



2022–2023

Learning



Statement of Financial Position—Statement 1..... 11

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This report is a discussion and analysis of the financial results for the fiscal year ended June 30, 2023 for the Greater Victoria School District (the "District"). It is a summary of the District's financial activities based on currently known facts, decisions, and conditions. The financial results are discussed in comparison with the financial results for the fiscal year ended June 30, 2022 and the annual budget for 2022-2023. This report should be read in conjunction with the District's 2022-2023 audited financial statements.


The District resides on the traditional territory of the Lekwungen (Lekwungen) people. We would like to acknowledge the Songhees First Nation and the Esquimalt First Nation on whose traditional territories we live, work and play.

The District is committed to supporting Indigenous learners by promoting practices informed by Indigenous perspectives and ways of knowing. Partnerships with local Indigenous communities are formalized through the education agreements with the Songhees First Nation, Esquimalt First Nation, Métis Nation Greater Victoria (MNGV) and the Urban Peoples' House Indigenous Advisory (UPHIA), collectively known as the Four Houses.

The term Four Houses refers to the localized structure co-created with the Indigenous communities to provide equitable opportunities and structure for Indigenous Nations to have a voice within the District. We are committed to a distinctions-based approach as outlined by the Declaration on the Rights of Indigenous Peoples Act Action Plan.


The District is located in the capital city of British Columbia, which includes the municipalities of Esquimalt, Oak Bay, Victoria, View Royal and a portion of Saanich and Highlands. We provide quality educational programs for 19,544 students at 49 schools. Additionally, we offer a variety of Programs of Choice, including French Immersion, Sport Academies, and Challenge and Leadership programs, and programming opportunities for students with disabilities or

The 2020-2025 Strategic Plan guides the District's work and helps to align resources to support the initiatives needed to achieve its goals. Budget and financial planning are aligned to strategic goals and strategies.



Mission

We nurture each student's potential and well-being in a safe, respectful, and inclusive learning environment that will ensure all learners personal and academic success.



Vision

Creating a world-class, equitable, and inclusive learning environment that will ensure all learners personal and academic success.

Goal 1

Create an inclusive and culturally responsive learning environment that will ensure all learners personal and academic success.

Goal 2

Create a culturally responsive learning environment that will ensure all learners personal and academic success.

Goal 3

Create an inclusive and culturally responsive learning environment that will ensure all learners personal and academic success.

Strategy 1:
Develop and support high quality learning opportunities through the implementation of curriculum in order to improve student achievement.

Strategy 2:
Engage and collaborate with students, families and staff to provide an inclusive learning environment that will enhance and support student learning, identities and well-being.

Strategy 3:
Address the inequity of outcomes for diverse learners in literacy, numeracy, engagement and completion rates.

Strategy 1:
Critically examine personal biases, attitudes, beliefs, values and practices to increase student and staff understanding and appreciation of Indigenous worldviews, histories and practices.

Strategy 2:
Engage and collaborate with Nations, Indigenous educators, Indigenous communities and families to enhance Indigenous student learning and well-being and identity.

Strategy 3:
Address the inequity of outcomes for Indigenous learners in literacy, numeracy, engagement and graduation rates.

Strategy 1:
Improve student and staff literacy and mental health literacy that improves outcomes for students and classrooms.

Strategy 2:
Work in collaboration with Ministry of Family Development to provide joint educational planning and support for children that helps develop the child's personality, talent and and future success.

Strategy 3:
Engage and collaborate with families to improve student mental health literacy that improves outcomes for students in classrooms and at home.

Strategy 4:
Address the inequity of outcomes for diverse learners in literacy, numeracy, engagement and completion rates.

Core Values

Engagement

We work to actively engage students in their education and make them feel connected to their learning.

Equity

We give each student the opportunity to fulfill their potential.

Innovation

We are innovative and consistently seek new ways to improve our programs and services.

Integrity

We are ethical, honest and fair.

Transparency

We are accountable for the decisions we make and the actions we take.

Partnerships

We create open and respectful partnerships with each member of our learning community.

Respect

We respect ourselves, others and the environment.

Social Responsibility

We share responsibility for our actions and inspire others to do the same.

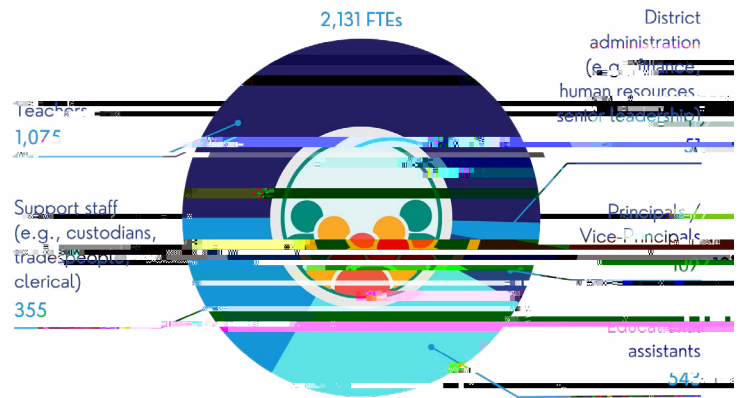
Sustainability

We ensure our programs and services are sustainable for the future.

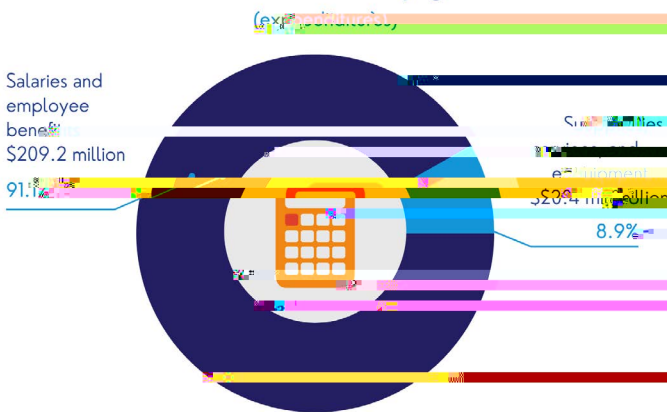
Where the money comes from (revenues)



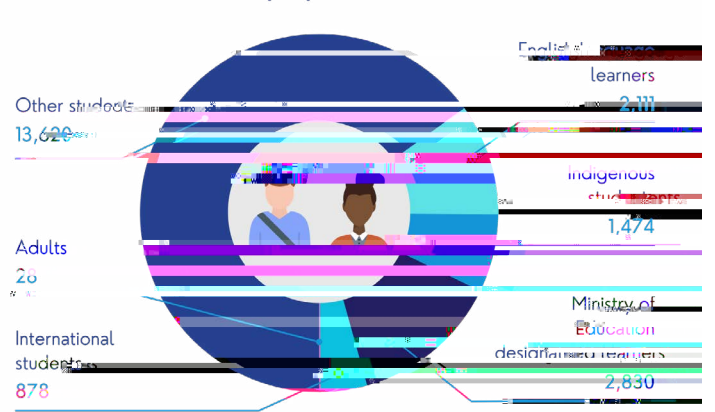
Our staff team



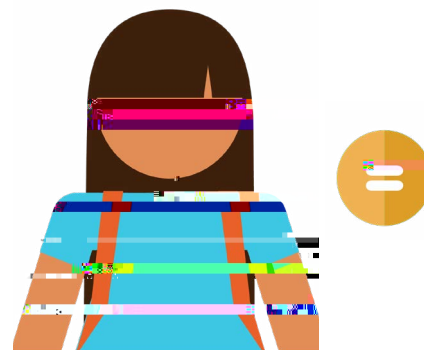
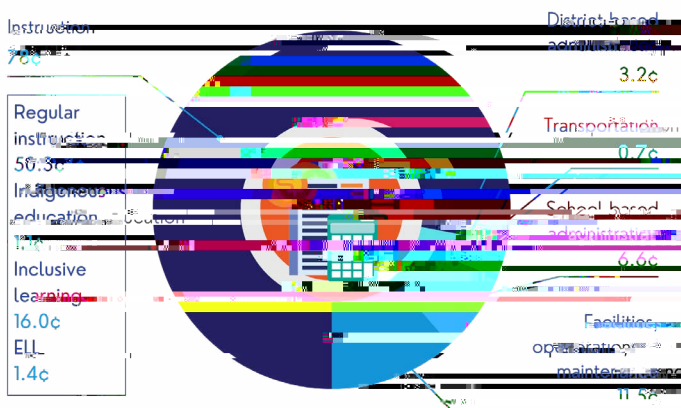
Where the money goes (expenditures)



Our student population



How each dollar is spent



- 4,566 children registered for StrongStart
- 2,300+ children attending child care on school grounds
- 272 teachers & ECEs participated in early years professional learning
- 11 ECEs work alongside Kindergarten teachers in priority schools
- 24 new child care studios in progress
- 16 new child care studios in operation



and Students in Victoria Pride Parade



20% increase in number of schools that have an active GSA or Rainbow Club from previous year

35,000 views of monthly parent mental health & wellness SNAPSHOT newsletter

29 elementary and 10 middle schools with social emotional programming

All grade 6 & 7 students participating in physical literacy programming

All high schools with Physical and Health Education (PHE) resources and supports

7,800

The financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards with some exceptions as reported in Note 2 of the financial statements.

The financial statements are comprised of audited statements and notes to the financial statements, as well as unaudited schedules which support the information presented in the audited statements. Statements 1 to 5 show the financial results for the District on a consolidated basis for the operating, special purpose and capital funds (Statement 3 Remeasurement Gains and Losses does not apply to our District). Schedules 2 to 4 report the financial information for each of the funds and are explained below:

- Operating revenues and expenses are reported in Schedules 2 to 2C
- Special Purpose revenues and expenses are reported in Schedules 3 and 3A
- Capital revenues, expenses, capital asset additions and dispositions, and changes in deferred capital revenues are reported in Schedules 4 to 4D.

OPERATING

Includes revenues and expenses related to the daily operation of the District, including school and administrative functions, facilities operations and transportation. Any surplus at year end is carried forward to future years.

SPECIAL PURPOSE

Includes restricted grants and other funding subject to a legislative or contractual restriction on its use. Revenues are recognized as expenditures are incurred. Any funds received in excess of expenditures are recorded as deferred revenue, not as surplus.

CAPITAL

Includes financial activities for tangible capital assets, including sites, buildings, furniture & equipment, vehicles, computer hardware and software funded from Ministry of Education and Child Care capital grants, local capital, operating and special purpose funds.

The impact of the prior period adjustment on the June 30, 2022 comparative amounts is as follows:

liabilities for the removal and disposal of asbestos and other environmentally hazardous materials within some school district owned buildings that will undergo major renovations or demolition in the future.

Tangible Capital Assets

Tangible capital assets represent the net balance of tangible capital assets less accumulated amortization. The cost of assets is recognized over their respective expected useful lives through recording of amortization expense. Furniture and equipment, vehicles, and computer hardware and software are all deemed to be disposed of at the end of their useful life, so an entry is made to remove the asset and accumulated amortization from the books once these assets have been fully amortized

Cost	Balance at June 30, 2022	Additions	Deemed Disposals	Transfers (WIP)	Balance at June 30, 2023
Sites	\$ 11,978,240	\$ -	\$ -	\$ -	\$ 11,978,240
Site Improvements	1,700,000	-	-	-	1,700,000
Buildings	408,846,433	67,886	-	2,701,985	411,616,304
Buildings—WIP	52,257,885	41,212,320	-	(2,701,985)	90,768,220
Furniture & Equipment	13,957,259	1,551,301	(291,602)	633,647	15,850,605
Furniture & Equipment—WIP	37,624	1,324,092	-	(633,647)	728,069
Vehicles	1,173,392	1,384,959	(30,025)	-	2,528,326
Computer Software	64,193	-	(64,193)	-	-
Computer Hardware	6,712,578	1,660,524	(1,274,579)	1,259,468	8,357,991
Computer Hardware—WIP	-	1,259,468	-	(1,259,468)	-
Total	\$496,727,604	\$48,460,550	\$(1,660,399)	\$ -	\$ 543,527,755

Accumulated Amortization:	Balance at June 30, 2022	Additions	Deemed Disposals	Transfers (WIP)	Balance at June 30, 2023
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Site Improvements	935,000	170,000	-	-	1,105,000
Buildings	199,450,754	8,491,899	-	-	207,942,653
Furniture & Equipment	5,272,146	1,490,393	(291,602)	-	6,470,937
Vehicles	543,015	185,086	(30,025)	-	698,076
Computer Software	57,775	6,418	(64,193)	-	-
Computer Hardware	3,106,969	1,507,057	(1,274,579)	-	3,339,447
Total	\$209,365,659	\$11,850,853	\$(1,660,399)	\$ -	\$219,556,113

Tangible capital assets increased by \$36.6 million from the prior year. Capital additions totaling \$48.5 million include \$34.5 million related to Victoria High School seismic project, \$4.1 million in new child care builds funded by the Child Care Capital Funding Program and \$1.7 million related to the Cedar Hill Middle School seismic project.

For the fiscal year ended June 30, 2023, the net change to the total accumulated surplus was a decrease of \$0.4 million, summarized below:

	2023	2022	\$ Change
Constraints on funds	\$ 497,115	\$ 476,914	\$ 20,201
Anticipated unusual expenses	484,234	71,000	413,234



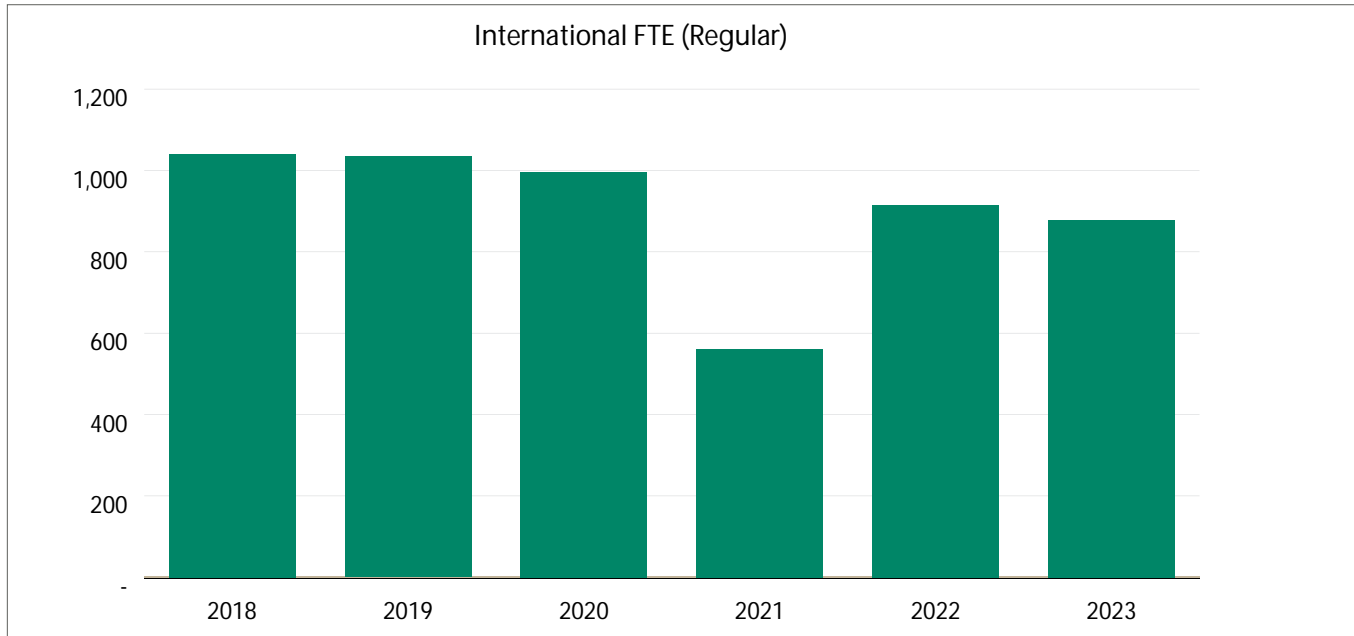
Analysis of Financial Health

Net Debt is a term unique to public sector financial reporting. It is reported in the Statement of Financial Position and represents the difference between the District's financial assets and total liabilities at a point in time. At June 30, 2023, the District was in a net debt position, which means that future revenues must be generated to cover the cost of past transactions and events. The future amortization of Deferred Capital and Tangible Capital Assets will be used to fund the net debt position in the future. However, as the District continues to invest in tangible capital assets, net debt will continue to increase. Net debt increased by \$37 million compared to 2021-2022 as a result of the acquisition of tangible capital assets, partially offset by amortization of tangible capital assets.

The **current ratio** measures the ability to pay short-term obligations. A ratio greater than 1 means that sufficient current assets are on hand to meet current liabilities. In 2022-2023, the current ratio was 1.22 compared to 1.32 in 2021-2022.

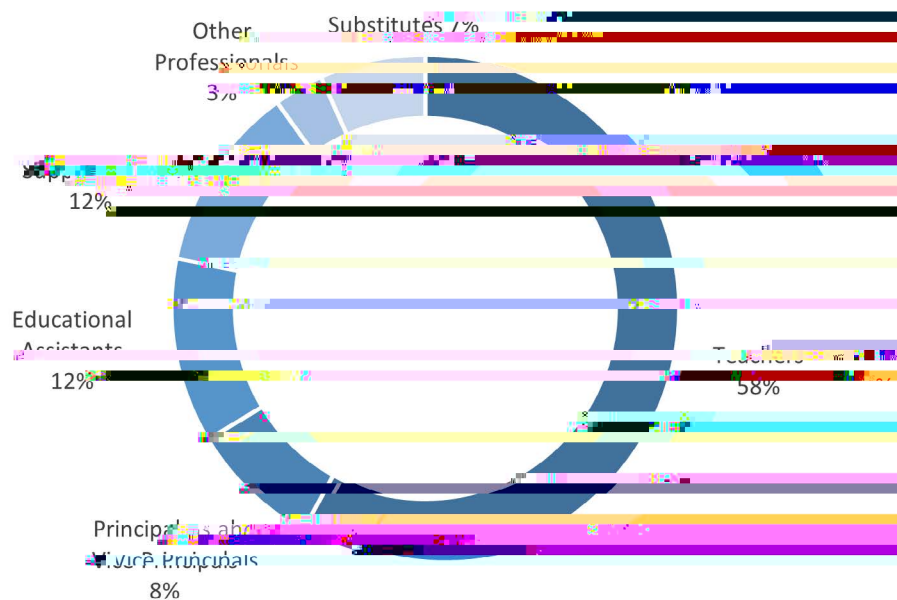
International

International enrolment has not fully recovered from the impacts of the COVID-19 pandemic. In 2022-2023, there were 878 FTE compared to 915 FTE in the prior year and 925 FTE in the annual budget.

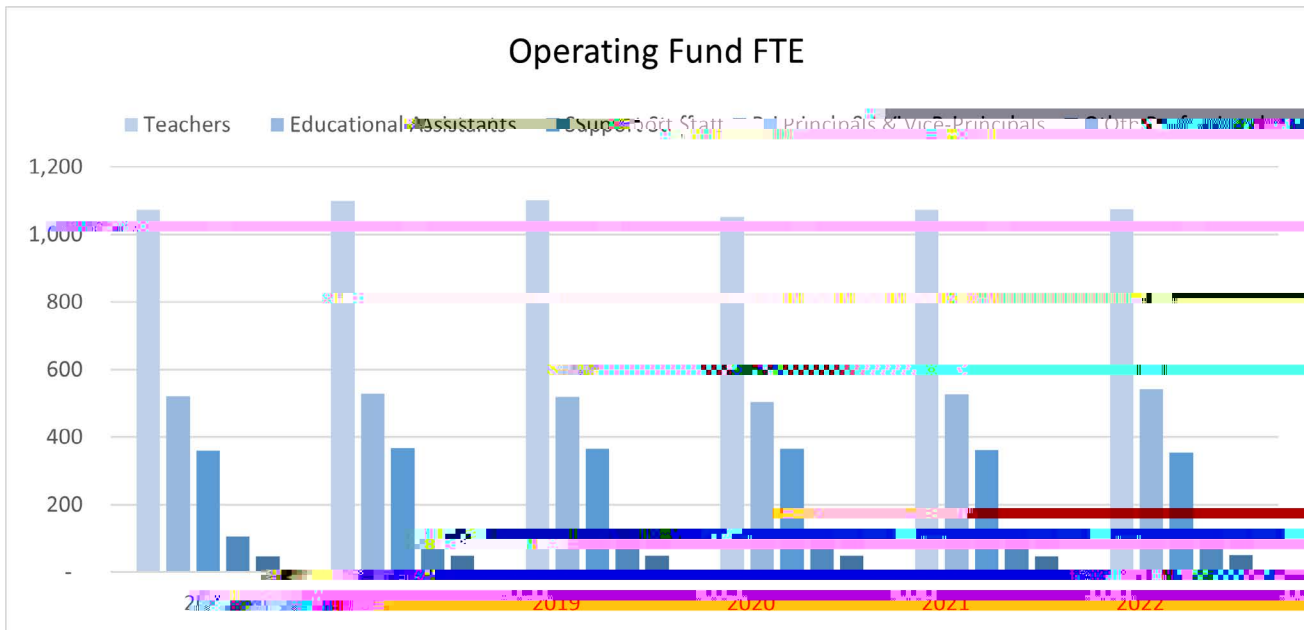


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Salaries and benefits account for 91% of the expenses within the Operating Fund. Ministry funded and international student enrolment directly impacts the number of school-based sta .



In 2022-2023, 2,131.00 FTE employees were paid for out of the Operating Fund compared to 2,121.12 in 2021-2022. These figures do not include employees paid for from Special Purpose Funds, e.g. Classroom Enhancement Funds, or Capital Funds. Staffing has remained consistent over the last five years, with slight decreases in 2019-2020 and 2020-2021 due to the COVID-19 pandemic.



Approximately 90% of the District's operating revenue is derived from the operating grant, 7% from international education tuition and the remaining 3% is from other Provincial grants, other revenue, rentals and leases and investment income. Schedule 2A in the financial statements provides further detail by type of revenue.

	2023 Budget	2023 Actual	2022 Actual	Actual to Budget	Actual to Prior Year
Revenues					
Ministry of Education and Child Care	\$196,795,611	\$207,997,634	\$197,056,412	\$11,202,023	\$10,941,222
Other Provincial Grants	287,750	281,178	349,275	(6,572)	(68,097)
Tuition	15,107,619	14,648,427	15,070,357	(459,192)	(421,930)
Other Revenue	2,064,461	3,328,344	2,296,648	1,263,883	1,031,696
Rentals and Leases	2,696,572	2,744,288	2,519,825	47,716	224,463
Investment Income	368,760	1,795,194	475,034	1,426,434	1,320,160
Total Revenue	\$217,320,773	\$230,795,065	\$217,767,551	\$13,474,292	\$13,027,514



- Investment income increased by \$1.4 million compared to the annual budget and \$1.3 million compared to the prior year. Interest earned on the funds held in the CDP program increased from 2.2% in July 2022 to 5.45% in June 2023.

Approximately 91% of the District's expenses are salary and benefit costs. Schedules 2B and 2C provide detailed

Significant variances in operating expenses are highlighted below:

Teachers

Teacher salaries increased due to \$427 being added to each step of the salary grid plus an additional 3.24% general wage increase effective July 1, 2022. These increases were not built into the annual budget. Teacher salaries increased from the prior year due to higher enrolment in 2022-2023.

~~Principal and Vice-Principal salaries increased due to step increments and wage increases. These increases were not built into the annual budget. Salaries are down from the prior year due to a reduction of FTE in the annual budget.~~

Educational Assistants

Educational Assistants salaries increased as a result of increased Inclusive Learning enrolment, a \$0.25 per hour wage increase plus an additional 3.24% general wage increase, the addition of crossing guard hours, less an adjustment to account for unfilled vacancies.

~~Support Staff increased as a result of a \$0.25 per hour wage increase plus an additional 3.24% general wage increase, local bargaining increases in allowances and shift differentials, an addition of \$0.21 million in custodial time, and salary grid increases for some CUPE 947 positions as a result of the Joint Job Evaluation Committee's review.~~

Other Professionals

Other Professionals increased due to step increments and wage increases, plus one-time labour relation costs.

Substitutes

Professional Development and Travel

Professional Development and Travel increased from the prior year as international travel restrictions eased and in-person professional development opportunities became available. Most of the increase can be attributed to increased travel by International Education for the recruitment of international students, travel to New Zealand by the Indigenous Education Department, and a literacy summer institute for teachers.

Supplies

Supplies increased by \$0.2 million compared to the annual budget as a result of departments and schools spending budget carry forwards. Supplies decreased by \$0.9 million compared to the prior year as a result of a spending freeze in the latter part of 2022-2023.

Special Purpose Funds are presented in Schedules 3 and 3A of the financial statements. Any revenues received in excess of the expenses are recorded as deferred revenue, rather than surplus. The following table shows revenues and related expenses for the year ended June 30, 2023:

	2023 Budget	2023 Actual	2022 Actual	Actual to Budget	Actual to Prior Year
Revenues					
Ministry of Education and Child Care	\$26,173,312	\$31,638,866	\$27,593,355	\$5,465,554	\$4,045,511
Other Revenue	6,000,000	6,624,643	4,933,338	624,643	1,691,305
Investment Income	65,620	248,419	68,509	182,799	179,910
Total Revenue	32,238,932	38,511,928	32,595,202	6,272,996	5,916,726
Expenses					
Instruction	31,424,881	36,433,312	31,340,238	5,008,431	5,093,074
Operations and Maintenance	814,051	831,077	796,185	17,026	34,892
Total Expenses	32,238,932	37,264,389	32,136,423	5,025,457	5,127,966
Surplus for the year	-	1,247,539	458,779	1,247,539	788,760
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	-	(1,247,539)	(458,779)	(1,247,539)	(788,760)
Total Net Transfers	-	(1,247,539)	(458,779)	(1,247,539)	(788,760)
Total Surplus (Deficit) for the year	\$ -	\$ -	\$ -	\$ -	\$ -

Fund Name	Source						

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Capital funds are presented in Schedules 4 to 4D. The Capital Fund includes capital expenditures for items such as land, buildings, equipment and vehicles that are funded by Ministry capital grants, Local Capital, and transfers from the Operating and Special Purpose Funds.

	2023 Actual	2023 Budget	2022 Actual	Actual to Budget	Actual to Prior Year
Revenues					
Ministry of Education and Child Care	\$ 3,024,892	\$ 2,500,000	\$ 2,403,438	\$ 524,892	\$ 621,454
Other Revenue	1,000,000	5,300,000	-	(4,300,000)	1,000,000
Investment Income	54,018	8,380	13,659	45,638	40,359
Amortization of Deferred Capital Revenue	8,013,303	8,021,537	7,858,370	(8,234)	154,933
Construction License			4,300,000	-	(4,300,000)
Total Revenue	12,092,213	15,829,917	14,575,467	(3,737,704)	(2,483,254)
Expenses					
Operations and Maintenance	3,092,078	2,500,000	2,403,438	592,078	688,640
Amortization of Tangible Capital Assets	11,850,853	11,389,429	11,773,432	461,424	77,421
Total Expenses	14,942,931	13,889,429	14,176,870	1,053,502	766,061
Capital Surplus (Deficit) for the year	(2,850,718)	1,940,488	398,597	(4,791,206)	(3,249,315)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	3,555,392	-	1,068,149	3,555,392	2,487,243
Tangible Capital Assets—Work in Progress	258,267	-	25,887	258,267	48,380

Significant variances in Capital Revenues and Expenses are highlighted below:

Ministry of Education and Child Care Revenue and Operations and Maintenance Expense

Ministry of Education and Child Care Revenue is recognized when maintenance expenses (non-capital) funded through Bylaw Capital are incurred. Actual expenses were \$0.5 million higher than the annual budget and \$0.6 million higher than the prior year. In 2022-2023, there were two unplanned maintenance items related to shoring at Oaklands Elementary and SJ Burnside Education Centre totaling \$0.3 million.

Other Revenue and Construction License

Other Revenue in the annual budget included a \$4.3 development licence related to the Caledonia Redevelopment Master Agreement and \$1.0 million expected from Pacifica Housing related to a quitclaim on land located at 498 Cecelia Road in favour of the City of Victoria. However, the Caledonia Agreement concluded prior to June 30, 2023 and the revenue was recorded in 2021-2022.

Net Transfers

During the annual budget process, the Board approved all operating capital purchases to be paid from Local Capital. However, there were not enough funds available in Local Capital, as the sale of a portion of land at Lansdowne North to Conseil Scolaire Francophone de la Colombie-Britannique was not finalized before June 30, 2023. All operating capital purchases had to remain in the Operating Fund.

There are several factors that could influence the District's financial situation during the 2023-2024 school year and beyond.

Technology

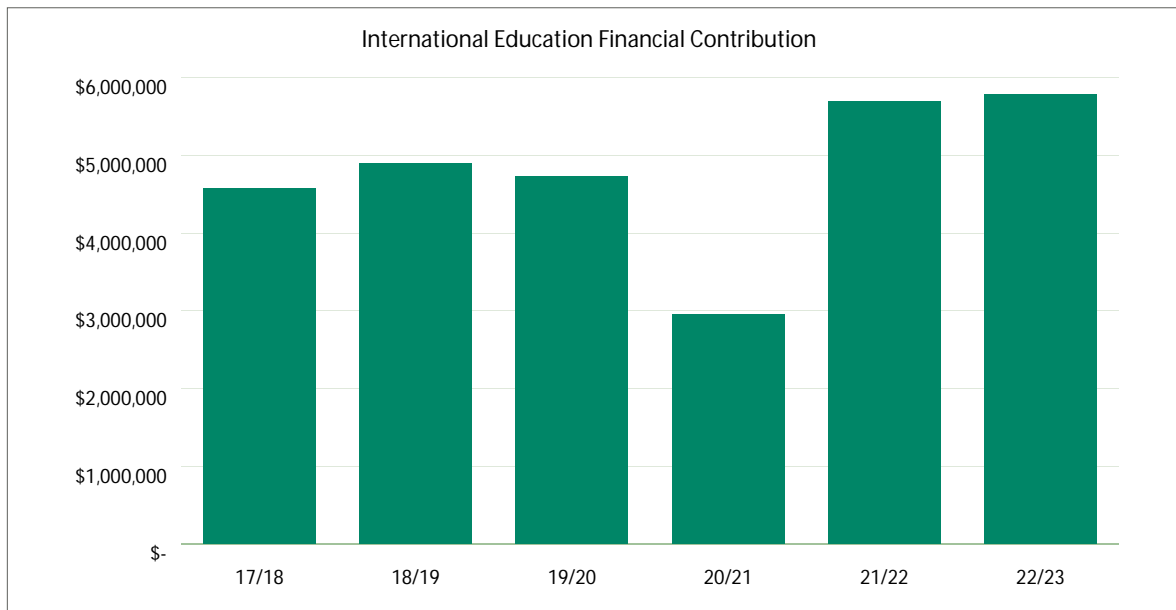
Technology continues to advance at a rapid pace and the use of technology in the classroom continues to grow. Funding to provide the required hardware, infrastructure, and supporting services will continue to be a challenge.

Funding Model Review

The majority of the District's operating funding is provided by the Ministry of Education and Child Care and is based on student enrolment and other factors. The current funding formula has been in place since 2002. In 2018, the Ministry began a review of the formula and work is currently underway on the development, review and consultation on a potential new formula. While it was expected that the new formula would be announced and implemented in 2020-2021, the Ministry has since postponed the decision to implement any changes. It is not known if a new formula will have a positive or negative impact on the operating budget. In particular, any movement from per course funding to per student funding (FTE versus Headcount) will result in a \$3 million+ decrease in funding and may reduce the courses offered to students. The District should continue to take this risk into account as it builds its unrestricted operating surplus to between 2% and 4% of operating revenue.

International Education

International Education is a significant contributor to the District's overall financial status. In 2022-2023, the program provided the District with an additional \$5.8 million to support the overall school district, in addition to providing schools with 55.7 teacher FTE. Projected demographics within schools, availability of home stay families and lingering impacts of the COVID-19 pandemic all impact the future of this program.



Unrestricted Operating Surplus (Contingency)

Inflationary pressures continue to increase the cost of supplies and equipment. As these costs are not funded by the Ministry, the District will continue to face budgetary pressures.

Unrestricted Operating Surplus (Contingency)

The District currently holds an unrestricted operating surplus (contingency) of \$617 thousand. *Board Policy 3170 Operating Surplus* states that the District will maintain an unrestricted operating surplus (contingency) of 2-4% of the prior year's operating revenue, which is \$4.6 million. The purpose of maintaining an unrestricted operating surplus at this level is to mitigate the risk associated with emergencies or unexpected increases in expenses or reductions in revenue. By holding an unrestricted operating surplus (contingency) that is significantly lower than what is required, the District is at a higher risk of not being able to provide educational services or maintain regular operations without implementing one-time service cuts.

This report is designed to provide a general but more detailed overview of the District's finances and to demonstrate increased accountability for the public funds received by the District. If you have questions about this report or need additional financial information, please contact the [Office of the Secretary Treasurer](#).