.0%. This trend is continued throughout 2023 with an 8.24% decrease.



Existing Home Prices



Canada's year-over-year % change for home price registered at 12.2% in 2020. This figure drastically increased in 2021 to at a rate of 22.5%. This came as a result of limited supply in large markets across the country. 2022 saw a marginal amount of growth in the category at 0.8%. 2023 saw a decrease in existing home prices as the figure dropped to -3.20%.

Summary

The Canadian labor market has experienced a notable cooling over the past year. The labor force has grown almost twice as fast as hiring, pushing the unemployment rate up from 5% to 6.6% as of August. Youth unemployment is particularly concerning, as young people account for over 40% of the rise in joblessness, despite making up just 14% of the labor force. Immigration adds further uncertainty to the outlook. While the federal government has announced new policies for non-permanent residents, it remains unclear how effective these measures will be and when they will show up in the data. The forecast assumes that unemployment will peak at 6.8% before falling back to 6% by the end of the forecast period, but this relies on slower labor force growth, which may require more restrictive immigration policies by 2025. Population growth forecasts for 2024 have been revised upward, as the data has not aligned with policy intentions. If population growth continues to outpace expectations, the unemployment rate could rise higher than anticipated.

Despite these uncertainties, economic slack has helped bring inflation down closer to the 2% target. However, the Bank of Canada must be cautious not to overcorrect with monetary policy. An overly restrictive approach could push inflation too far below the target, which would present new challenges for the economy. The Bank estimates that the neutral overnight rate is 2.25%, which is two percentage points lower than the current rate, indicating that monetary policy remains tight. As a result, the central bank likely has room to implement further interest rate cuts, potentially including a 50-basis-point cut at upcoming meetings to further ease financial conditions and support growth.



4.2 PROVINCIAL OVERVIEW

Q3 2024 British Columbia Economic Overview



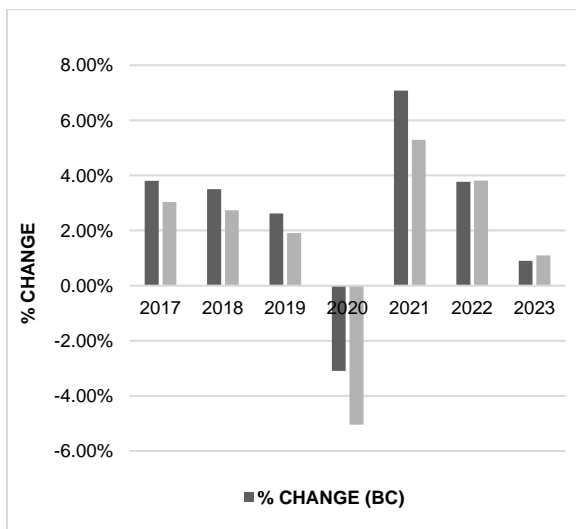
This year's GDP growth forecast for B.C. has been adjusted slightly upward. Despite this, the economy still faces pressures from weak household spending, an uncertain global environment, and sluggish investment prospects. Growth is expected to pick up in 2025, when B.C. is likely to resume its position as a leading economy.

The most recent GDP data for 2024 indicates that British Columbia's (B.C.) economy has experienced a growth rate of 0.9%. This rate is the lowest out of all the provinces and is also lower than the national rate of 1.1%.

B.C.'s economy is expected to perform below the national average this year, mainly due to reduced consumer spending driven by interest rate hikes in 2022-23. In fact, B.C. is one of the few provinces that saw a decline in retail sales in the first half of the year, with spending remaining cautious into the third quarter. A key factor that sets B.C. apart is its high average household debt, the highest in the country. High mortgage debt, in particular, is putting more pressure on spending, especially with many mortgages up for renewal at higher rates this year.

The following statistical and forecast data is derived from Statistics Canada (SC), Royal Bank of Canada (RBC) and TD Canada Trust (TD) and is updated on annual, quarterly, and monthly basis.

Real Gross Domestic Product (GDP)

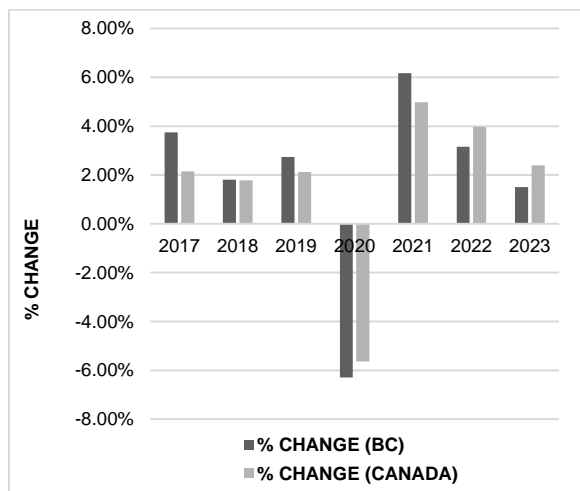


BC's real GDP experienced a reduction in growth in 2020, dropping to a rate of -3%. In 2021, the provincial GDP growth rate bounced back strongly, registering at 7.08%. In 2022 the rate dropped to 3.77% and then dropped further in 2023 to 0.9%.

The province's GDP growth rate has fared much better than that of Canada as a whole over the past half-decade. The national GDP growth rate dropped 2.11% further than BC in 2020 and rebounded 1.11% less than the province did in 2021. However, in 2023 BC's growth rate dropped below Canada's which sits at 1.1%.



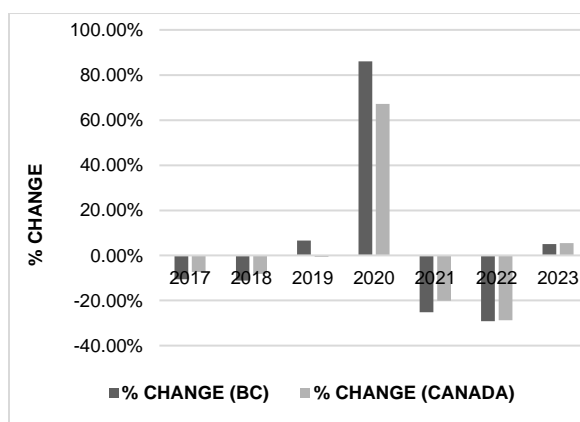
Employment



BC's employment reduction registered at -6.3% in 2020 and saw growth of 6.17% in 2021. The province has experienced a decrease in employment in the years following 2021, dropping to 1.5% in 2023.

Compared to Canada overall, BC experienced a lower employment rate in 2020. The province subsequently rebounded more strongly than the national average in 2021 but dropped below the national average in 2022. In 2023, Canada's employment growth rate continued to be slightly higher than B.C.'s.

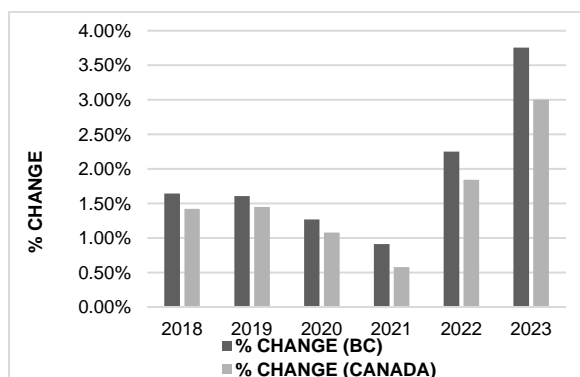
Unemployment



BC's unemployment rate skyrocketed in 2020, increasing to 86.08%. By 2022 the unemployment rate decreased to -29.19% but increased to 5.1% in 2023.

Compared to Canada overall, BC's unemployment increased by a higher rate in 2020, however provincial unemployment dropped by a higher rate than the national average for both 2021 and 2022. In 2023 Canada's unemployment rate is slightly higher than BC's at 5.4%.

Population Growth

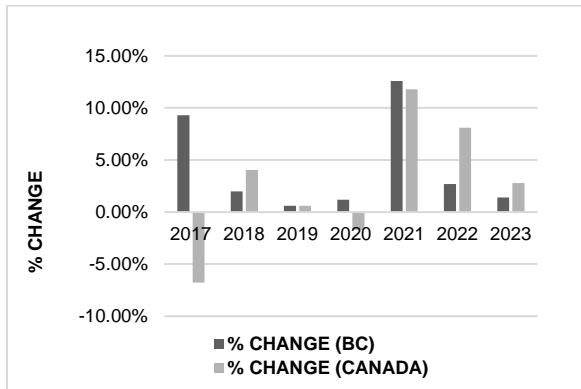


BC's population growth registered at 1.11% in 2020 and grew at a rate of 1.06% in 2021. In 2022 this rate more than doubled to 2.25%. 2023 saw further population growth with the rate increasing to 3.75%.

Compared to Canada overall, BC has enjoyed a higher population growth rate over the past five years, and this trend is expected to continue through 2024.



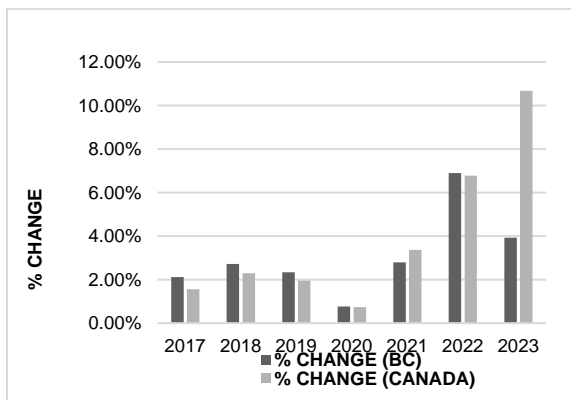
Retail Sales



BC's retail sales growth registered at 1.2% in 2020 and substantially grew to 12.6% in 2021. This was a direct result of increased consumer confidence and higher savings that arose after the onset and height of the pandemic. In 2023, the rate fell to 1.4%.

In 2023, BC's retail sales have fallen below that of all of Canada, showing a different trend than that which was observed in 2020 and 2021.

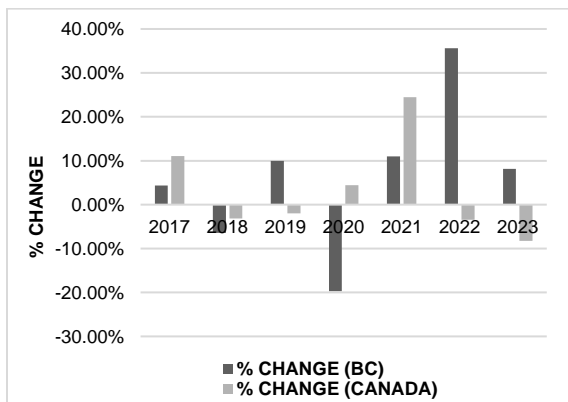
Consumer Price Index (CPI)



BC's CPI percent change registered at 0.76% in 2020 and grew by 2.8% in 2021. In 2022 this figure increased to 6.9% change over the previous year. However, in 2023 BC's CPI percent change decreased to 3.92%.

BC's CPI percent change has dropped below Canada's for the first time since 2021. Canada's CPI for 2023 registered at 10.68%.

Housing Starts

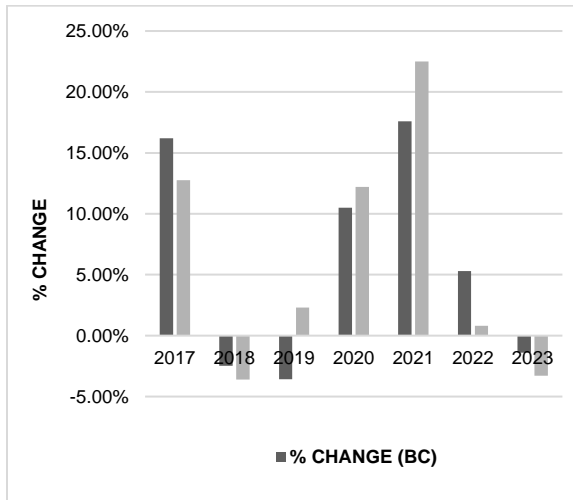


In the midst of the pandemic, BC's housing starts recorded a reduction of -19.66% in 2020. By 2022 the figure grew substantially to 35.6%, which was the result of a lack of supply that caused home prices to skyrocket across the province. In 2023 the figure reduced to 8.11%.

BC's housing starts are decreasing but are still above Canada's. In 2023 Canada's housing starts had reduced to -8.24%.



Existing Home Prices



BC's home price growth registered at 17.6% in 2021. Pricing growth then leveled off in 2022 to 5.3%. In 2023 the home price growth decreased to -1.40%.

In 2023 both Canada and BC's home price growth dropped. BC's forecasted home price growth was still higher than Canada's which decreased to -3.3% .

Summary

Looking ahead, there's optimism for improvement over the next 12-18 months as the Bank of Canada is expected to lower interest rates. Although the benefits of these cuts will take time to materialize, by the first half of 2025, spending should start to recover, helping B.C. regain its position as an economic leader. In the housing market, recent short-term rate cuts totaling 75 basis points have sparked a small uptick in homebuying, with stronger growth in home sales anticipated in the coming quarters.

On the external front, the outlook is mixed. The U.S. Department of Commerce's recent decision to double tariffs on Canadian softwood lumber is a setback for B.C.'s forestry sector, which makes up a significant 12% of the province's exports. On the brighter side, natural gas production is increasing, supported by a slightly positive outlook for prices and the upcoming launch of LNG Canada next year.

B.C.'s labor market has remained relatively strong this year, with employment growing by 2.6% year-over-year as of August, nearly matching the pace of labor force growth. This has helped the province maintain one of the lowest unemployment rates in the country. However, most of the job gains have come from the public sector, creating a clear divide between public and private sector hiring.

The provincial government, in its first-quarter report, projected a larger-than-expected deficit of about \$9 billion for this fiscal year, around 2% of GDP, with no clear plan for balancing the budget. As the deficit and debt continue to grow, the ability to sustain current spending levels is becoming more limited. Nonetheless, the government has continued its ambitious spending agenda, which has helped boost short-term economic activity. The next provincial election is scheduled for October 14th.



4.3 REGIONAL OVERVIEW

Capital Regional District

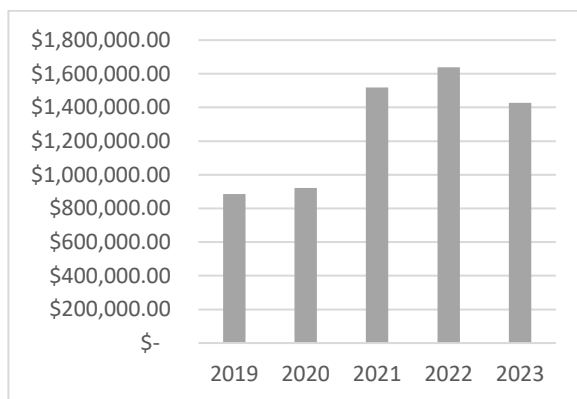


Victoria is the capital city of British Columbia. According to the 2021 census, the Metropolitan Population was 415,451, an increase of 8.4% since the 2016 census.

The economy of Greater Victoria is heavily dependent on public administration, defense, post-secondary education, health care, high-tech industries, tourism, and wholesale/retail trade. Specifically, primary industry and manufacturing account for just under 5% of the labour force. Moreover, the adjacent municipality of Esquimalt is home to the Maritime Forces Pacific of the Royal Canadian Navy, with 6,000 personnel, and there is also considerable ship repair work done in the area. The University of Victoria has an enrolment of approximately 21,000 students, with Royal Roads University and Camosun College rounding out the structured post-secondary education community. Victoria has a retired population that is twice the Canadian average per capita; and services to seniors are a significant and growing industry.

The real estate market in Greater Victoria concluded 2023 with a seven-month streak of decreasing sales, with December being the latest month in this trend. Throughout the year, a total of 6,207 properties were sold, reflecting an 8.7% decrease compared to the 6,804 properties sold in 2022. The primary factor influencing the housing market was the impact of interest rates. The higher cost of borrowing money led to reduced consumer purchasing power, resulting in a decline in transactions. Looking ahead to 2024 and beyond, it is crucial to maintain a focus on generating new housing supply. This strategic approach is essential to prevent a rapid increase in prices as market activity picks up.

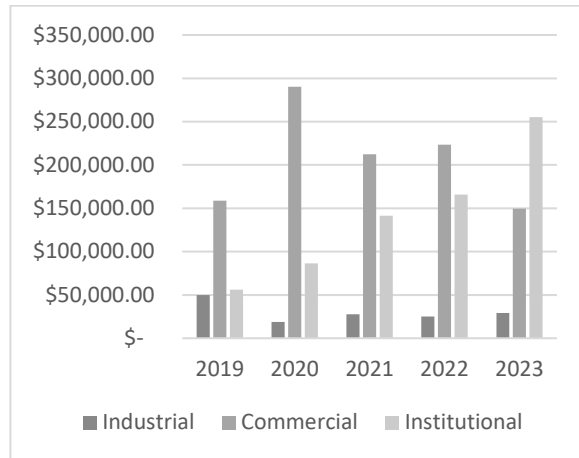
Residential Building Permit Values (\$ 000)



A substantial decrease in the value of residential building permits was observed in 2019, primarily due to the slowdown in the market in the second half of the year. Into 2020, these values increased slightly before skyrocketing during the pandemic in 2021. The values have since decreased in 2023.

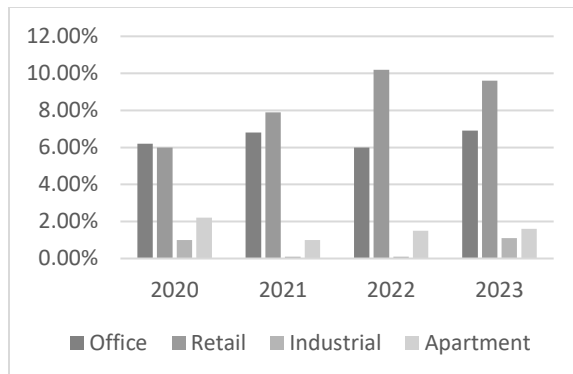


ICI Building Permit Values (\$ 000)



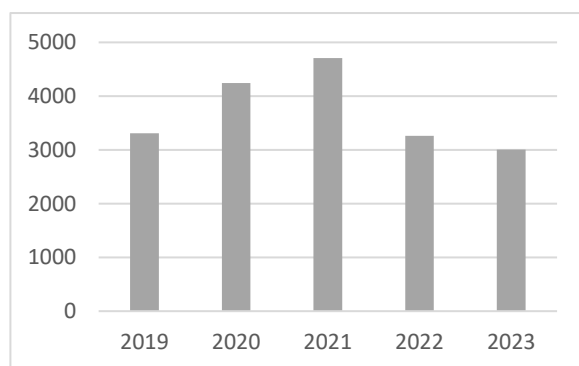
Commercial building permit values reached their five-year peak in 2020. The commercial values then decreased in 2021 and have decreased further in 2023. In comparison, industrial permit values have remained well below its comparables, peaking in 2019. For the institutional values they have been increasing steadily since 2019, with 2023 being the first year in the past five years where they are the highest out of all the comparables. .

Vacancy Levels



Downtown street front retail vacancies decreased slightly with increased tourism in 2023 however the lack of workers returning to office spaces has kept vacancy higher than seen pre-pandemic. Office vacancies crept up slightly as did industrial and residential apartments, however the industrial and residential vacancy rates remain near all-time lows.

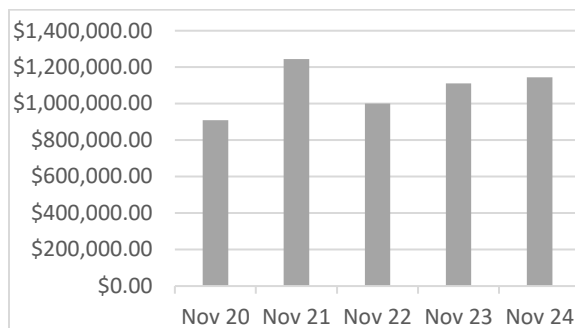
Single Family Housing Annual Sales



Sales volumes were extremely weak after the introduction of multiple interest rate hikes imposed by the Bank of Canada. For the region, Saanich East and Langford saw the largest sales volumes in 2023.

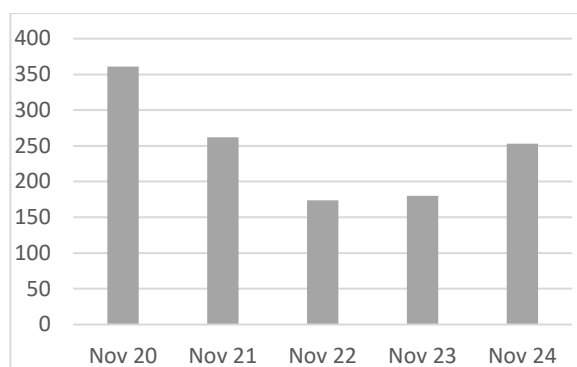


Single Family Housing Median Price (Monthly)



The median price for a single-family home in Greater Victoria in November 2024 was \$1,144,500 showing a slight year over year increase from \$1,112,000 in November of 2023. British Columbia experienced a hot seller's market over the previous few years resulting in record prices. However, prices have since stabilized due to the interest rate climate.

Residential Sales Volume (Monthly)



Sales volume rose dramatically to 253 sales in November 2024, from 180 properties sold in November 2023. This is still significantly lower than the five-year peak in November 2020 of 361 sales.

Summary

As we move into winter, Victoria has seen a 15.7 per cent decrease in residential sales from the previous month, and a 39.8 per cent increase in properties sold from November of last year. Victoria has seen a 55 per cent increase in condominium sales since last year and a 36.3 per cent increase in single family home sales in the same time period in the pervious year.

In summary, the current state of the market as of November 2024 is demonstrating a comparatively optimistic outlook "I've found that buyers and sellers are feeling optimistic right now," said 2024 Victoria Real Estate Board Chair Laurie Lidstone. "With the steady decrease we've seen in interest rates and the continued balance in the market, consumers are feeling more comfortable and empowered to make the big decisions around home ownership knowing that they have a fairly stable real estate environment to navigate." Lidstone also states that "Seasonality comes into play this time of year, and the closer we get to the new year, the more folks temporarily move their focus from house shopping to the holidays. That said, it's likely the momentum we saw building in November will carry on in December to some extent."



5.0 ANALYSIS AND CONCLUSIONS

5.1 HIGHEST AND BEST USE ANALYSIS

Introduction

Highest and best use is defined in *The Appraisal of Real Estate*, Third Canadian Edition (2010) as follows:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

The principle of highest and best use (HBU) is fundamental to the concept of value in real estate and may be further defined as that use which is most likely to produce the greatest net return over a given period of time. Interpretation of the foregoing includes the realization that, in addition to the property being physically adaptable to a specific use, there must be a demand for it and such use must be legally permissible, according to the zoning ordinances, by-laws, and health regulations, it must be financially feasible, maximally productive and that results in the highest value.

Highest and best use is arrived at by a detailed analysis of all physical, legal, and economic facts and trends that affect the property's potential to be used in the most profitable way. The subject, in its current (or proposed) use, is considered in relation to the most likely and optimal potential uses of the parcel as though vacant and available for development.

In determining the highest and best use of a property, four elements must be considered:

- legally permissible uses;
- physically possible uses;
- financially feasible uses; and
- maximally productive uses.

Special Considerations for School Properties

Since special-use properties such as schools are appropriate for only one use or for limited number of uses, appraisers may encounter practical problems in specifying highest and best use. The highest and best use of a special-use property 'as improved' is generally the continuation of its current use if that use remains viable. The highest and best use conclusions should consider a forecast of continued economic demand.

If the current use of a special-use property is physically, functionally, or economically obsolete and no alternative uses are feasible, the highest and best use of the land may be realized by demolishing the structure and possibly selling the remains to realize a 'salvage value'. This may theoretically be true even if the improvements are relatively new and were costly to build, though this is unlikely the case for schools.



The one major caveat to doing so is the legal requirement to obtain MECC approval under the 'Disposal of Land or Improvements Order' while the stated policy on being granted approval requires the continuation of an educational use of the property so long as demand for the continued use of the property for educational purposes is demonstrated. Where demand for an educational use can be demonstrated, receiving MECC approval is unlikely, and an educational use of the property will likely remain the sole permitted use.

An opinion of market value requires there be a market for property. If there are no potential buyers for a property in its current use or, in this case if there is no demand from other educational users, an alternate use must be considered. Thus, the market analysis contained within the highest and best use section should address the potential market for the property and the continued demand for the land or improvement in their present use. Analysis of local population trends will help to inform the preceding as well as discussions with the Ministry of Education and local school boards.

**Highest and Best Use
"As if Vacant"**

"Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labour, capital and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be vacant by demolishing any improvements."

Source: The Dictionary of Real Estate Appraisal, Third Edition, p. 171

**HBU Before Proposed
Taking and Land Swap**

In the valuation of a partial interest the generally accepted practice is to establish the highest and best use (HBU) of the parent property before and after the partial taking by another party – in this case it will be two small areas (Areas A and B) of land for road and sidewalk improvements swapped for existing road dedicated area (Area C). The HBU of the parent property before and after the transfer of the proposed acquisition by the District of Saanich is analyzed in the section to follow.

An analysis of HBU is generally completed for property as vacant and as improved since it may be more profitable to remove the current improvement and erect a larger and/or more profitable improvement. In this assignment the HBU analysis before and after will be restricted to the HBU as unimproved since the parent property's improvements are unaffected in this proposed acquisition.

Legally Permissible Use

The use must be **legally permissible** based on land use, any existing leases, easements, deed restrictions or subdivision controls, covenants and restrictions or other public or private limitations.



Based on the assumption that the subject site is vacant and available for development, the District of Saanich should be receptive to all uses described as permitted uses under the P-1 zone such as schools, colleges, libraries, theatres, churches, recreational facilities, etc. Buildings up to 3 storeys are permitted. The existing zoning conforms well to the Institutional OCP designation and there is no clear rezoning potential associated with the property as this would likely also involve an amendment to the 2024-published Cordova Bay Local Area Plan.

Registered title encumbrances are generally nominal in impact and do not impose any material adverse influences on the use, development potential or marketability of the subject property.

Additional major restrictions imposed over and above the zoning regulations include those associated with the School Act and the associated School Closure and Disposal of School Land or Improvements Order, the latter of which mandates Ministry of Education approval be granted to dispose of school property for non-education purposes. The stated MECC policy on the steps which must be taken to secure such an approval requires proof be provided that there is no demand for the property by another education user. Consideration is to be given to private schools and the francophone school district among others. If there is known demand for an existing school property, it is unlikely approval would be secured to dispose of the property for a non-educational use.

Given the Extraordinary Assumptions and Limiting Conditions invoked herein and MECC is assumed to be cooperative in the disposition of the subject school property, the permitted use of the subject property is likely another institutional use.

Physically Possible Use The use must be **physically possible** for the site given its size, shape, topography, soils and environmental conditions.

The subject is located in a desirable affluent neighbourhood of Saanich near the ocean front with limited social issues. The site has generally level topological features which is desirable for development purposes... Cordova Bay Road is a major bounding arterial road which provide access in addition to two tertiary rear access points to the site. All typical municipal services are present.

The subject parcel is large enough to accommodate a range of potential uses and is generally considered physically desirable, offering good utility to a range of potential users. As such, a wide range of uses are physically possible.



Financially Feasible Use The use must be **financially feasible**, producing a positive net financial or economic return to the owner of the site.

The subject property has a high level of preparedness for development from a physical and legal perspective, providing a benefit in terms of the time, expenses and risk associated with proceeding with a development project. Demand for housing in the immediate area is strong given the proximity to amenities and services, nearby beaches, access to downtown Victoria, etc.

There is a good local population base which is anticipated to see further growth upon the development of the Trio Master Plan Community. Saanich had a population of 117,735 as of 2021 with growth of 3.1% seen between 2016 and 2021, consistent with the historical trend in preceding year. The population of Cordova Bay grew by 18% over the 20-year period between 1996 and 2016 compared to 13% for Saanich overall.

While a limited land base has imposed some constraints on growth, there is anticipated to be sufficient growth in the local school age population going forward to sustain a school use on the subject land. The existing school operates at a substantially full level, and it would be challenging to relocate the entire student body if the school were to close. Further, it would be challenging to demonstrate a lack of demand to the degree which would justify MECC approval for school closure. Thus, demand for a secondary school at this location is demonstrated.

Construction costs have surged higher since mid-2022, posing challenges to the economic viability of a range of new commercial and multi-family development projects, particularly those facing declining unit sale prices. School properties face the same constraint from higher development expenses, though the same risk to a declining end sale price or rent does not exist. The public mandate can permit the construction of a new school even when costs are elevated, where strong enough demand is considered to exist. However, long-term capital planning for schools generally takes into account trends and changes in input prices in the market in order to optimize the use of resources, at least to some degree. While it may be prudent to consider holding off on the construction of any new school until construction costs slow their rate of increase and potentially fall back to a lower level, there is no guarantee of any such outcome.

The major constraint of available public funding must also be considered which generally allocates school subsidies for capital projects and operating budgets in order of priority as determined by the MECC. There is a perpetual limit to the amount of funds which can be allocated to the various school projects being undertaken at any given time, regardless of need.



Evidence of underfunding of schools can reportedly be seen in school closures and increasing average class sizes across B.C. over the past 20 years, according to a report from the Canadian Centre for Policy Alternatives (CBC, Sept. 2022). The Ministry of Education reports it is “delivering record investments in operating funding and capital projects as an even more robust public education system [is built out]” and the premier cites a current 3-year plan in which \$3.1 billion is being invested in public education. However, multiple Vancouver schools report being turned down for badly needed seismic upgrade funding in 2022 with other school districts such as Sooke and Mission also reporting underfunded projects (Daily Hive, June 2022).

Regardless of the fact there are no clear directive constraining public education funding for capital projects, competing interests always limit the amount of subsidy funds available. Given the public mandate of the local school board, the improvement of the subject property with a school in the short to medium-term is considered financially feasible as there may be a several year delay from the time funds are sought, and need can be demonstrated to the province to the time they are granted.

Maximally Productive Use

Finally, the use must be the **maximally productive** one from among the financially feasible uses, which will produce the greatest net return or result in the highest residual land value.

Public use or institutional properties are considered to be a special-use property type as they are usually designed and built for a specific user with the intent the public body will remain in the facility indefinitely. Therefore, sales of public assembly properties are scarce. Public use properties sell for a variety of reasons including changing neighborhoods, outgrowth of facilities, facilities at the end of their economic life, or decreasing usership. Moreover, when a public use property is offered for sale, there is a very limited market of buyers.

In the Greater Victoria market, the most likely purchasers are a post-secondary school for campus expansion such as the neighbouring, a B.C. francophone school district, a private school, or the District of Saanich. Inherent in the valuation is the assumption of a price level that would attract one or more potential purchasers.

An analysis of the real estate market indicates that the site has the general characteristics considered appropriate for a school / educational use going forward. Therefore, improvement of the land in this manner would be the most logical and maximally productive use of the property of those which are legally permitted and financially supported.



HBU Conclusion Before the Proposed Partial Taking & Land Swap

In determining a conclusion, consideration must be given to the foregoing criteria described above.

Given the foregoing discussion, the highest and best use of the site “as if vacant” is develop the property for a school / educational facility use. The use of the subject site for this purpose would represent a use that is legally permissible, physically possible, financially feasible, and maximally productive.

HBU After the Proposed Partial Taking & Land Swap Land Swap

It was concluded in the Site Analysis section that there is no potential impact of the proposed taking given the design of the development as I am of the opinion there will be no impacts to the existing improvements after the acquisitions, as proposed. The proposed taking, in my opinion, has no impact on the utility or market value of the remainder, beyond the land taken, as the appeal of the property from the general market perspective has not changed. It remains as a school property for continued educational use.

I conclude that the HBU of the parent parcel after the proposed taking will be similar to the HBU before the taking and land swap.



5.2 VALUATION PROCESS

Approaches

The three approaches recognized in the current Canadian Standards of Professional Appraisal Practice are **Cost**, **Income** and **Direct Comparison**.

Cost Approach

The Principle of Substitution is the basis for this method of valuation. Use of the Cost Approach is typically confined to proposed improvements as a test of feasibility, or for special purpose properties.

Value is determined in the Cost Approach using the following steps:

- 1) Estimate the value of the land as if vacant.
- 2) Estimate the Reproduction Cost New (RCN) of the structure(s) and the ancillary improvements.
- 3) Estimate the depreciation affecting the structure(s) and other improvements.
- 4) Deduct this total depreciation from the RCN.
- 5) Add the land value obtained in step “1” to the depreciated value of all improvements obtained in step “4”.

“Cost” and “Value”, although related, are not synonymous: “Cost” is the amount of money necessary to erect the structure. “Value” is the market worth of the building once erected. In a situation where labour and material become scarce for a period of time, the cost of building may be higher than its value a year later when labour and materials are more plentiful.

A cost approach requires the estimation of accrued depreciation from all sources which is critical in the analysis. With existing improvements determining what the accrued depreciation is can be subjective and difficult to accurately measure and as a result, the cost approach does not tend to produce a reliable market value indicator.

The subject property is assumed vacant land with no improvements. As a result, the Cost Approach will not be utilized in this appraisal.

Income Approach

This approach involves analysing the income produced by a property to determine its relative worth in a given market. It is typically utilized when valuing income producing property.

Value is determined in the Income Capitalization Approach using the following steps:



- 1) Estimate the annual potential gross income (PGI), which represents the maximum revenue that the property can generate in one year given 100% occupancy and any other ancillary income from other sources such as coin-operated machines, parking, etc.
- 2) Determine a vacancy and collection loss and deduct that amount from the PGI to arrive at the effective gross income (EGI).
- 3) Estimate and deduct the annual operating and maintenance expenses from the EGI to determine the net operating income (NOI).
- 4) The NOI is converted to value through either the Income Rate method or the Discount Rate method. The methodology applied is dependent upon existing or anticipated earnings. Choosing the appropriate rate or rates will convert the income into a capital value of the property.

This approach involves analysing the income produced by a property to determine its relative worth in a given market. It is typically utilized when valuing income producing property.

The Income Approach will not be used in this Appraisal.

Direct Comparison Approach

This approach involves the comparison of properties similar to the subject to arrive at a value. The process requires a study of like properties that have recently been sold or offered for sale, analysing the differences and making quantitative or qualitative adjustments to the comparable properties for differences found to exist in each in order to provide a correlation of values between the comparable properties and the subject.

This approach is appropriate when a number of similar properties have sold or are currently offered for sale. However, when applying this approach knowing the nuances within each comparable relative to those within the subject is critical to the adjustment process. If they are not known, then this approach is deemed simplistic in the valuation of complex investment grade real estate. The Direct Comparison Approach requires a significant amount of subjectivity by the appraiser, so accurate information is important.

Value is determined in the Direct Comparison Approach using the following steps:

- 1) Locate comparable properties that have sold, or are currently being marketed.
- 2) Compile all relevant data about each comparable and check for accuracy.



- 3) Analyse and verify all differences regarding the property and conditions of sale as compared to the subject.
- 4) Make direct comparisons between the subject and the comparable and adjust for differences affecting the value.
- 5) Reconcile all of the data to arrive at a value for the subject property.

The Direct Comparison Approach will be used to determine the value of the subject property.

Conclusion

In recognition of the nature of this assignment, one of the three traditional approaches, namely the **Direct Comparison Approach**, will be employed in the valuation of the subject property.

Partial Taking Over

The first task is to determine the value of the proposed taking area required for road and sidewalk improvements. I have relied solely on the Direct Comparison Approach, as it is most common and preferred method of land valuation when comparable sales data is available.

From my inspection of the subject property, the existing improvements and access will not be impacted by the proposed acquisition. However, the site will be physically smaller, which sometimes reduces the overall value. The *Expropriation Act* directs that compensation be the greater of the reduction in property value resulting from the taking or the pro rata value of the land taken. The pro rata calculation is a simple calculation where the value of the land, before the taking, is estimated and the compensation is estimated by a straight-line percentage or per square foot value.

Valuation Methodology

There are two generally accepted valuation methods for the valuation of partial takings for access, utilities, road improvements, and other linear requirements:

- the *Before and After Method*
- the *Summation Method*

The *Before and After Method* is useful when sufficient market data is available to identify the value of the taken area conveyed. However, in this case there is no transactional data for similar property with and without partial takings. Often, the before and after technique will not produce an equitable measurement of market value, particularly when injurious affection and severance damages are not apparent.



Although the before and after technique can be utilized to estimate market value of a taking, the Act is specific in that compensation to a landowner must be no less than the equal average value of the land prior to the acquisition, less any adjustment for special benefits to the remainder resulting from the taking or works.

The *Summation Method* is based on the premise that a fee simple or a partial interest in land taken is represented, at a minimum, by the value of the land over which it passes. This concept also takes into account the impact on the remainder lands and any special benefits to the remainder lands arising from the construction and operation of works associated with the proposed taking.

There is sufficient market information to establish the value of the subject lands as fee simple, the related loss in value associated with proposed taking is investigated. Based on the preceding, the *Summation Method* is a reliable methodology for valuation of the subject property associated with the proposed land acquisition.

Across the Fence Method Within the Summation Method, I apply the *Across the Fence Method*. The theory in this method is that corridor land is equal in value to that of adjacent, non-corridor land (across the fence) plus any additional adjustments. The Dictionary of Real Estate Appraisal, fifth edition, states the *Across the Fence Method* “is used to develop a value opinion based on a comparison to abutting land.”

Summation Method In this method the parent parcel is referred to as the *larger parcel*. The interest in land taken is the *partial taking or taking area*. The parent property after the taking is the *remainder parcel or remainder*. The steps in the Summation Method to fully account for the value of the interests in land taken and associated loss in value of the remainder are set out below.¹

1. Determine the value of the parent parcel before the taking.
2. Determine the value of the taking area as part of the parent parcel. This value is based on the *Across the Fence* unit value established in Step 1.
3. Determine if any benefits are associated with the remainder parcel after the taking.
4. Determine the injurious affection to the remainder parcel, if any.
5. Sum the value of the *taking area* with net injurious affection, if any, to arrive at total compensation associated with the proposed acquisition.

The section to follow is the valuation of the parent parcel and proposed taking area as part of the whole. This approach is consistent with *Across the Fence* valuation methodology, a generally accepted practice for corridor land valuation.

¹ International Right of Way Association, Principles of Right of Way: 4th Edition, 2012, p. 204.



5.3 DIRECT COMPARISON APPROACH

Land Value

Three generally recognized methods are available to estimate market value of a site via Direct Comparison Approach:

- The **Direct Comparison Method** is the most commonly used method of site valuation. It involves analysing recent sales of similar properties. Sales that are most like the subject and sold most recently are given the most weight.
- The **Allocation Method** uses a ratio of land value to property value as extracted from improved comparable sales, which is then applied to the sale price of the subject property to yield a residual value.
- The **Extraction Method** is a variant of the abstraction method in which land value is extracted from the sale price of an improved property by deducting the value of the improvements estimated from their depreciated costs.

In this case, the Direct Comparison Method and Extraction Method are deemed the most accurate method of valuating the subject site.

Adjustment Process

Since no two properties are identical, adjustments for differences found in each are applied to the sale prices to provide a correlation of values between the comparable properties and the subject. In the case of the subject property, the appropriate unit of comparison is the price per square foot (PSF) as this is the most common unit of measurement for parcels less than 5 acres in size. The two recognized methods of applying the adjustment process to comparables are the quantitative and qualitative techniques.

- The **quantitative technique** involves making specified dollar or percent adjustments to the sale price of a comparable. An adjustment is applied to each of the characteristics that affect the value of a comparable (i.e., location, market conditions, land use, etc.). This mathematical process results in an adjusted sale price for each of the comparables. Theoretically, the range of adjusted sale prices of the comparables should be narrower than the respective sale prices prior to the adjustment process.
- The **qualitative technique** involves the relative comparison of a given sale to the subject, without recourse to quantification. This process involves the determination of whether the comparable is superior, inferior or similar to the subject for each of the characteristics that affect value. An “adjusted sale price” is not calculated from this adjustment method. Rather, each comparable is considered in its relationship with the subject and an overall positive, negative, or equal adjustment is applied to the comparable without expressing a dollar or percentage amount.



Analysis of Comparables In consideration of the information available relative to each comparable being analyzed, a qualitative technique of adjustment is deemed appropriate. Following are detailed analyses of the comparables applied, including summary grids indicating how each sale relates to the subject.



Index No.1

Civic Address:	4516 West Saanich Road	Property Type:	Commercial
Municipality:	Saanich	Property Sub-Type:	Retail / Office
Short Legal Description:	Parcel B (DD 515981) of Lot 28, Section 9, Lake District, Plan 7	PID(s):	009-337-113
Sale Price:	\$1,475,000	Sale Date:	Jan-24
Property Rights Conveyed:	Fee Simple	Sale Title:	CB1190855
Vendor:	Royal Oak Women's Institute	Purchaser:	Kenzen Sports Karate Ltd.
MLS#	948794	DOM	72
Site Area (SF):	10,890	Land Value PSF:	\$135.45
Access:	Good	Exposure:	Average
Configuration:	Slightly Irregular	Zoning / Land Use:	P-1 - Assembly Zone
Year Built	1911	# of Buildings:	1
Construction:	Woodframe	# of Storeys:	1 + Basement
Quality:	Average	Condition:	Average
Parking Stalls:	11	Parking Type:	Surface
Gross Leasable Area (SF):	4,483	Sale Price Per SF:	\$329.02
Net Operating Income:	\$75,841.91	Cap Rate (Ro) - Stabilized:	5.14%

Comments:

Sale of a designated municipal heritage site constructed in 1911. Building is comprised of a main level (3,383 SF) and partially finished lower level (1,100 SF of 1,720 SF below grade finish) and is best suited to single tenant occupancy. Access to the site is provided via West Saanich Road as well as from Shawnee Road at the rear of the property. The site forms an interior lot in Royal Oak and is fully serviced with all municipal services and utilities. Zoned P-1 (Assembly Zone), permitted uses include art gallery, church, community centre, daycare, library, museum, school, theatre, and recreational facility as well as accessory residential. Prior to sale, the property had been listed on the open market (MLS# 948794) for 72 days prior to sale at full ask.





Index No. 2

Civic Address:	2780 Richmond Rd.	Municipality:	Saanich
Property Type:	Institutional Land	Property Sub-Type:	School Site
Short Legal Description:	Part of Lot 3, Plan 10792	PID(s):	005-170-222
Sale Price:	\$2,500,000	Sale Date:	Jan-22
Property Rights Conveyed:	Fee Simple	Sale Title:	Collapsed sale
Vendor:	School District 61	Purchaser:	Victoria Hospice Society
Site Area (SF):	55,757	Sale Price PSF:	\$44.84
Site Area (Acres):	1.9	Sale Price Per Acre:	\$1,315,789
Access:	Good	Exposure:	Average
Configuration:	Triangular	Topography:	Level
Servicing:	Full Services at Lot Line	Site Influences:	Quiet Street
Effective Area:	35,000	Zoning / Land Use:	P-1, Assembly Zone

Comments:

The parcel is relatively level throughout. Bowker Creek marks the northeast property boundary and acts as a divider of the lands and the remainder parcel (school site). Bowker Creek impacts the use of the land due to the protected area which is a 30-meter setback from the high-water mark. Given the stream setback area, only approximately 35,000 sq. ft. (42%) is considered developable area. Site improvements are limited to chain-link fencing along the west boundary and along Bowker Creek. There is a break in the fencing to allow for pedestrian traffic to cross the Creek by way of a concrete and steel bridge. The sale is subject to approval by the Ministry of Education. The Victoria Hospice Society hopes to build a new center for grief support, education and end-of-life programs on the triangular piece of what SD61 calls the Lansdowne Middle School south campus.



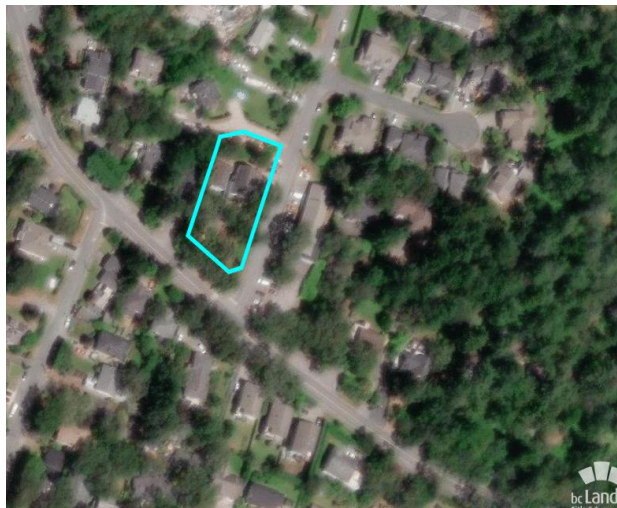


Index No. 3

Civic Address:	40 High Street	Property Type:	Institutional
Municipality:	View Royal	Property Sub-Type:	Church
Short Legal Description:	Lot 1, Plan VIP45466	PID(s):	008-192-952
Sale Price:	\$1,010,000	Sale Title:	CB92158
Residual Land Value:	\$861,000	Improvement Value:	\$149,000
Property Rights Conveyed:	Fee Simple	Sale Date:	Jul-22
Vendor:	TH*	Purchaser:	13*
Site Area (SF):	19,427	Exposure:	Average
Access:	Average	Zoning / Land Use:	P-2 Local Institutional
Configuration:	Slightly Irregular		
Residual Land Value PSF:	\$44.32	Improvement Value PSF:	\$7.67

Comments:

Church site located in View Royal that sold in July of 2022. The site is 19,427 square feet in size and is improved with a wood framed church. According to the Hallmark Heritage Society, the church was built in 1912 and served as a focal point for the community for many years. The improvement's contributory value is \$149,000.





Index No. 4

Civic Address:	1765 Lansdowne Road	Municipality:	Saanich
Property Type:	Institutional	Property Sub-Type:	School
Short Legal Description:	TBD	PID(s):	TBD
Sale Price:	\$15,000,000	Sale Date:	Jul-21
Property Rights Conveyed:	Fee Simple	Sale Title:	Pending Ministry Approval
Vendor:	School District No. 61	Purchaser:	Conseil scolaire francophone de la Colombie-Britannique
Site Area (SF):	317,988	Sale Price PSF:	\$47.17
Site Area (Acres):	7.3	Sale Price Per Acre:	\$2,054,795
Access:	Very Good	Exposure:	Very Good
Configuration:	Irregular	Topography:	Level
Servicing:	Serviced to the Lot Line	Site Influences:	Residential Setting
Zoning / Land Use:	P-1 - Assembly Zone		

Comments:

The Greater Victoria School District is selling 7.3 acres of land at Lansdowne Middle to the Conseil scolaire francophone de la Colombie-Britannique (CSF) School District for \$15 million. The sale involves lands within the Greater Victoria School District and enables the CSF to build a school that will accommodate their growing school community. The funds from the sale of the land will fund future capital upgrades to existing or new schools and respond to growing student enrolment in the Greater Victoria School District.





Index No. 5

Civic Address:	4201 Tyndall Avenue	Municipality:	Saanich
Property Type:	Institutional	Property Sub-Type:	Re-development
Short Legal Description:	Lot A, Plan 38089	PID(s):	001-013-360
Sale Price:	\$3,150,000	Sale Date:	Oct-20
Property Rights Conveyed:	Fee Simple	Sale Title:	CA8524156
Vendor:	Trustees of The Congregation of The United Church	Purchaser:	Tri-Eagle Developments
Site Area (SF):	56,628	Sale Price PSF:	\$56
Site Area (Acres):	1.3	Sale Price Per Acre:	\$2,423,077
Access:	Good	Exposure:	Good
Configuration:	Slightly Irregular	Topography:	Level
Servicing:	Fully Serviced	Zoning / Land Use:	P-1, Assembly

Comments:

Institutional property improved with a church and a daycare that was sold to Tri-Eagle Developments who purchased the property to rezone to low-density multi-family use. According to the listing agent, there were multiple offers early September 2020 by local development companies. The improvements on the property at the time of sale were not considered within the purchase price. Proceeds from the church land sale will go towards an upcoming renovation of Broad View United's St. Aiden Street parish as the faith organization looks to modernize its place of worship. There is a rezoning application in place as part of an affordable homeownership proposal to allow for 60-units split into a trio of three-storey buildings.





Explanation of Adjustments

The comparables chosen are considered to be the most competitive or similar properties to have recently sold or been offered for sale.

SALES SUMMARY						
	Subject	Index No. 1	Index No. 2	Index No. 3	Index No. 4	Index No. 5
Address	5238 Cordova Bay Road	4516 West Saanich Road	2780 Richmond Road	40 High Street	1765 Lansdowne	4201 Tyndall Avenue
Municipality	Saanich	Saanich	Saanich	View Royal	Saanich	Saanich
Sale Date (M/Y)		Jan-24	Jan-22	Jul-22	Jul-21	Oct-20
Land Use	P-1	P-1	P-1	P-2	P-1	P-1
Land Area (Sq.Ft.)	326,700	10,890	55,757	19,427	317,988	56,628
Sale Price (\$)		\$1,475,000	\$2,500,000	\$1,010,000	\$15,000,000	\$3,150,000
Improvement Value:		\$141,000	\$0	\$149,000	\$0	\$0
Extracted Land Value:		\$1,334,000	\$2,500,000	\$861,000	\$15,000,000	\$3,150,000
Price Per Site Area (Sq.Ft.)		\$122	\$45	\$44	\$47	\$56

ADJUSTMENT GRID						
Comparable Property	Index No. 1	Index No. 2	Index No. 3	Index No. 4	Index No. 5	
Real Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	
Adjustment	Similar	Similar	Similar	Similar	Similar	
Terms of Finance	Market	Market	Market	Market	Market	
Adjustment	Similar	Similar	Similar	Similar	Similar	
Conditions of Sale	Arms Length	Arms Length	Arms Length	Arms Length	Arms Length	
Adjustment	Similar	Similar	Similar	Similar	Similar	
Market Conditions (Time)	7 Months	31 Months	25 Months	37 Months	46 Months	
Adjustment	Similar	Inferior	Inferior	Inferior	Inferior	
Other Adjustments:						
Location	Similar	Superior	Inferior	Similar	Similar	
Site Size	Superior	Superior	Superior	Similar	Superior	
Site Services	Similar	Similar	Similar	Similar	Similar	
Land Use	Similar	Similar	Similar	Similar	Similar	
Topography	Similar	Inferior	Similar	Similar	Similar	
Configuration	Similar	Inferior	Similar	Similar	Similar	
External Influences	Similar	Similar	Similar	Similar	Similar	
Cumulative Other Adjustments	Superior	Inferior	Inferior	Inferior	Inferior	

The adjustment chart shows the areas of comparison considered for each comparable property in relation to the subject. Categories described as similar, indicate that no adjustment was deemed necessary. Inferior or superior indicates an upward or downward adjustment respectively. The adjustments made are discussed below.

Real Property Rights

All Indices used in this analysis represent a Fee Simple which is similar to the subject. As such, no adjustments were required.



Terms of Finance All of the comparable sales analyzed were either financed at current market rates or purchased with cash. Based on this, adjustments for financing were not required.

Conditions of Sale All of the comparable properties sold as “arms length” transactions. Motivation was not an issue and as such, no adjustments were necessary.

Market Conditions/ Time In a market with upward or downward momentum, an adjustment may be warranted to reflect the time differential between the sale of the comparables in relation to the effective date of the report.

School properties are generally designed for long-term use, often with the intention of serving educational purposes for decades. Unlike commercial properties, which may change tenants frequently and can be repurposed for different uses, school buildings tend to have a fixed, consistent function. Once a school property is built, its primary purpose doesn't change easily, and its market value is less subject to rapid shifts.

The demand for school properties is more specialized and often regionally limited. The market for schools is much smaller compared to commercial properties like retail or office spaces. Schools are typically located in areas with a stable population and demographic patterns, so the demand for new school buildings doesn't fluctuate as rapidly as demand for commercial properties, which can change quickly due to factors like changing consumer preferences, economic conditions, or business cycles.

As a result, the market for school properties and institutional land is generally stable. In saying this, Indices 2 through 5 are slightly dated sales and the general demand for land has improved since these transactions. Upward adjustments are applied.

Location (Macro) In analysing the locational attributes, factors such as the type and extent of development within the community and the access and egress to the area all play a role in determining value.

Indices 1, 4, and 5 are located in somewhat similar areas within the District of Saanich and therefore require no adjustments for macro-locational factors.

Index 2 is located in Saanich however near the border to the City of Victoria, which is generally superior to the subject area of Saanich. A downward adjustment is warranted. An upward adjustment is required for Index 3 as it is located in View Royal, an inferior market location.

**External Influences**

In real estate, property influences are factors or characteristics that affect a property in a positive or negative way. Examples of influences include the traffic exposure proximity of the ocean, beach access, water or mountain views, and proximity to nearby amenities. Negative influences could be traffic noise, frontage on a busy street, or proximity to an airport or mill expelling exhaust or pollutants.

No adjustments are applied to Indices 1, 2, 3, 4 and 5 as they experience somewhat similar external attributes.

Site Area

The value of the subject property and the comparables have already been reduced to a dollars per square foot denominator. The size adjustment therefore is not required to account for the variance in the number of square feet, but rather the value per square foot as the laws of increasing and decreasing returns apply to site size.

Indices 1, 2, 3 and 5 are smaller in area relative to the subject. As a result, downward adjustments are required to compensate for the higher “price per square foot” rate noted with smaller parcels. No size adjustment is required for Index 4 as it is somewhat similar in size.

Site Services

Site services pertain to the degree of on-site servicing each property has. Examples of site servicing include on-site water, on-site sewer, on-site parking pad, etc. Typically, the presence of on-site services reduces development costs and thereby enhances property value

In this instance, all Indices have similar services available at the lot line, including hydro, cable, telephone, municipal water, and sewer and no adjustments are required.

Land Use

Land use classification legally restricts a site’s development potential. When selecting a site, purchasers typically attribute value to a less restrictive land use classification as it provides more flexibility in construction and development density.

The subject property zone is restricted to a public land use (P-1 zone). This is similar to all Indices and no adjustments are required.

Topography & Configuration

This category encompasses a variety of site conditions including topography and lot configuration as well as development costs, which reflect the site’s “readiness” for development and consider expenditures including removal of topsoil or trees, addition of land fill, environmental clean-up, or demolition of existing improvements. Such factors influence the utility and appeal of the site.



All sales have somewhat similar level to gentle sloping topographical features that will not require adjustments. Adjustments are required, however, for the configuration of Index 2 (triangle) and Index 2 is also impacted by riparian setbacks from Bowker Creek.

Adjustment Conclusion As detailed previously, adjustments are attributable to a number of different elements of comparison. The preceding sales represent an unadjusted price per square foot between \$44 and \$122.

Limited weight is applied to Index 1 as it is improved with hall structure that contributes value to the sale price. Extracting the improvement value from this sale is subjective and relies on BC Assessment estimates which are not always accurate for public buildings given the use and ownership type. In addition, it was marketed as a commercial property for investment purposes.

The analysis indicates a price per square foot higher than adjusted Index 4 (\$47 PSF); lower than adjusted Index 5 (\$56 PSF).

Land Value Conclusion Based on the foregoing, I have adopted a representative land value of \$50 per square foot for the subject property. This value rate is then applied to Areas A, B, and C to determine the pro-rate value of each portion.

Area	Vendor	Size (sq. ft.)	Value Rate (PSF)	Value
A	SD63	3,083	\$50.00	\$154,150
B	SD63	551	\$50.00	\$27,550
C	Saanich	3,338	\$50.00	\$166,900
Net Compensation Payable				\$14,800

Steps 4-5 Analysis of Injurious Affection or Benefits

Injurious Affection "Injurious affection" is a phrase that does not appear in the statute, in the context of a partial taking, although it is used in case law. It is a claim that the remaining land has lost value, and the loss is either directly attributable to the taking, or results from the construction or use of the works for which the property was taken.

I found no measurable injurious affection to the remainder lands associated with the proposed taking. As a result of the taking, it is my opinion that the same potential for educational activity exists on the applicable portions of the remaining lands as did before. In the event information is provided on the proposed project and extent that impacts can be mitigated by the District of Saanich, the injurious affection to the remainder of the registered owner's lands can be re-visited and compensation adjusted, if required.



6.0 EXPOSURE ANALYSIS & FINAL VALUE ESTIMATE

Exposure Time

Market exposure time may be defined as:

“... the estimated length of time the property interest being appraised would have been offered on the open market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.”

Source: Canadian Uniform Standards, January, 2024

This time frame is substantiated by related facts in the appraisal process:

- supply/demand conditions as of the effective date of the appraisal;
- the use of current cost information;
- the analysis of historical sales information; and
- the analysis of future income expectancy from the effective date of the appraisal.

The market for institutional property represents a small niche with a small number of potential buyers and a few, diverse properties that are periodically exposed to the market. Due to the limitations imposed by the subject’s land use and the purpose-built nature of the structure, a longer exposure timeframe is warranted.

Thus, a reasonable exposure time for the property is estimated to be in the range of 4 to 9 months prior to a sale at the appraised market value.

Final Value Estimate

Based on the analysis presented herein, an estimate of the net compensation payable as at the effective date of this report is indicated at:

Area	Vendor	Size (sq. ft.)	Value Rate (PSF)	Value
A	SD63	3,083	\$50.00	\$154,150
B	SD63	551	\$50.00	\$27,550
C	Saanich	3,338	\$50.00	\$166,900
Net Compensation Payable				\$14,800**

**** NOTE: THE VALUE ESTIMATES CONTAINED HEREIN ARE CONTINGENT UPON AND SUBJECT TO THE EXTRAORDINARY ASSUMPTIONS, HYPOTHETICAL CONDITIONS AND EXTRAORDINARY LIMITING CONDITIONS AS DESCRIBED IN THIS REPORT.**



7.0 APPRAISER'S CERTIFICATION

I certify, to the best of my knowledge and belief, that:

- The statements of fact contained in this report are true and correct;
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
- I am not in a conflict of interest to undertake this assignment;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, the amount of the value estimate(s), or a conclusion favouring the authorized client;
- My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Canadian Uniform Standards of Professional Appraisal Practice;
- I have the knowledge, skills and experience to complete the assignment competently;
- No one provided significant professional assistance or third party professional assistance to the person signing this report;
- As of the date of this report, the undersigned have fulfilled the requirements of The Appraisal Institute of Canada Continuing Professional Development Program for Members;
- The undersigned is a member in good standing of the Appraisal Institute of Canada;
- The undersigned, Alanna Gagliani BSc, AACI P.App, personally inspected 5238 Cordova Bay Road as described more fully in the Executive Summary at page 1, on December 8, 2024. ;
- Based upon the data, analyses and conclusions contained herein, the net compensation payment of the fee simple interest described herein, as of December 8, 2024, is estimated to be:

Area	Vendor	Size (sq. ft.)	Value Rate (PSF)	Value
A	SD63	3082	\$50.00	\$154,150
B	SD63	551	\$50.00	\$27,550
C	Saanich	3,338	\$50.00	\$166,900
Net Compensation Payable				\$14,800**

**** NOTE: THE VALUE ESTIMATES CONTAINED HEREIN ARE CONTINGENT UPON AND SUBJECT TO THE EXTRAORDINARY ASSUMPTIONS, HYPOTHETICAL CONDITIONS AND EXTRAORDINARY LIMITING CONDITIONS AS DESCRIBED IN THIS REPORT.**

Dated this 14th day of February 2025

Alanna Gagliani BSc AACI P.App
AIC Membership #: 909739
Digital Signature Security: Microsoft

NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.



A D D E N D A

Title Search Print

Land Use By-law Excerpt

Ordinary Assumptions and Limiting Conditions

Definitions and Detailed Descriptions



A.1 TITLE SEARCH PRINT

TITLE SEARCH PRINT

File Reference: S9781

2024-12-03, 14:31:40

Requestor: Alanna Gagliani

****CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN****

Land Title District Land Title Office	VICTORIA VICTORIA
Title Number From Title Number	CB280566 150848I
Application Received	2022-10-13
Application Entered	2022-11-07
Registered Owner in Fee Simple Registered Owner/Mailing Address:	THE BOARD OF EDUCATION OF SCHOOL DISTRICT NO. 63 (SAANICH) 2125 KEATING CROSS ROAD VICTORIA, BC V8M 2A5
Taxation Authority	Saanich, The Corporation of the District of
Description of Land Parcel Identifier: Legal Description:	009-800-263 THAT PART OF PARCEL E (DD 74646I) OF SECTION 32, LAKE DISTRICT, LYING TO THE WEST OF CORDOVA BAY ROAD
Legal Notations	NONE
Charges, Liens and Interests Nature: Registration Number: Registration Date and Time: Registered Owner: Remarks:	STATUTORY RIGHT OF WAY L80872 1982-11-19 14:02 THE CORPORATION OF THE DISTRICT OF SAANICH PART
Duplicate Indefeasible Title	NONE OUTSTANDING
Transfers	NONE
Pending Applications	NONE



A.2 LAND USE BY-LAW EXCERPT

SCHEDULE 1001

ASSEMBLY ZONE • P-1

1001.1 Uses Permitted

Uses Permitted:

- (a) Art Gallery
- (b) Astrophysical Observatory
- (c) Church
- (d) College
- (e) Community Centre
- (f) Daycare, Adult
- (g) Daycare, Child
- (h) Horticulture Centre
- (i) Library
- (j) Museum
- (k) School
- (l) Theatre
- (m) Recreation Facility
- (n) University
- (o) Accessory Residential
- (p) Accessory Buildings and Structures
- (q) Education Support Services

← B. 9163 2012

1001.2 Prohibited Uses

← B. 9358 2016

Prohibited Uses:

All uses not permitted by Section 1001.1 and without limiting the generality of the foregoing:

- (a) The use of a float home or other floating vessel as a residence
- (b) The anchoring or moorage of any vessel for a continuous period exceeding 72 hours.

1001.3 Buildings and Structures

Buildings and Structures:

- (a) Shall be sited not less than:
 - (i) 10.0 m (32.8 ft) from a front, a rear, and an exterior side lot line.
 - (ii) 6.0 m (19.7 ft) from an interior side lot line.
- (b) Shall not exceed a height of 10.0 m (32.8 ft).

1001.4 General

General:

The relevant provisions of Sections 5, 6, 7, and Schedule B of this bylaw shall apply.



A.3 ORDINARY ASSUMPTIONS AND LIMITING CONDITIONS

Preamble

The typical limiting conditions and assumptions of D.R. Coell & Associates Inc. are outlined below. Any other assumptions or limiting conditions that apply to this appraisal are detailed further elsewhere within the report.

This report conforms with the standards / regulations as specified in the Canadian Deposit Insurance Corporation (CDIC) publication "Standards of sound Business and Financial Practice - Real Estate Appraisals"; the Canadian and British Insurance Companies Act; the Ontario Securities Commission Policy 11.5 Section M; and the current Canadian Uniform Standards of Professional Appraisal Practice as required by the Appraisal Institute of Canada.

Use of this appraisal report by any reader constitutes acceptance of the conditions outlined below, as well as any others stated in this report. The acceptance of this appraisal report also constitutes acceptance of responsibility for payment of appraisal fee balance due and any costs to the Appraiser in collection of same.

The designated user of this appraisal report is advised to exercise reasonable and proper due diligence, confirming factual information and consulting with other experts as necessary to make informed decisions regarding the property.

Report Distribution, Third Party Liability

This report is intended solely and exclusively for the use of the authorized Client. Possession of a copy of the report shall not authorize use of the appraisal for any purpose other than that noted in the agreement and/or report. Cost estimates are not valid for insurance purposes. This appraisal report shall not be distributed or communicated to unauthorized third parties in whole or in part without prior written consent of the appraiser.

The liability of D.R. Coell & Associates Inc. is limited to the authorized Client only. Notwithstanding anything herein to the contrary, the authorized Client will forever indemnify and hold the Appraiser harmless from any claims by third parties related in any way to this appraisal. Third parties shall include, but not be limited to, general and limited partners of the authorized Client if the authorized Client is a partnership, stock holders of the authorized Client if the authorized Client is a corporation, and all lenders, tenants, past owners, successors, assigns, offerees, transferees and spouses of authorized Client.



Confidentiality	Possession of this report (or a copy) does not carry with it the right of publication. All copyright is reserved to the authorized Client and D.R. Coell & Associates Inc. and the report is considered confidential to the appraiser and the authorized Client. The authorized Client agrees that the appraisal consists of privileged and confidential information and furthermore agrees to obtain the appraiser's authorization before reproducing the appraisal in whole or in part. D.R. Coell & Associates Inc. may not disclose the contents of this report to anyone other than the authorized Client or designee as specified in writing, except as may be required by the professional associations of which the Appraisers are members, or by a court of law or any other body with the power of subpoena.
Authentic Copies	If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.
Information Provided by Third Parties	This report, its analysis and conclusions have been developed based on information from various sources. Such information was believed to be reasonably reliable. D.R. Coell & Associates Inc. shall not be responsible for the accuracy of any information used in this report that has been obtained from any source, subject to the due diligence provision of the current Canadian Uniform Standards of Professional Appraisal Practice. It is advised that the authorized Client consider independent verification of all factual data presented in this report.
Modifications	D.R. Coell & Associates Inc. reserves the right at any time to alter statements, analyses, conclusions or any value estimates, if facts pertinent to the appraisal process and report unknown at the time of completion become known. D.R. Coell & Associates Inc. is not responsible for any unauthorized alterations to the report.
Measurements, Exhibits	The sketches, maps and photographs in the Appraisal report are included solely for the purpose of assisting the reader in visualizing the property and are not necessarily to scale. Any variation in land or building areas from those considered in the appraisal may alter the estimates of value contained in the report.
Court Testimony	This report is completed on the basis that testimony or appearance in court is not required as a result of this appraisal unless specific arrangements have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate preparation time and appropriate compensation.
Legal, Title, Market Value Premise	While expert in appraisal matters, the author is not qualified and does not purport to give legal advice. It is assumed that: <ul style="list-style-type: none">▪ the legal description is correct;



- title to the property is good and marketable;
- there are no encroachments, encumbrances, restrictions, leases or covenants that would in any way affect the valuation, except as expressly noted herein;
- the existing use is a legally conforming use which may be continued by any purchase from the existing owner; and
- rights-of-way, easements or encroachments over other real property, and leases or other covenants noted herein are legally enforceable.

**Physical, Environmental
Concerns**

The appraisal is based, unless otherwise stated, on there being full compliance with all applicable federal, provincial and local environmental regulations, laws and restrictions. Moreover, it is assumed that all required permits have been or can be obtained or renewed for any use considered in the value estimate. It is also assumed that the subject property is maintained and managed pursuant to prudent and competent ownership and management.

D.R. Coell & Associates Inc. personnel are not qualified to give engineering advice. It is assumed that there are no patent or latent defects in the subject improvements, that no objectionable materials are present and that the improvements are structurally, mechanically and electrically adequate and in need of no immediate repairs unless expressly noted within this report.

D.R. Coell & Associates Inc. shall not be held responsible for any costs incurred to investigate or correct any deficiencies of any type, which may be present in the real estate and/or real property herein appraised. All information furnished by the authorized Client and/or third parties is logically presumed to be correct and complete and there are no other documents modifying the one or ones mentioned herein.

Unless otherwise stated in the report, it is assumed that the subject is not encumbered in any way by any adverse environmental conditions. D.R. Coell & Associates Inc. personnel are not qualified to detect potentially hazardous materials and/or substances, which may adversely affect the value of the property. As such, D.R. Coell & Associates Inc. shall not be held responsible for past or present, legal or physical deficiencies that may be found.



D.R. Coell & Associates Inc. personnel are not qualified to comment on environmental issues that may affect the market value of the property appraised including, but not limited to, pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants including, but not limited to, moulds or mildews or the conditions that might give rise to either and, in compliance with all regulatory environmental requirements, government or otherwise, free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues that party is cautioned to retain an expert qualified in such issues. D.R. Coell & Associates Inc. and its assignees expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.

Utilities

In the absence of a qualified professional engineer's study, information regarding the existence of utilities is made from a visual inspection of the site and review of available public information, if deemed necessary. Unless otherwise stated in the report, utilities of all types are considered adequate for the authorized use or highest and best use of the property.

Inclusions

Furnishings, equipment, personal property or business operations which may sometimes be considered as a part of the real estate have been disregarded unless otherwise specified, and only the real estate is considered in the value estimate.

**Dynamic Market
Conditions**

The estimated market value, as defined in the report, is subject to change with market fluctuations over time. The value estimate herein is based on a specified effective date and pertains to market conditions as of that date. The subject has been analysed on a cash equivalent basis and the value conclusion is in Canadian dollars. Any current financing is not considered in the market value estimate herein, unless expressly stated in the report.



A.4 DEFINITIONS & DETAILED DESCRIPTIONS

Sources

This section includes definitions and detailed descriptions of various terms and methodologies utilized in this report. They are included in alphabetical order for the reader's convenience.

Formal definitions are presented in italics with the source noted below. These definitions are quoted from five basic sources:

- Canadian Uniform Standards of Professional Appraisal Practice, effective January 1, 2005;
- THE APPRAISAL OF REAL ESTATE APPRAISAL, SECOND CANADIAN EDITION, © 2002 by the Appraisal Institute.
- The 1996 edition of the UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP), including the Canadian Supplement;
- THE DICTIONARY OF REAL ESTATE APPRAISAL, THIRD EDITION, © 1993 by the Appraisal Institute; and
- THE APPRAISAL OF REAL ESTATE, CANADIAN EDITION, © 1992 by the Appraisal Institute;

Appraisal

“A formal opinion of value:

- 1. prepared as a result of a retainer;*
- 2. intended for reliance by identified parties; and*
- 3. for which the appraiser assumes responsibility”.*

Source: Canadian Uniform Standards of Appraisal Practice, January 2020

Adjustment Techniques

The two recognized methods of applying the adjustment process to comparables are the quantitative and qualitative techniques.

- The **quantitative technique** involves making specified dollar or percent adjustments to the sale price of a comparable. An adjustment is applied to each of the characteristics that affect the value of a comparable (i.e., location, market conditions, land use, etc.). This mathematical process results in an adjusted sale price for each of the comparables. Theoretically, the range of adjusted sale prices of the comparables should be narrower than the respective sale prices prior to the adjustment process.



- The **qualitative technique** involves the relative comparison of a given sale to the subject, without recourse to quantification. This process involves the determination of whether the comparable is superior, inferior, or similar to the subject for each of the characteristics that affect value. An “adjusted sale price” is not calculated from this adjustment method. Rather, each comparable is considered in its relationship with the subject, and an overall positive, negative, or equal adjustment is applied to the comparable without expressing a dollar or percentage amount.

Definitions of Rates and Multipliers

Income Capitalization

“A set of procedures through which an appraiser derives a value indication for income-producing property by converting anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year’s income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate.”

Source: The Dictionary of Real Estate Appraisal, Second Edition, © 1993; p.156.

Income Rates

An income rate expresses the relationship between one year’s income and the corresponding capital value of a property.

Overall Capitalization Rate

“An overall capitalization rate (R_o) is an income rate for a total property that reflects the relationship between a single year’s net operating income and the total property price or value. It is used to convert net operating income into an indication of overall property value. An overall capitalization rate is not a rate of return on capital or a full measure of investment performance. It may be more than, less than, or equal to the expected yield on the capital invested, depending on projected income and value changes.”

Source: The Appraisal of Real Estate Appraisal, Third Canadian Edition, © 2010; p.20.18

Equity Capitalization Rate

“An equity capitalization rate (R_E) is an income rate that reflects the relationship between a single year’s equity cash flow expectancy and the equity investment. When used to capitalize the subject property’s cash flow after debt service into equity value, the equity capitalization rate is often referred to in the real estate market as the cash flow rate, cash on cash return, or equity dividend rate. Like the overall capitalization rate, the equity capitalization rate is not a rate of return on capital; it may be more than, less than, or equal to the expected equity yield rate, depending on projected changes in income, value, and amortization of the loan.”

Source: The Appraisal of Real Estate Appraisal, Third Canadian Edition, © 2010; p.20.18.



Income Multipliers “Potential or effective gross income may be converted into an opinion of value by applying the relevant multiplier. This method of capitalization is mathematically related to direct capitalization because rates are the reciprocals of multipliers or factors.”

Source: The Appraisal of Real Estate Appraisal, Third Canadian Edition, © 2010; p.22.17.

The Gross Income Multiplier (GIM) is “The relationship or ratio between the sale price or value of a property and its gross income from rent and other income sources.”

Source: The Appraisal of Real Estate Second Canadian Edition, glossary 11

Discount Rates Various sorts of discount rates are used to discount cash flows applicable to a specific position or interest in defined real estate. Discount rates may or may not be developed in the same way as internal rates of return and may not necessarily consider all expected property benefits.

Yield Rate “A yield rate is a rate of return on capital. It is usually expressed as a compound annual percentage rate. The yield rate considers all expected property benefits (both positive and negative over time), including the proceeds from disposition at termination of the investment, if any. The term interest rate usually refers to the yield rate for debt capital, not equity capital.”

Source: The Appraisal of Real Estate Appraisal, Third Canadian Edition, © 2010; p.20.18.

Internal Rate of Return “An internal rate of return (IRR) is the yield rate that is earned for a given capital investment over the period of ownership. The internal rate of return for an investment is the yield rate that equates the present value of the future benefits of the investment to the amount of capital invested. The internal rate of return applies to all expected benefits, including the net proceeds from disposition at the investment’s termination. It can be used to measure the return on any capital investment, before or after taxes.”

Source: The Appraisal of Real Estate Appraisal, Third Canadian Edition, © 2010; p.20.19.

Overall Yield Rate “An overall yield rate (Y_o), or property yield rate, is a rate of return on the total capital invested. It considers all changes in income over the investment holding period as well as the reversion at the end of the holding period. It does not, however, consider the effect of debt financing. Rather, it is calculated as if the property were purchased with no debt capital.

The overall yield rate can be viewed as the combined yield on both the debt and equity capital. It is calculated in the same way the internal rate of return is calculated.”

Source: The Appraisal of Real Estate Appraisal, Third Canadian Edition, © 2010; p.20.19.



Equity Yield Rate

“An equity yield rate (Y_E), is a rate of return on equity capital. It may be distinguished from a rate of return on debt capital, which is usually referred to as an effective mortgage interest rate. The equity yield rate is the equity investor’s internal rate of return; it is affected by the amount of financial leverage employed in securing mortgage debt.”

Source: The Appraisal of Real Estate Appraisal, Third Canadian Edition, © 2010; p.20.19.

Expense and Income Ratios

Operating expense ratios and net income ratios are used to identify income and expense statements that are not typical or to confirm those that are typical.

“The ratio of total expense to effective gross income is the operating expense ratio (OER). The complement of this ratio is the net income ratio (NIR), which is the ratio of this net operating income to effective gross income. These ratios tend to fall within ranges for specific categories of property. Experienced appraisers recognize appropriate ratios, so they can identify statements that deviate from typical patterns and require further analysis.”

Source: The Appraisal of Real Estate Appraisal, Second Canadian Edition, © 2002; p.20.21.

Derivation of Overall Capitalization Rates (R_o)

R_o – Existing

$$R_o = \frac{\text{Existing Net Operating Income (NOI)}}{\text{Sale Price}}$$

Overall Rate based on existing occupancy: This rate reflects the income in place for the property at the time of the sale based on the actual occupancy. No market vacancy allowance, lease-up or inducement allowances are considered. The income from the existing leases is reflected on an annual basis, and deductions are made for operating costs of vacant space (if any) at the time of the sale.

R_o – Year 1 Stabilized

$$R_o = \frac{\text{Year 1 Stabilized NOI}}{\text{Sale Price}}$$

Overall Rate - Year 1, after lease-up and vacancy allowance: Year 1 income is stabilized by applying market rental rates to the vacant space, if any, and applying an appropriate vacancy allowance. The sale price is then adjusted to include the cost of leasing the vacant space including inducements, loss of rent and loss of expense recoveries. The capitalization rate derived from this analysis is commonly utilized by investors to provide a perspective on the “going in” return that the property will produce, relative to the longer-term cash flow expectations.



R_o – Stabilized

$$R_o = \frac{\text{Stabilized NOI}}{\text{Sale Price}}$$

Overall Rate based on stabilized income over the term of the investment horizon: This rate provides an indication of the return on the investment after all leases have turned over to market levels, subject to an appropriate vacancy allowance. It reflects the potential return if all leases in the property were at market levels.

**R_o – Mortgage
Equity
Capitalization**

Overall Rate based on mortgage equity: Because most properties are purchased with debt and equity capital, the capitalization rate must satisfy the market return requirements of both investment positions. Lenders must anticipate receiving a competitive interest rate commensurate with the perceived risk of the investment or they will not make funds available. Similarly, equity investors must anticipate receiving a competitive equity cash return commensurate with the perceived risk or they will invest their funds elsewhere.

The capitalization rate for debt is called the mortgage constant (R_M). It is the ratio of the annual debt service to the principal amount of the loan. The rate used to capitalize equity income is called the equity dividend or capitalization rate (R_E). It is the ratio of annual pre-tax cash flow to the amount of equity investment. For appraisal purposes, a property's equity dividend rate is the anticipated return to the investor, usually for the first year of the holding period. Equity dividend rates are derived from comparable sales by dividing the cash flow of each sale by the equity investment. The overall capitalization rate is then a weighted average of the mortgage constant (R_M) and the equity dividend rate (R_E). The loan-to-value ratio (M) represents the debt portion of the property investment; the equity ratio is expressed as (E or $1-M$).

There are two widely accepted methods of determining an overall rate to apply to the subject property via mortgage equity:

- **Band-of-Investment** $R_o = (M \times R_M) + (1-M \times R_E)$

When the mortgage constant and equity dividend rates are known, an overall rate may be derived by the band-of-investment, or weighted-average technique.



- **Underwriter’s Method** $R_o = DCR \times R_M \times M.$

This is also known as the Debt Coverage Formula. This method is frequently used by institutional lenders, who are generally fiduciaries concerned with safety and profit and are anxious to avoid default and possible foreclosure. Consequently, institutional lenders try to provide a cushion so that the borrower will be able to meet the debt service obligations on the loan even if the building income declines. The first step in this method is to determine the debt coverage ratio (**DCR**). This is the ratio of net operating income to annual debt service, the payment that covers interest on and retirement of the outstanding principal of the mortgage loan. Therefore, $DCR = NOI \div Loan$. To estimate an overall rate, the debt coverage ratio can be multiplied by the mortgage constant (R_M) and the loan-to-value ratio (M).

R_o – Income Multiplier

$$R_o = \frac{1 - OER}{EGIM}$$

Overall Rate based on income multipliers: Sometimes an overall capitalization rate cannot be derived directly because the stringent data requirements cannot be met. When reliable transaction data and gross income data can be obtained from comparable sales, an effective gross income multiplier can be derived and used in conjunction with an operating expense ratio (**OER**) to produce an overall capitalization rate.

Derivation of Overall Yield Rates (Y_o)

Because yield capitalization involves the analysis and discounting of income, the term “Discounted Cash Flow (DCF) Analysis” may be applied in the income capitalization technique.

Discounted Cash Flow (DCF) Analysis

“Discounted cash flow (DCF) analysis is a procedure in which a yield rate is applied to a set of projected income streams and a reversion to determine whether the investment property will produce a required yield given a known acquisition price. If the rate of return (Y_o) is known, DCF analysis can be used to solve for the present value of the property. If the property’s purchase price is known, DCF analysis can be applied to find the rate of return (Y_o).

Source: The Appraisal of Real Estate Appraisal, Second Canadian Edition, © 2002; p.24.1.

Y_o - Overall Yield Rate

Overall Yield: Different valuation models are applied, dependent upon the anticipated income pattern.

The present value of an uneven stream of income is the sum of the discounted benefits treated as a series of separate payments or reversions. The annual cash flows and reversionary value are discounted to a present worth using the standard discounting formulas which are then totaled. Since the model can be adapted to include the final reversion as part of the final cash flow expected at the end of the last period, it can be used for property valuation as well as for income valuation.



Depreciation

The following types of depreciation are considered in conducting an appraisal.

Physical

This is common and caused by wear and tear, natural material deterioration, decay and structural defects. The extent and degree of physical depreciation is usually linked to the amount of maintenance provided to the property. It can be curable or incurable.

- Curable items are those that the prudent buyer would anticipate correcting upon purchasing the property. Curable depreciation is measured by the cost to cure or correct.
- Incurable items are those that are not yet ready to be cured or would not be economically sound to cure at this time, since the cost of correction will be greater than the anticipated increase in utility. Incurable depreciation is measured by the observed condition based on the straight-line method. For the purposes of measurement, items of incurable physical depreciation are broken down into two elements:
 - i) Short Lived Items - The component parts of the structure or items of equipment which have a shorter remaining economic life than that of the basis structure and which can be expected to be replaced during its remaining life (i.e., a 10 year old roof expected to be serviceable for 20 years in a building that has a remaining economic life of 40 years).
 - ii) Long Lived Items - Those components with the same remaining economic life as that of the basic structure. These generally include the structural components such as foundation, framing, walls, sub-floor, etc.

Functional

Functional Depreciation is the loss in utility and therefore in value, caused by the inability of the structure or any component of the structure to perform its intended function in terms of today's standards. It occurs over a period of time as a result of changing trends however poor original design can also be a cause. Functional Depreciation reflects a loss in value due to such factors as a deficiency, inadequacy, super adequacy, poor style or layout and outmoded equipment. This is further divided into two categories: curable and incurable.

- Curable items are those worth replacing, as their replacement costs would be offset by an equal or greater resultant value. Curable functional depreciation may be classified into:
 - i) Deficiency (such as a single two piece washroom in a commercial or industrial building where there would typically be two public washrooms and possibly a third for staff).



- ii) Modernization (where the component part of the item of equipment is outdated).
 - iii) Superadequacy (where the structural component is measurably greater than one would expect to find or require for this type of structure. An example would be an excessively large heating system).
- Incurable depreciation occurs when the cost of the cure is greater than the anticipated increase in value and is therefore uneconomical. Incurable functional depreciation may be classified into:
 - i) Deficiency (could mean a serious omission in the building plan such as the exclusion of washroom facilities on the second floor of a two storey office building. Though these may be physically and technically possible to correct, they would be classified “incurable” if the cost to cure is in excess of the additional value resulting from the correction).
 - ii) Superadequacy (items that add unnecessarily to the reproduction cost such as excessive footings, too many elevators, etc).

External

External Depreciation is caused by conditions and circumstances outside and independent of the subject property, which adversely affect its value. It can be caused by the location of a property relative to undesirable influences (i.e., airport, truck route, prison, etc.) or by economic factors (i.e., plant closure, neighbourhood decline, etc.).

Due to the fact that the property cannot be moved, this type of depreciation is considered to be incurable. However, as the External Depreciation will already be reflected in the site value, only the loss in value to the structure is accounted for as depreciation under this category

Forced Sale Value

“The highest price which a property can reasonably be expected to bring, if offered for sale without the consent or concurrence of the owner by virtue of judicial process, in what may be a restricted market place, within a restricted time frame, to a prudent, willing and able purchaser who may have limited knowledge about the property, its uses and capability.

Source: Appraisal Institute of Canada Committee for foreclosure valuation guidelines

Highest & Best Use

“That reasonably probable and legal use of vacant land or an improved property which is physically possible, appropriately supported, financially feasible, and that results in the highest value.”

Source: Canadian Uniform Standards of Appraisal Practice, January 2020

The use must be:



- legally permissible based on land use, any existing leases, easements, deed restrictions or subdivision controls, covenants and restrictions or other public or private limitations;
- physically possible for the site given it's size, shape, topography, soils and environmental conditions;
- financially feasible, producing a positive net financial or economic return to the owner of the site; and
- the maximally productive use from among the financially feasible uses - the use which will produce the greatest net return of result in the highest residual land value.

Highest and Best Use
"As if Vacant"

"Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labour, capital and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be vacant by demolishing any improvements."

Source: AI, p. 171

Highest and Best Use
"As Improved"

"The use that should be made of a property as it exists. An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one."

Source: AI, p. 171

Land Valuation Methods

The generally recognized techniques utilized in estimating market value of a site include the following:

- **Direct Comparison** is the most commonly used method of land valuation for this type of property, involving analysis of recent sales of similar properties. Properties most like the subject and sold most recently are given the most weight.
- The **Allocation Method** uses a ratio of land value to property value as extracted from improved comparable sales, which is then applied to the sale price of the subject property to yield a residual land value.
- The **Extraction Method** yields a residual land value by taking the price of an improved comparable sale and deducting the value of the improvements by estimating their depreciated costs.



- The **Subdivision Development Method** is used when subdivision and development represent the highest and best use of the parcel and sales data on finished lots are available. This method is most often used when large undeveloped tracts of land are imminently developable for urban use.
- The **Land Residual Method** takes into account the need of income to satisfy the factors of production, labour, coordination and capital. After these have been satisfied, the remaining income is capitalized to determine the value for the land.
- In the **Ground Rent Capitalization Method**, ground rent is the amount paid for the right to use and occupy the land according to the terms of the ground lease. Ground rents can be capitalized at an appropriate rate to form an indicator of value. An alternative method involves discounting the anticipated rental income received over the holding period and the reversion (lump sum benefit) received on the termination of the investment.

Market Value

“The most probable price which a property should bring in a competitive and open market as of the specified date under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. *the buyer and seller are typically motivated;*
2. *both parties are well informed or well advised, and acting in what they consider their best interests;*
3. *a reasonable time is allowed for exposure in the open market;*
4. *payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and*
5. *the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”*

Source: Canadian Uniform Standards of Appraisal Practice, January 2020

Property Rights



Fee Simple Interest

“.... absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power, and escheat.”

Source: The Appraisal of Real Estate Appraisal, Second Canadian Edition, © 2002; p.5.2.

Condominium Interest

“A condominium is a form of ownership of separate units or portions of multi-unit buildings. A condominium unit is a separate ownership, and title is held by an individual owner. The unit may be separately leased, sold, or mortgaged. The owner holds title to an individual unit and an undivided partial interest in the common areas of the total condominium project.”

Source: The Appraisal of Real Estate Appraisal, Second Canadian Edition, © 2002; p.4.3.

Leased Fee Interest

“A leased fee interest is the lessor’s, or landlord’s interest. A landlord holds specified rights that include the right of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the lessee (leaseholder) are specified by contract terms contained within the lease.

Source: The Appraisal of Real Estate Appraisal, Second Canadian Edition, © 2002; p.5.12.

Leasehold Interests

“The leasehold estate is the lessee’s, or tenant’s interest. When a lease is created, the tenant usually acquires the rights to possess the property for the lease period, to sublease the property (if this is allowed by the lease and desired by the tenant), and perhaps to improve the property under the restrictions specified in the lease. In return, the tenant is obligated to pay rent, surrender possession of the property at the termination of the lease, remove any improvements the lessee has modified or constructed (if specified), and abide by the lease provisions.”

Source: The Appraisal of Real Estate Appraisal, Second Canadian Edition, © 2002; p.5.12.

Reproduction Cost Methods

The methods commonly used to estimate a reproduction cost include:

- The **Quantity Survey Method**, which involves a great deal of time and expertise as it includes a detailed breakdown of materials, labour, fees, profit and equipment used to reproduce a building
- The **Unit-in-Place Method**, which is very similar to the Quantity Survey Method (in that it is time consuming and requires expertise in this area), although not quite as complicated or detailed. For instance, cost for a wall, a floor, a roof, etc. are added together to create a whole, rather than a cost for a nail, a piece of drywall, a stud, etc. Both methods are very accurate if done by qualified estimators.



- The **Comparative Unit Method**, which is simply a unit price (i.e. cost per square foot or cost per cubic foot). The square foot method is most widely used and understood. A recently constructed building is analysed to arrive at the cost per square foot and this figure is then used to determine the value of similar buildings. Adjustments can be made for dissimilarities in comparable buildings.

To: Finance Facilities & and Technology Committee**Prepared By:** Rob Lumb
Director of Facilities**Subject:** Brentwood Portable Replacement Update**Date:** Feb 26, 2025

Purpose and Background

The purpose of this briefing note is to update the board on the status of the project to replace the childcare modular at Brentwood Elementary that has reached end of life.

In September 2024 the Board was updated on the plan to locate the new building on the west side of the property along Wallace Drive. With this location change the budget rose to \$620,000 in part due to construction cost escalation and in part due to the additional cost of bringing services to this new site location.

Project Update

Since the new location was picked, we have completed discussions in October of 2024 with the Extreme Fastball user group at Brentwood School. While the new building will impede use by the older fastball teams it will still be acceptable for use with the younger teams. During these discussions it was noted that the Extreme Fastball organization has no official agreement with the School District to utilize the fields at Brentwood Elementary. This agreement will be completed once the new building is in place.

In November of 2024 we were notified by the District of Central Saanich that the property at Brentwood School consisted of 3 separate parcels of land that are all owned by the School District. If we were to do nothing and place the new modular in our decided location along Wallace Rd., it would be subject to municipal bylaws that would require the construction of a new entrance off Wallace Rd and a new parking lot complete with electric vehicle charging stations.

To reduce project cost we've applied to amalgamate the 3 lots so that additional parking and road access will not be required. The cost for the surveyor and the required fees to Central Saanich were approximately \$10,000.

In December of 2024 the application for lot consultation was sent to the District of Central Saanich. As of February 25, 2025, the application is still with Central Saanich. This lot amalgamation has caused delay, as we cannot obtain a building permit until the 3 lots are consolidated into 1 lot.

The modular building has been completed and is currently in storage at the factory it was built in Chilliwack.

Respectfully submitted



Rob Lumb
Director of Facilities



BUDGET ADVISORY COMMITTEE MEETING

Thursday, February 20, 2025

3:00 pm, Board Room

Committee Members:

Keven Elder, Chair
Susan Hickman, Trustee, regrets
Elsie McMurphy, Trustee
Dave Eberwein, Superintendent of Schools
Paul McKenzie, Assistant Superintendent
Peter Westhaver, Director of Instruction
Carly Hunter, Director of Instruction
Jason Reid, Secretary Treasurer
Megan Cimaglia, Director of Finance

Don Peterson, STA
Shannon Toronitz, STA
Candace Whitney, CUPE,
regrets
Laura Mackie, CUPE
Mel Paas, SAA
Tassie Harris, SAA
Spencer Gray, SISP,
regrets
David Tunbridge, COPACS

Other Attendees: Chair Dunford, Vice Chair Silzer, Trustee Vandall, and Trustee Van Well

Meeting Notes

- Committee Chair Elder acknowledged the meeting was being held on the territory of the W̱SÁNEĆ people and welcomed committee members and guests.
- The committee reviewed the meeting notes from the January 23, 2025 BAC committee meeting.
- The committee reviewed and discussed the February Facts Package including enrolment projections, historical budget information, the February fiscal forecast, strategic priority initiatives, and the risk management report.
- The committee discussed next steps in the budget consultation process.
- Committee Chair Elder adjourned the meeting.

Next meeting: **Thursday, April 10, 2025, 3:00-5:00pm**

The February 2025 Budget Advisory Meeting Package (meeting materials) has been posted to the [budget planning documents page](#).

	Prior Year Actual 2023	Prior Year Actual 2024	Amended Budget	Current Budget	Revenue/ Expenditures to January 31, 2025	Projected Revenue and Expenditure	Variance From Budget	Notes
Revenue								
621 Consolidated Revenue Grants	(76,627,629)	(86,349,920)		(90,829,034)	(45,630,191)	(90,614,358)	(214,676)	Note 1
627 Indig. Northern Affairs Canada (INAC) Recovery	3,190,534	3,344,157		3,601,199	2,074,825	4,149,650	(548,451)	
629 Other Ministry Of Ed Grants <i>includes Pay Equity, Ad hoc MOE grants, Grad adult funding, Labour Settlement Funding</i>	(4,077,807)	(2,587,467)		(2,300,824)	(708,898)	(2,300,824)	-	
629 Classroom Enhancement Fund (CEF)	(11,142,827)	(12,158,989)		(12,266,466)	(5,331,418)	(12,266,466)	-	
630 Federal Grants <i>French Odyssey Grant, Jordan's Principle</i>	-	(578,601)		(544,918)	(544,918)	(544,918)	-	
641 Other Ministry Grants <i>ERASE Grant</i>	(181,545)	(200,332)		(117,955)	(117,955)	(117,955)	-	
645 Instructional Cafeteria Revenue	(247,679)	(273,820)		(109,176)	(157,489)	(157,489)	48,313	
646 Local Education Agreements/Direct Funding Indig.	(3,192,947)	(3,344,157)		(3,601,199)	(2,074,825)	(4,149,650)	548,451	
647 International Program Revenue	(6,559,217)	(7,344,386)		(7,562,694)	(6,861,230)	(7,740,944)	178,250	Note 2
649 Misc. Fees & Revenues <i>includes ad hoc grants received, recovery revenue from shared services, funding from municipalities</i>	(529,491)	(367,983)		(460,842)	(421,772)	(460,842)	-	
651 Community Use Of Facilities	(43,595)	(69,162)		(70,000)	(66,807)	(70,000)	-	
659 Other Rentals & Leases	(415,440)	(411,696)		(464,500)	(353,811)	(464,500)	-	
660 Exchange (Gain) Loss	-	-		-	3,081	3,081	(3,081)	
661 Interest On Short Term Deposits	(782,868)	(983,442)		(650,000)	(643,603)	(650,000)	-	
662 Appropriated Surplus <i>(prior years carry forward amounts)</i>	-	-		(3,487,312)	-	(3,487,312)	-	Note 3
672 Student Fees/Certifications	(63,077)	(83,250)		(50,000)	(59,100)	(87,100)	37,100	
Total Revenue	(100,673,588)	(111,409,048)	-	(118,913,721)	(60,894,111)	(118,959,627)	45,906	
Expenses								
105 Salaries - P/VP	4,929,172	5,233,453		5,551,949	3,185,018	5,580,541	(28,592)	
111 Salaries - Teachers <i>(incl. POSR)</i>	41,098,476	45,067,952		47,824,140	23,769,091	47,652,956	171,184	Note 4
307 - Teacher remedy	1,473,693	1,942,023		1,973,108	557,850	1,973,108	-	
Teacher remedy unspent					-	-	-	
122 Salaries - Support Staff <i>(incl. In Service and First Aid)</i>	8,574,110	9,233,048		10,181,528	4,949,939	9,930,568	250,960	Note 5
123 Salaries - Other Professionals	3,415,751	3,910,116		4,961,475	2,511,407	5,044,254	(82,779)	
131 Salaries - Educational Assistants	6,001,108	6,574,392		7,477,546	3,297,977	7,356,762	120,784	Note 6
143 Support Staff Replacement Costs	556,417			490,119	474,863	882,064	(391,945)	Note 7
146 Teacher Replacement Costs	3,996,096	5,021,668		4,147,292	2,417,731	4,429,862	(282,570)	Note 8
	70,044,823	76,982,652	-	82,607,157	41,163,876	82,850,115	(242,958)	
200 Benefits	17,876,595	19,290,595		21,289,360	9,957,414	21,326,862	(37,502)	
	17,876,595	19,290,595	-	21,289,360	9,957,414	21,326,862	(37,502)	
Services & Supplies								
Services	5,134,765	5,109,449		6,138,951	3,591,167	6,206,951	(68,000)	
Pro-D & Travel	572,033	641,820		849,387	420,926	849,387	-	
Rentals & Leases	157,541	184,523		164,000	98,974	164,000	-	
Dues & Fees	304,967	382,612		701,328	676,532	701,328	-	
Insurance	208,047	257,441		255,000	269,221	269,221	(14,221)	

Projection for Discussion Purposes - Actual Results May Differ From Projected

Prepared by Megan Cimaglia

	Prior Year Actual 2023	Prior Year Actual 2024	Amended Budget	Current Budget	Revenue/ Expenditures to January 31, 2025	Projected Revenue and Expenditure	Variance From Budget	Notes
Supplies	3,344,988	2,156,908		4,991,807	2,745,814	4,040,122	951,685	
Utilities	1,606,658	1,521,527		1,462,701	530,442	1,491,658	(28,957)	
	11,328,999	10,254,280	-	14,563,174	8,333,076	13,722,667	840,507	Note 9
Total Expenses	99,250,417	106,527,527	-	118,459,691	59,454,366	117,899,644	560,047	
Transfer from operating for purchase of capital assets	1,641,865	749,054		-	-	-	-	
Transfer to local capital for track renewal fund				6,427		6,427	-	
Transfer to local capital for asset replacement reserve	116,820	120,353		147,603	-	147,603	-	
(Surplus)/Deficit	335,514	(4,012,114)	-	(300,000)	(1,439,745)	(905,953)	605,953	
					Opening Contingency Reserve	(3,272,845)	2.9%	
					Estimated School and District Carry Forwards	1,000,000		
					Estimated Closing Contingency Reserve	(3,178,798)	2.9%	

Amended Budget is the (typically) February *Amended Annual Budget*, which is being prepared for Board approval expected on March 12, 2025 (late this year due to adjusted provincial budget release date).

Current Budget is the current working budget.

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

Variance comments:

Note 1 - Consolidated Revenue Grants negative variance is due to:

85,324 Salary differential funding greater than we estimated - funding source is difficult to predict
(300,000) estimated impact of inclusive education enrolment audit - actual funding adjustment is currently being tabulated by the MECC

\$214,676

Note 2 - International Program Revenue is currently budgeted at 270 FTE. Actual is expected to be approximately 277 FTE.

Note 3 - Appropriated surplus consists of:

\$1,477,760 District Activities Carry Forward
\$ 431,369 School Activities Carry Forward
\$1,572,183 Budget Appropriation

\$3,487,312

Note 4 - Teacher salaries positive variance is due mainly to lower actual average teacher salary than we had budgeted.

Note 5 - 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 6 - Education Assistant (EA) salaries positive variance is due to several factors:

- Hiring lag in deployment of EA funding.
 - 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 partially offset by higher replacement costs when possible and estimated \$300,000 inclusive education enrolment audit funding reduction.

Note 7 - Support Staff Replacement Costs negative variance compared with budget is due to higher than budgeted use of sick leave. Variance is partially offset by unpaid time off taken by staff on Support Staff and Education Assistant Salaries rows.

Note 8 - Teacher Replacement Costs negative variance compared with budget is due to higher than budgeted use of sick and emergency leave. Results are still highly variable.

Note 9 - Assumption made in preparing this forecast is that departments and schools will spend their services and supplies budgets as allocated, other than the following:

- (\$1,000,000) expected school and district carry forward
- \$ 68,000 estimated homestay fees beyond budgeted (recovered with additional homestay fees paid by families)
 - \$ 14,221 insurance costs over budget
 - \$ 28,957 utilities costs (electricity and garbage) estimated to come in over budget
 - \$ 48,315 costs to generate cafeteria revenue

(\$ 840,507)