



Financial Statement Discussion & Analysis Reporting 2023/2024

School District No.64 (Gulf Islands)

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Financial Statement Discussion & Analysis
For the Year Ended June 30, 2024

The following is a discussion and analysis of the School District's financial performance for the fiscal year ended June 30, 2024. This section of the report is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section.

Overview of the District

School District 64 is a diverse district with 9 schools located on Galiano, Mayne, Pender, Salt Spring and Saturna islands. Students travel by water taxis and buses to school. Most of SD64 resident students reside on the largest island of Salt Spring. The district had 1,522 local students and 55 international students (39 FTE) for all or part of the 2023-2024 school year. The district had 156 students who identify with Indigenous ancestry and are served by the district's Indigenous Education Program. There were 118 students in the district's late French Immersion Program from grades 6 to 11.

The district is guided by its Strategic Plan that leads with the concepts of inspire, integrate, and involve, and emphasizes "providing learners with a diverse and engaging opportunities leading to a future of fulfillment, joy and purpose." The Strategic Plan is currently under Board review and the updated plan will be adopted in the fall of 2024.

The district continues to focus its efforts on improving academic success. The six-year resident student completion rates have steadily improved from 74% in 2017/2018 (83% in 2019, 90% in 2020 and 2021, 93 % in 2022), to 100% in June 2023. The 2022/2023 rates also show significant improvement and near parity for Indigenous students at 96% and for students with diverse abilities at 94%. Graduation rates for 2023/2024 have not yet been published. The FSA participation

rate for Grade 4 Literacy has increased dramatically from 45% in 2018 to 97% in 2023/2024. Literacy & Reading achievement rates for the grade 4 cohort are 85.2% on track or extending and are 13.5% higher than the comparative provincial average. FSA 7 participation remains high at 99%, and achievement results continue to surpass the provincial average with 84% on track or extending in Literacy & Reading and 65% on track or extending in Numeracy. The FSA 7 results were stronger in 2022/23 at 88% on track or extending in Literacy; 73% on track or extending in Numeracy.

Gulf Islands School District is configured as follows:

All elementary schools on Salt Spring, Mayne, and Galiano Islands are K to 7. Saturna Island Elementary is K to 5. Gulf Island Secondary School (GISS) serves grade 8-12. Pender Island Elementary Secondary School (PIESS) has a grade 8 to 9 junior secondary program for Pender, Mayne, Galiano and Saturna (gr 6-9) students. PIESS also offers grade 10-12 classes for students from any catchment area in the district. French Immersion, starting in grade 6, is currently offered at Salt Spring Elementary and the senior French Immersion program is offered at GISS. The Gulf Islands School for the Performing Arts continues to operate at GISS and is available based on successful audition for all students in the district from grades 10 to 12.

A key component of the current configuration is the emphasis on catchment areas and ensuring local elementary schools are robust and serve the families that reside within the community. Three new electric buses have been added to the fleet since 2022 to replace aged out/retired buses. A new bus route on Mayne Island will begin in the fall 2024.

Financial Highlights

The overall financial picture of the district has improved significantly from 5 years ago. The closure of Windsor House in 2019, Salt Spring Middle School in 2021, and Phoenix Elementary in 2023, as well as changes to school grade configurations and bus routes, were implemented to improve the district's long-term financial stability and to ensure a supportive landscape for quality education regardless of a student's geographic location. Operating revenue remains

stable due to Funding Protection. Significant Labour Settlement Funding incorporated into the Operating Grant in the last two years has rapidly reduced the value of Funding Protection and the District expects to be out of Funding Protection in the next few years. The goal of senior staff is to ensure a fiscally balanced and educationally sound district that is sustainable and effective without Funding Protection. Key financial indicators will be discussed below:

- The annual surplus (deficit) decreased from a surplus of \$0.85M to a deficit of \$0.422M. The Operating fund annual results are as follows from a deficit position of \$0.25M in 2017-18, a surplus of \$0.17M in 2018-19, a \$1.87M surplus in 2019-20, a \$1.30M surplus in 2020-21, a \$0.72M surplus in 2021-2022, a \$0.20M surplus in 2022-23, and a current year deficit of \$1.27M (intentional spending of accumulated surplus).
- Cash and Cash Equivalents has reduced from \$7.39M to \$7.06M over the prior year.
- FTE Enrollment has increased from 1474 to 1500. This year's increase may be attributed to students returning to regular in-class instruction from homeschool or online options and a few families moving into the district, which has helped offset a large graduating class.
- The Operating Grant remains consistent due to Funding Protection. Funding Protection allows the operating grant to gradually reduce by 1.5% per year until the regular operating grant funding types are inline with expected enrollment from actual student FTE. The district understands this category of relief funding is temporary and reduces annually. The Funding Protection value has reduced faster than 1.5% per year in the last two fiscal periods do the Operating Grant regular funding increase based on Labour Settlement Funding being incorporated into the funding formula.
- Intention of Funding Protection utilization. The intention of the district staff is to have the district operating within its size and scope so that regular operations is funded through actual student enrollment funding. Funding Protection funds will be invested in one-time initiatives like student learning recovery, professional growth, electric school buses, technology updates and building and fleet renewal. The use of the Funding Protection amount is included in the annual and amended budgets and is also reported to the board as separate items during the budget process. This allows for full intention and transparency of how and where the district is investing to build up the district's human and physical assets for long term advantage.

The Operating Fund in the Amended Annual Budget was projected to receive \$23.11M in total Provincial Grants, and received \$23.39M. Expenses were budgeted to be \$25.05M and were \$25.04M, resulting in an actual Annual Operating Deficit of \$72K before Tangible Capital Assets were purchased with Accumulate Operating Surplus. With \$1.20M in Tangible Capital Assets purchased with prior year surplus, the ending Annual Operating Deficit was \$1.27M. The ending Accumulated Operating Surplus is \$2.98M. The yearend Accumulated Operating Surplus is 12% of current year Operating Expenses. The long-term district objective is to have an Accumulated Operating Surplus of approximately 5% of Annual Operating Revenue/Expense. We do not wish to abruptly make this change and will continue to budget in future years with an awareness to sustainability and judicious use of resources.

Financial Analysis of the School District as a Whole

Financial Items	2023-24 Actual	2022-23 Actual	Change in \$ CY/PY	Change in % CY/PY	Discussion
Schedule of Operations SCH 2					
Enrollment BC Resident -	1,500	1,474	26	2%	Increase in FTE enrollment of 2% is based on a slight increase in overall student enrollment. (February 1701 FTE),
Operating Revenue	24,972,207	24,027,914	944,293	4%	The MOECC Operating Grant increased by just under \$1M dollars. This is related to the increase of the per student funding. The Labour Settlement Funding from the prior year has been rolled into the Operating Grant envelope. The funding covered the teacher and support staff grid changes and provided funding towards raises based on grid changes for excluded employees. A \$108K reduction in International Tuition and international program fees is offset but a \$81K increase in Investment Income. The reduction in both types of international revenue is based on a reduction in International student FTE.
Operating Expense	25,043,910	22,926,091	2,117,819	9%	The current year Operating Expenses were budgeted to be \$25M and the current year is \$11K under budget. Most of the budget and actual increase was in the Instruction Function 1 (School Operations). The actual increase in this function was \$1.6M. The majority of this is reflected in the Salaries and Benefits category. In Function 1 Salaries and Benefits were \$1.8M higher than prior year. Which is consistent with budget. This reflects the increase to teacher and support staff wage grid and the corresponding increase to excluded positions. There were also additional teacher and EA FTE budgeted for and filled. This mirrors the increase in the Operating Grant envelope. Consistent with the increase in Salary and Benefits in

					Function 1, the remuneration in all other Functions increased as well. This was reflected in the budget expectations as well.
Special Purpose Revenue and Expense	4,573,794	4,125,907	447,887	11%	There was two additional Special Purpose Grants in the current year. The Feeding Futures Fund (\$350K) and the Health Career Grants (\$100K). Not all of the new funding was spent, resulting in an increase of \$200K in additional MOECC grant funding recognized and an increase to the Deferred Revenue at yearend over prior year. The remaining is deferred for current year. There was also an increase in the Other Revenue categories. The majority of the increased spending in the Other Revenue category occurred in the Education Trust. \$140K additional scholarships were awarded in the current year.
Capital Revenue	1,269,814	1,302,817	(33,003)	-3%	Deferred Capital Revenue and Amortization Expense are consistent between the two periods.
Annual Surplus (Deficit)	(422,629)	847,125	(1,269,754)	-150%	In the current year there was a concerted effort to invest the Accumulated Surplus/ Funding Protection revenue in one-time district projects. This is the second year of this initiative. This resulted in a net deficit for the Operating fund of \$1.3M compared to last year's net income of \$201K. The current year capital fund surplus is slightly higher at \$848K. Last year the Capital Surplus was \$647K. \$1.2M of operating revenue was spent on investments in capital projects. The main capital purchases from Operating funds in the current year where: the refresh and new furniture for the three Salt Spring Island elementary school libraries; the district's portion of an electric school bus; one white fleet van and utility trailer; support for overages on the HVAC capital bylaw project at SSE; and new photocopiers across the district, regular tech hardware and student device renewal.
Statement of Financial Position					
Cash and Cash Equivalents	7,056,292	7,394,307	(338,015)	-5%	The reduction in Cash by 5% is a reflection of spending Accumulated Operating Surplus on local capital investments, however, it is also offset by increase in Cash related to district held Special Purpose Funds.

Accounts Receivable	716,495	446,971	269,524	60%	Accounts Receivable has increase from prior year related to two years of accumulated GST Receivable from the Federal Government. As of August 2024, all the GST for the prior two years has been received. The delay was related to complications from moving from a paper reporting system to the online submission portal with CRA.
Portfolio Investments	138,896	123,964	14,932	12%	The change in balance is related to the change of the categorization of the underling investments. The majority of the portfolio's value is categorized as investments and not cash accounts. The overall value of the portfolio is relatively consistent.
Accounts Payable and Accrued Liabilities	666,406	1,223,485	(557,079)	-46%	The reduction in Account Payables is related to an emphasis on performing a cheque run on the last day of the current fiscal year.
Unearned Revenue	722,130	705,457	16,673	2%	The balance is relatively consistent with prior year.
Deferred Revenue (SPF)	1,766,004	1,131,721	634,283	56%	The Education Trust Fund has increased by \$372K. \$300K of this increase is funds held until the work commences on the remodeling of the Salt Spring Elementary School field (Hydro Field). The project is being undertaken by CRD, but the donor portion of the funds are held by SD64. \$220K of the additional increase is related two to balances held for MOECC Special Purpose Funds at yearend. The Student Affordability Fund was provided with \$100K at yearend for the 24/25 fiscal year. Feeding Futures School Food Program is a new MOECC fund and \$350K was provided. There is \$122K of the Feeding Futures funding remaining at yearend.
Deferred Capital Revenue (liability)	21,759,037	19,501,864	2,257,173	12%	The majority of the change reflects the increase in Deferred Capital Revenue in the current year (\$3.7M) (capital additions funds received from the Province, Federal government and donations) less recognition of Deferred Capital Revenue (\$1.2M).

Employee Future Benefits	1,033,345	985,318	48,027	5%	The change is a reflection of accrued retirement benefits owed on the current work performed by CUPE members, less retirements in the current year and the payment of their contractually obligated retirement allowances.
Tangible Capital Assets	29,097,878	26,967,764	2,130,114	8%	The change in capital assets is additions less current year amortization. In the current year there was \$1.4M in current year COA Bylaw additions, \$0.5M in Other Deferred Capital Revenue (Clean BC rebate on electric school bus and Federal HVAC funds), \$1.2M in Operating capital additions and \$0.4M transferred from WIP. There is also \$0.6M in new current year WIP additions. Amortization was \$1.5M in the current year.
Accumulated Surplus	10,032,408	10,455,037	(422,629)	-4%	Accumulated Surplus is all former and current year impacts to the Operating and Capital Fund. In the current year the Operating Fund had an annual deficit of \$72K before interfund transfers. The Capital Fund has an annual deficit of \$351K. This is a result of greater amortization than deferred capital revenue being recognized.

Analysis of Major Revenue and Expenditure Items by Source and Function

Financial Items	2023-24 Actual	2022-23 Actual	Change in \$ CY/PY	Change in % CY/PY	Discussion
Key Revenue Sources					
Provincial Grant - Operating Grant	22,574,209	21,156,274	1,417,935	7%	The Operating Grant has increased over prior year, and this is directly driven by to the increase to the per student funding. The majority of which increased with Labour Settlement Funding being incorporated into the Operating Grant.
Operating - Other Ministry of Education and Child Care	819,698	1,236,349	(416,651)	-34%	In prior year the Labour Settlement Funding grant (which is a separate grant in the year the agreement has been reached and falls into the Other MOECC funding line, and in the subsequent year it is included in the regular Operating Grant) \$770K, in the current year the same grant was \$351K. This amount was determined during the current year when provincial collective agreement bargaining, and local tables had concluded. All other grants remain relatively consistent.
International Tuition	587,540	655,550	(68,010)	-10%	The 10% increase in International Tuition is a direct result of the decrease of total FTE attending. The current year International students FTE was 39.3. Prior year was 45.7 FTE.
Other Revenue	604,817	645,562	(40,745)	-6%	Other Revenue has decreased slightly from prior year. The largest driver of the reduction of \$55K in other International Program fees which is a result of lower enrollment in the program.
Rental and Leases	65,811	84,196	(18,385)	-22%	Relatively consistent year to year.
Investment Income	320,132	239,301	80,831	34%	This significant increase in Investment Income is a reflection of having a larger portion of the Cash and Cash equivalents invested with the Ministry of Finance, and interest rates are significantly higher than in the prior 5 years.
Total Revenue	24,972,207	24,017,232	954,975	4%	The majority of the increase in revenue is from the Operating Grant and is reflective of the per student increase that is incorporating the changes in all employee groups rates and slight increase in student FTE.

Operating Expense - by Function					
Instruction	17,878,965	16,310,473	1,568,492	10%	The increase in Salaries and Benefits is driven by the increases in the salary grid through collective agreement bargaining and BCPSEA exempt grid increase. There is an additional 6 FTE of Teachers based on and there is also additional Education Assistance hours over prior year (an additional 8 FTE) based on enrollments and designation. This is through additional hours posted and a higher successful fill rate of all positions than in prior years. The increase is consistent with the 2023/24 amended annual budget.
District Administration	1,818,641	1,526,834	291,807	19%	The increase in Salary and Benefits is consistent with the BCPSEA authorized salary grid increases for Excluded Positions for the full department in the current year for the majority of the Function. There were additional Educational Administration expenses related to changing leadership positions.
Operations and Maintenance	3,565,834	3,400,416	165,418	5%	The increase in Salaries and Benefits is driven by the increases in the salary grid through collective agreement bargaining. Service and Supplies was consistent with prior year.
Transportation and Housing	1,780,470	1,688,368	92,102	5%	Reflective of inflation in services and supplies and increase to salary grid through collective agreement bargaining.
Total Operating Expense	25,043,910	22,926,091	2,117,819	9%	Total Expenses increased by 9%. The majority of the change is reflected in Salaries and Benefits and was anticipated in the budget. Additional FTE resulted in additional school-based staff and supports and Collective Agreement bargaining and approved BCPSEA increased were anticipated through the budget process.
Operating Annual Surplus (Deficit) before Fund Transfers	(71,703)	1,101,823	(1,173,526)	-107%	Operating Revenue increased by over \$900K and Operating Expenses increased by over \$2.1M. Overall Salaries and Benefits expense increased by 12.65% and Services and Supplies decreased by 3.7%. The increase in expense is consistent with the 2023/24 Amended Annual budget.

Budgetary Highlights / Analysis of Operating Results to Budget

Operating Revenue and Expense	Amended Annual Budget 2023-24	Annual Budget 2023-24	Change in \$ Amended / Annual	Change in % Amended / Annual	Discussion
FTE	1,513	1,495	18	1%	The Annual Budget is based on the May enrollment estimates for next fiscal period and Amended is based on September 1701 Actual. A component of the change is that the estimate is based on headcount and the actual is based on full time equivalent. The FTE was higher than headcount for the 1701 and there were also additional students who joined the district between the dates of the estimate and budget.
Revenues					
Provincial Grant - Operating MoECC	22,324,723	22,277,442	47,281	0%	Funding is based on increased per FTE operating grant funding and slightly higher FTE than anticipated.
Provincial Grant - Other MoECC	789,867	438,162	351,705	80%	The increase is based on the known amount of Labour Settlement Funding of \$351K which was announced after the annual budget was completed.
International Tuition	557,200	560,000	(2,800)	-1%	Relatively consistent to initial budget.
Other Revenue	709,841	723,800	(13,959)	-2%	Slightly lower GISPA registration than initially budgeted for.
Rentals & Leases	60,000	60,000	-	0%	Consistent to initial budget.
Investment Income	180,000	180,000	-	0%	Consistent to initial budget.
Total Revenue	24,621,631	24,239,404	382,227	2%	2% increase in budgeted Operating Revenue is related to additional Labour Settlement Funding.

Expenses					
Instruction	17,975,591	17,577,421	398,170	2%	Anticipated increase based on expected grid wage improvements through collective bargaining.
District Administration	1,847,811	1,525,000	322,811	21%	Increase to support BCPSE approved grid improvements and estimated cost of senior leadership transition.
Operations & Maintenance	3,456,422	3,142,065	314,357	10%	Majority of increase is related to increase through collective bargaining and cost pressures from inflation.
Transportation & Housing	1,775,442	1,785,429	(9,987)	-1%	Relatively consistent with annual budget.
Total Expenses	25,055,266	24,029,915	1,025,351	4%	The 4% increase in expense across the four Functions reflects the actual cost impacts of the collective agreement labour increases.
Total Net Transfers					
Tangible Capital Assets Purchased	950,000	950,000	-	0%	No significant change anticipated.
Budgeted Prior Year Surplus Appropriation	1,383,635	740,511	643,124	87%	This is consistent with the 2% increase in revenue and 4% increase in expense between the Annual and Amended budget.

Operating Revenue and Expense	Amended Budget 2023-24	Actual 2023-24	Change \$	Change %	Discussion
FTE	1,513	1,500	(13)	-1%	Preliminary numbers provided by schools for February 1701 were higher than actual FTE for February 28th 1701 calculation date.
Revenues					
Provincial Grant - MOE	22,324,723	22,574,209	249,486	1%	Slight increase related to increase in the funding envelope.
Provincial Grant - Other MoECC	789,867	819,698	29,831	4%	The change is related to funding for Graduated Adults and support Staff Benefits grants.
International Tuition	557,200	587,540	30,340	5%	Slightly higher than anticipated due additional payments.
Other Revenue	709,841	604,817	(105,024)	-17%	Received less community grant funding than budgeted.
Rentals & Leases	60,000	65,811	5,811	9%	Slightly higher third-party facilities rentals than anticipated.
Investment Income	180,000	320,132	140,132	44%	Significant increase in interest rates during fiscal year.
Total Revenue	24,621,631	24,972,207	350,576	1%	Slight increase is a result of additional investment income and Operating Grant funding, offset by lower than anticipated community grants.
Expenses					
Instruction	17,975,591	17,878,965	(96,626)	-1%	Consistent with amended budget.
District Administration	1,847,811	1,818,641	(29,170)	-2%	Consistent with amended budget.
Operations & Maintenance	3,456,422	3,565,834	109,412	3%	Slightly higher Salaries and Benefits costs, however consistent Services and Supplies.
Transportation & Housing	1,775,442	1,780,470	5,028	0%	Consistent with amended budget.
Total Expense	25,055,266	25,043,910	(11,356)	0%	Consistent with amended budget.

Total Net Transfers					
Tangible Capital Assets Purchased	950,000	1,198,979	248,979	21%	The one-time spending approved projects were: 3 Salt Spring library renewals, completion of the HUB washrooms, Mayne Bus and Chargers, White fleet renewal, Tech renewal, and SDS upgrades and regular local capital renewal budget. The Local Capital actual spend was the following project: The 3 Salt Spring elementary school library renewal project was \$442K; the new bus and chargers was \$319K (this was the full payment of a bus, so can be viewed as the board's portion of 3 electric buses that occurred in prior years and were fully funded by Bylaw Capital); \$90K for a new white fleet van and utility trailer; \$245K for technology hardware renewal (student drives, hardware and photocopiers; and \$103K for Salt Spring Elementary HVAC Bylaw/Federal Funding project overages. The SDS upgrades and HUB washroom projects did not occur. The remainder of the SDS Modernization accounting software project is expected to occur in 24/25 and 25/26.
Budgeted Prior Year Surplus Appropriation	1,383,635	1,270,682	(112,953)	-9%	The \$112K in reduced budget appropriation is related to the slight Revenue increase of 1%, which was offset by the overage of Local Capital by \$249K.

Reserves – Operating, Special Purpose and Capital Balances

SD64 does not currently have any reserves. In June of 2022, an updated Accumulated Operating Surplus Policy [Bylaws, Policies and Procedures \(sd64.bc.ca\)](#) was adopted. This policy outlines the expectations of how surplus will be used and the process for consulting on the use of surplus and the categories under which surplus can be restricted and utilized. Policy 610, Financial Planning and Reporting was adopted in June of 2022 and will be implemented as the Strategic Plan and Long-Range Facility and Technology plans are updated and Local Capital Reserves can be determined.

Capital Assets

In the current year, the district has had six capital COAs approved for multiple sites: Fulford Roofing \$450K; Fulford Plumbing Upgrade \$100K; Universal Washrooms at GISS \$300K (this project is ongoing and will be completed fall of 2024); Pender LED Lighting transition \$300K (completion of the renewal will occur in the fall of 2024); SSE HVAC Upgrade \$78K (this project also included \$311K from Federal Funds and \$102K from accumulated operating surplus); and an accessibility playground at Fulford School \$195K. Three COA from 2022-23 were completed in the current year: GISS Gym \$100K, Saturna Septic replacement \$125K, and Fulford and Saturna Schools LED lighting replacement \$200K. The regular Annual Facilities Grant for capital and maintenance of buildings was fully drawn down. Accumulated Operating Surplus was used for the following capital improvements: upgrading of the three Salt Spring Island elementary school libraries, one new electric school bus, a replacement white fleet van and a utility trailer, and tech renewal of photocopiers and student devices.

Tangible Capital Asset - Net Book Value					
Type	2023-24 Opening	2023-24 Ending	Change \$	Change %	Discussion
Sites	4,107,653	4,107,653	-	0%	No disposal or acquisition of sites in year.
Buildings	20,380,840	21,386,626	1,005,786	5%	The following projects were added to buildings in the current year: \$450K roof renewal at Fulford, \$100K plumbing mitigation at Fulford, \$491K HVAC upgrade to Salt Spring Elementary, \$100K renovation of GISS gym, \$125K replacement of Saturna septic, and a \$200K LED lighting conversion for Fulford and Saturna, and the three Salt Spring Island elementary school's library upgrades. The change includes the reduction based on annual amortization of the asset.
Buildings WIP	355,281	610,945	255,664	72%	The following of the 22-23 COA Bylaw capital projects were completed this year: \$100K renovation of GISS gym; \$125K replacement of Saturna septic; and the \$200K LED lighting conversion for Fulford and Saturna. On going work is occurring on the following 23-24 COA Bylaw projects: the universal access washrooms at GISS and the Pender LED lighting replacement projects. These projects should be completed in the fall of 2024. Preliminary work has occurred on some of the 24/25 COA Bylaw projects in anticipation of summer 2024 work.
Furniture & Equip	952,314	1,319,451	367,137	39%	The majority of this asset category additions is related to the three Salt Spring Island elementary school's library furniture replacement and the COA Bylaw new playground for Fulford, less amortization and deemed disposals.
Vehicles	922,780	1,268,043	345,263	37%	One electric bus and one white fleet vehicle less amortization and deemed disposals.
Computer software	42,205	47,841	5,636	0	Additional components delivered on the accounting software modernization less amortization and deemed disposals.
Computer hardware	206,691	357,319	150,628	73%	Operating funding was used to upgrade student computers, school photocopiers and district network hardware less amortization and deemed disposals.
Total Net Book	26,967,764	29,097,878	2,130,114	8%	Change consistent with additions, amortization and deemed disposals.

FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE

Senior management continues to work with the board to present stable budgets. Ensuring that the district's regular operating expenses do not exceed the revenue from student enrollment. The district has closed the budget shortfall and eliminated the structural deficit through full implementation of reconfiguration changes. In the 2023/24 Amended Budget and results and the 2024/25 Annual Budget there has been a concerted effort to reduce the Accumulated Operating Surplus. This drawdown will work to align the district with an expected sector accumulated surplus level percentage. This strategic investment, in one-time improvements to the learning environment and facilities, has benefited the district for the long-term. For the 2025/26 year a return to only spending each year the annual revenue received for the students enrolled in the district is the goal to ensure fiscal stability.

The district has tracked its decline in geographic based enrollment over the last few decades. This has been taken into consideration with the recent reconfiguration model. The district can contract or expand by a few hundred students and retain its current building organization.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

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