



School District No .27 (Cariboo-Chilcotin)



Financial Statement Discussion and Analysis For the Year Ended June 30, 2025

Financial Statement Discussion & Analysis



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Financial Statement Discussion & Analysis



INTRODUCTION

The following Financial Statement and Discussion and Analysis should be read in conjunction with the Audited Financial Statements for the year ended June 30, 2025.

The purpose of this report is to provide readers with a better understanding of the school district's financial statements and to assist in assessing the overall financial condition of the district.



DISTRICT OVERVIEW

Cariboo-Chilcotin School District operates on the traditional unceded territories of the Secwepemc, Tsilhqot'in, and Dakelh Nations. We recognize it is a privilege to do our work in this special place. We understand our legislated responsibility and the moral imperative to act for truth and reconciliation with care, wisdom, and respect to right historic harm done by the education system. We are committed to the success of Indigenous learners and to learning about local First Nations culture by all members of the school district community. We serve the students and families of twelve First Nation communities, which include Tsideldel First Nation (Alexis Creek Band), Tl'etinqox Government (Anaham Band), Yunesit'in Government (Stone Band), Tl'esoqox (Toosey Band), Xeni Gwet'in First Nation (Nemiah Valley), ?Esdilagh (Alexandria Band), Tsq'escen' (Canim Lake Band), Stswecem'c/Xgat'tem (Canoe Cree/Dog Creek Band), Esk'etemc First Nation (Alkali Lake), Xatsūł' (Soda Creek First Nations), T'exelc (Williams Lake First Nation) and Ulkatchot'en (Ulkatcho First Nation).



Cariboo-Chilcotin School District No. 27 extends over a large geographic area roughly the size of New Brunswick in the beautiful interior of BC. We are sparsely populated with 487 people per square kilometer of land, compared with the BC average of 3,644 people per square kilometer. We are one of the largest employers in the region with over 850 staff, serving approximately 4600 students from kindergarten to Grade 12 in 24 schools. Our enrollment had been in decline for many years, then increased unexpectedly following the pandemic, and is now levelling out. More than 1450 Indigenous students attend our schools. These students are on-reserve, off-reserve, and Métis in ancestry. Approximately 10% of learners have designations for disabilities or diverse abilities. The number of children and youth in care (CYIC) is variable with children moving in and out of care and reliance on individual MCFD workers and caregivers to update schools. There were 49 CYIC at the end of the school year.



STRATEGIC FRAMEWORK

Mission Statement

Ensuring all students have meaningful learning experiences, empowering them to succeed in an ever-changing world.

School District Vision

We envision an encouraging and understanding learning environment where everyone demonstrates a sense of belonging, mastery, independence, and generosity.

Core Operating Values

The Pillars of Support for the School District No. 27 Mission and Vision are characterized by the following four core operating values:

RESPECT

RESPONSIBILITY

KINDNESS AND CARING

ACCEPTANCE

Current Strategic Plan Priorities

Cariboo-Chilcotin School District looks forward to sharing our next multi-year plan this Fall. We are committed to continuous improvement for ALL learners in Cariboo-Chilcotin School District to flourish. We intentionally act to raise and level the bar of achievement. This means higher achievement and equity of outcomes across all groups of students. We pay particular attention to the outcomes of Indigenous students, children and youth in care, and students with disabilities or diverse abilities. We direct our resources, time, and energy to the following key focus areas confirmed by the Board of Education:

Collective Responsibility

- Common information
- Professional conversations
- Collaborative relationships
- Intentional action

Instructional Capacity

- Literacy
- Numeracy
- Assessment
- Collaborative Professional Development

Inclusive Learning Communities

- Safe, welcome environments
- Meaningful engagement in learning
- Connection to caring adults
- Student voice

Indigenous Learning & Culture

- Local cultural learning
- Language
- Equity of outcomes
- Belonging, Mastery, Independence, Generosity

Place-Based Learning

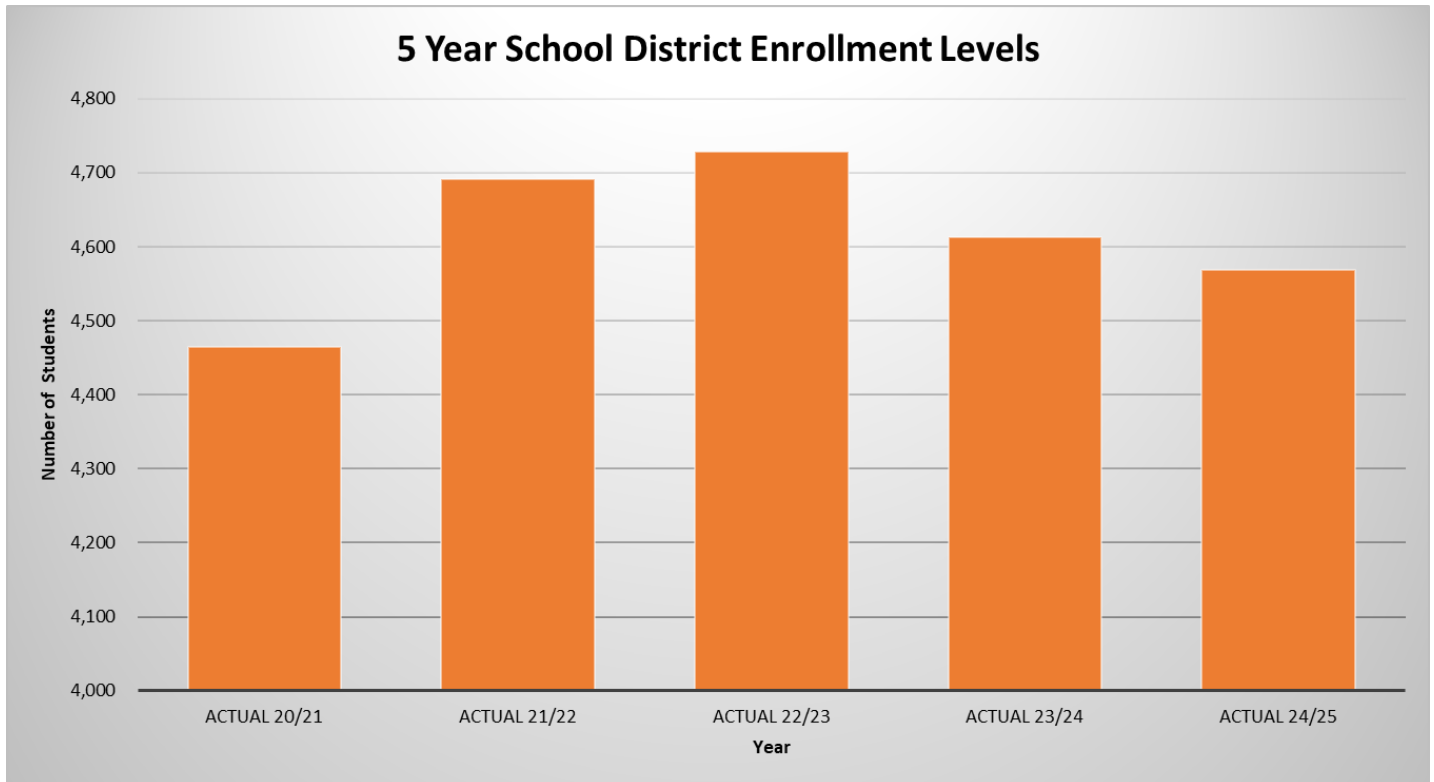
- Time outdoors
- Time in nature
- Learning on and from the land
- Local learning

Financial Statement Discussion & Analysis



ENROLLMENT

Student enrollment represents the key component for determining both the operating revenue and staffing costs for the district. Over the last 5 years enrollment has been relatively stable with a slight dip in the 20/21 year mainly because of the COVID-19 pandemic. We saw a slight decrease in student enrollment over last year.



A large portion of school funding comes from the Ministry of Education and Child Care (MECC), the funding levels are determined based on student enrollment on a Full Time Equivalent (FTE) basis and has subtle increases and decreases based on various factors surrounding student funding categories.



Financial Statement Discussion & Analysis



FINANCIAL HIGHLIGHTS

School District No. 27 (Cariboo-Chilcotin) had a very busy year continuing to make progress on their capital projects

Some of the main financial highlights of the year were as follows:

District Wide

Cariboo-Chilcotin School District No. 27 was granted funding from the Ministry of Infrastructure (Education & Child Care Branch) to renovate an old Portable into a new Child Care facility at Chilcotin Road Elementary School, the portable was completely torn down with exception to the framing, all new interior finishes, siding, roof and plumbing, HVAC systems, accessible ramping, fire alarm systems. All work was completed in house by the maintenance department. We also opened a new Daycare Facility at the site of the former Columneetza Dorm building in the spring, this will increase our childcare capacity within Williams Lake area.

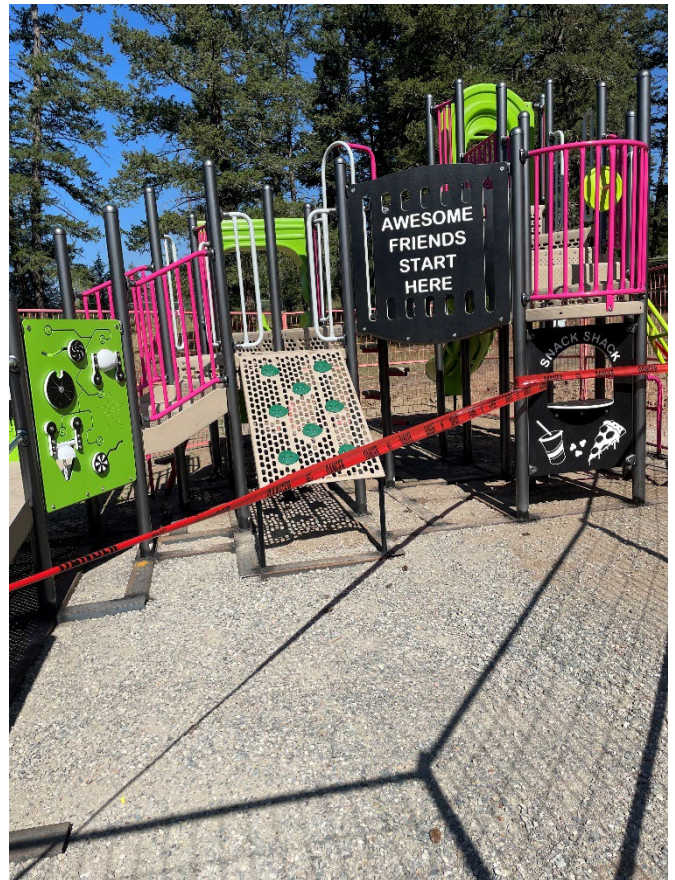
The Maintenance Department

Within the district there have been ongoing efforts to improve accessibility at all facilities. A new hard surface path was installed at Cataline Elementary to improve access to the accessible playground. At 108 Mile Elementary, an accessibility ramp was installed to allow access to the play field and playground, prior to this installation the only access was stairs. New accessible playgrounds at Lac Le Hache Elementary and 108 Mile Elementary were installed that included new soft surface material for wheelchair access.

100 Mile Elementary and Forest Grove Schools got a building fresh look to the outside of the building with a building envelope project this year.

The IT Department

The district installed some new PA systems in a number of facilities this year as a continuation of our commitment to improving building safety. The first phases of this project included new fire alarm systems, the installation of security systems (FOBS) and fire and intrusion monitoring systems. The new PA system will work together with the security systems to improve lockdown procedures and communication to all staff during emergency situations.



Financial Statement Discussion & Analysis



STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position represents a snapshot of the overall assets and liabilities of the district at the end of the fiscal year. It outlines the year over year comparison of the net financial position for the fiscal years ending June 30, 2025, and June 30, 2024.

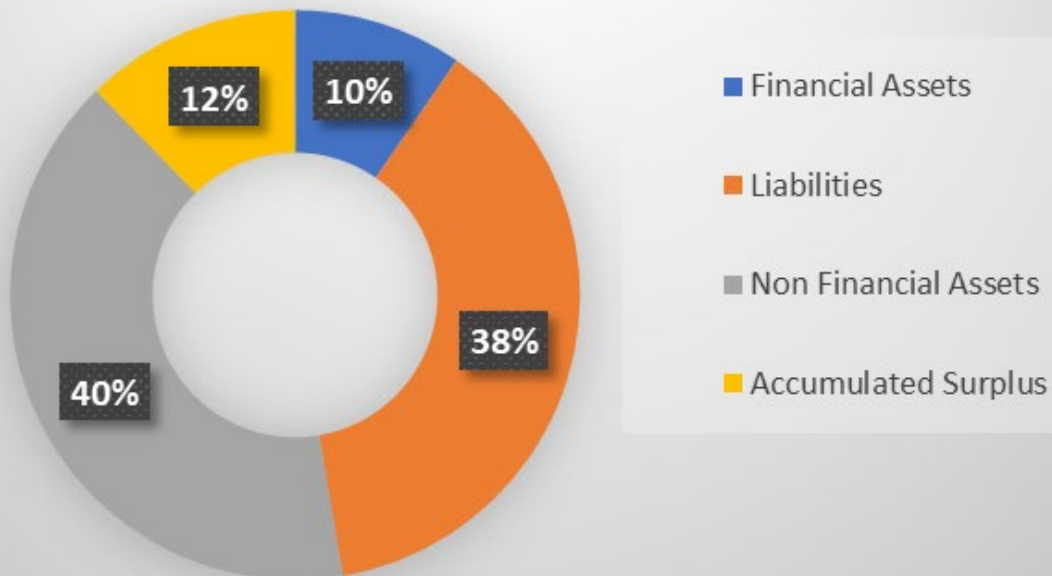
A largest item on the Balance Sheet is the Non-Financial Assets (40%) which includes items such as Tangible Capital Assets, Prepaids and Supply Inventories.

Liabilities make up the second biggest component of the Balance Sheet (38%) they represent payments owing such as Accounts Payable, Asset Retirement Obligations (ARO) and Deferred Revenues.

Financial Assets account for a small percent of the graph (10%) and are usually made up of cash and cash equivalents.

The final item is the Accumulated Surplus amount which represents the Overall Surplus or Deficit of the district (12%). At the end of June 30, 2025, the district had an Accumulated Surplus of \$25.3 million dollars.

Financial Position Allocation by Type



Financial Statement Discussion & Analysis



STATEMENT OF FINANCIAL POSITION

The Financial Assets decreased by \$4.3 million dollars over last year because of our aggressive capital spending in the 24/25 year, which has shrunk cash reserves by \$1.87 Million in the year.

Liabilities decreased slightly by \$0.43 million dollars this year due to lowering capital lease obligations and reducing Asset Retirement Obligation in the year.

Statement of Financial Position As at June 30, 2025

	2025 Actual \$	2024 Actual \$
Financial Assets		
Cash and Cash Equivalents	17,451,416	19,322,935
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	348,373	2,717,888
Due from First Nations	932,673	1,075,240
Other	1,038,579	955,022
Total Financial Assets	19,771,041	24,071,085
Liabilities		
Accounts Payable and Accrued Liabilities		
Other	5,459,493	7,147,549
Unearned Revenue	14,113	13,000
Deferred Revenue	1,694,668	1,511,968
Deferred Capital Revenue	62,121,863	60,229,514
Employee Future Benefits	2,232,232	2,307,836
Asset Retirement Obligation	4,945,000	5,222,082
Capital Lease Obligations	600,913	1,062,224
Other Liabilities	597,257	599,413
Total Liabilities	77,665,539	78,093,586
Net Debt	(57,894,498)	(54,022,501)
Non-Financial Assets		
Tangible Capital Assets	82,786,395	77,314,731
Restricted Assets (Endowments)	15,000	15,000
Prepaid Expenses	376,221	555,838
Supplies Inventory	21,076	6,158
Total Non-Financial Assets	83,198,692	77,891,727
Accumulated Surplus (Deficit)	25,304,194	23,869,226

Non-Financial Assets increased by \$5.3 million dollars which is a result of the districts increased capital investment. Part of this increase was related to transferring \$0.9 Million in Operating Surplus to Local Capital in the year to help plan future capital projects. The Accumulated Surplus Increased by \$1.4 million which is higher due an increase of \$289,000 on our Operational Restricted funds mainly the Indigenous Education Council (IEC) and Indigenous Education Commitments. The remainder of the surplus was the result of cost savings achieved throughout our departments in the year and not executing our excluded staff hiring plan.

Financial Statement Discussion & Analysis

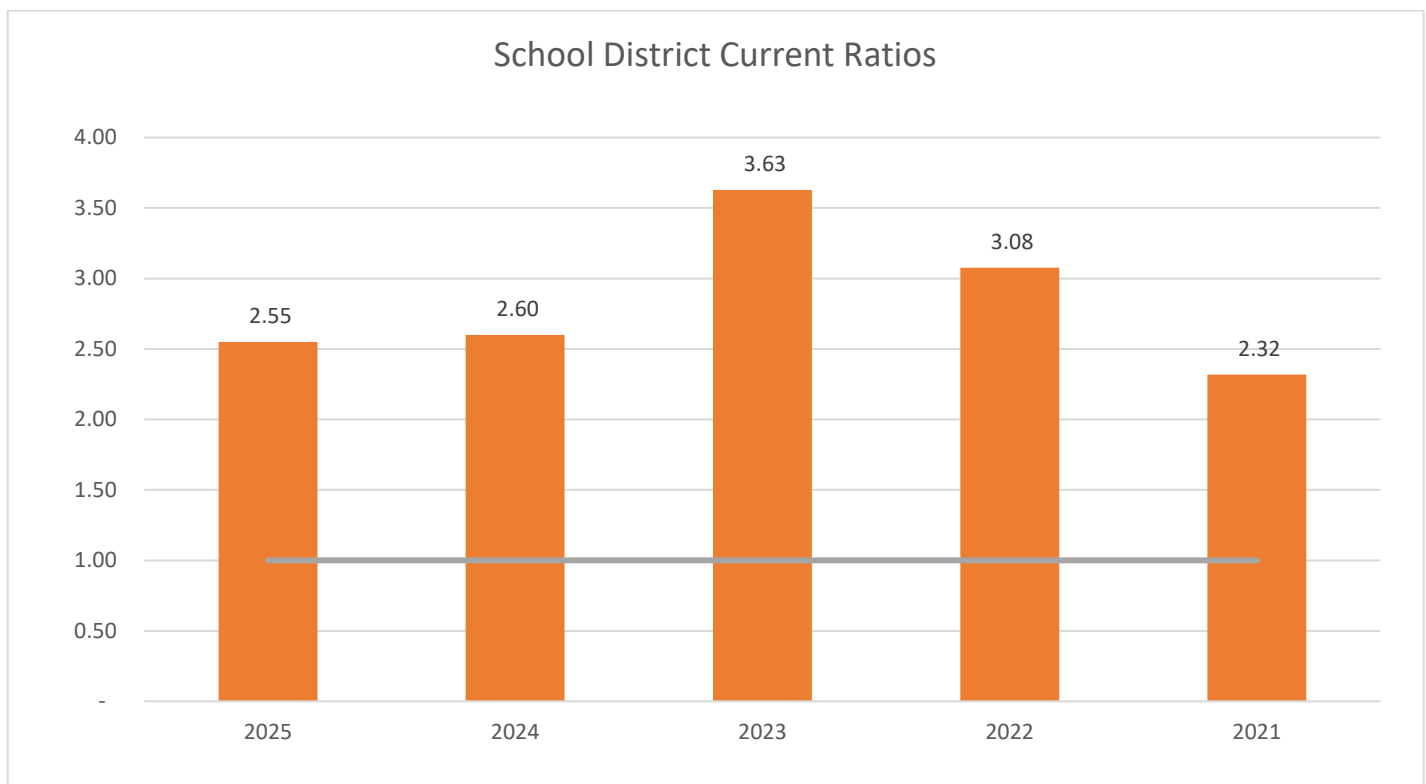


STATEMENT OF FINANCIAL POSITION

One measure of financial health of an entity is to calculate and evaluate the current ratio of the district. This measure is calculated by dividing the current assets by the current liabilities on the Statement of Financial Position. This ratio is a good measure of the liquidity of the district. The ratio identifies if there are enough current assets on hand to cover the current liabilities in the short term. A current ratio greater than 1 represents that there is adequate coverage of assets to meet these liabilities.

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

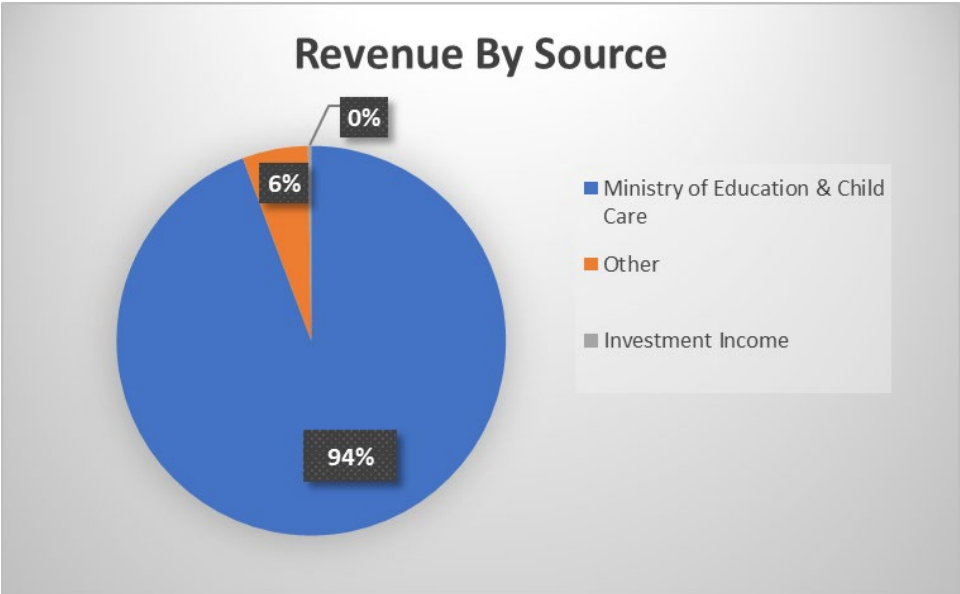
The district is in good shape with regards to our liquidity with a high current ratio of 2.55 which is consistent with last year. Generally, a ratio number under 1 might be cause for concern if it persists over a series of years. A ratio under 1 would indicate the district might have difficulty covering its immediate liabilities and may need to look to utilizing debt to cover future expenditures.





STATEMENT OF OPERATIONS - OPERATING FUND

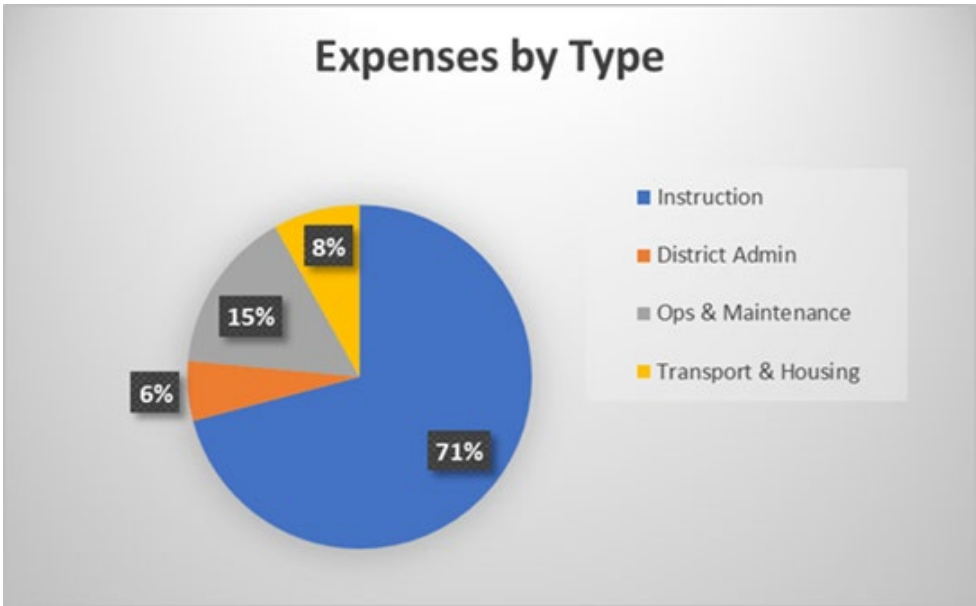
The Statement of Operating Operations represents the day-to-day operating revenue and costs of the district for the year.



Most of the revenue is derived from Ministry of Education and Child Care (MECC) grants representing 94% of the total operating revenue for the year. Other revenue sources total 6% and Investment Income was minimal in the year.

Overall revenues increased by \$1.3 million dollars in the 24/25 year vs last year. This is a positive indicator and reflects continuous commitment in funding levels from government bodies. A portion of

the revenue increase relates to labour settlement funding and the new Indigenous Education Council funding.



Overall expenses were higher by \$0.6 million dollars in 24/25. We were able find some cost savings of \$600,000 in our Operations and Transportations Departments over last year which was offset by an increase of \$1.1 Million dollars in the Instruction and Administration areas. Some of these cost savings resulted from our underspending our restricted funds by \$957,000 in the year and not being able to recruit and hire some planned positions. Most of the District expenditures were

related to Instruction at 71%. Operations and Maintenance account for 15% of the total costs. Transportation and Housing representing 8% of expenses. Finally, District Administration makes up the remaining 6% of spending.

Financial Statement Discussion & Analysis



STATEMENT OF OPERATIONS - OPERATING FUND

The district finished the year with a surplus of \$2.2 million dollars of which \$645,000 was needed for our operating capital and capital lease obligations. The remaining net amount less those obligations leave the district with approx. \$1.6 million annual surplus not excluding the (\$900,000) transfer to Local Capital. Had we spent our above listed restricted funds (\$957,000) and successfully executed our hiring plan (\$390,000) we would have experienced a much lower surplus of approx. \$253,000.

Schedule of Operating Operations
Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	61,698,458	61,547,889	59,719,754
Other	80,000	81,950	72,337
Tuition	20,475	26,375	13,750
Other Revenue	3,134,147	3,310,236	3,429,900
Rentals and Leases	125,000	139,681	135,526
Investment Income	150,000	176,391	564,387
Total Revenue	65,208,080	65,282,522	63,935,654
Expenses			
Instruction	45,965,042	44,702,327	43,947,292
District Administration	3,192,898	3,539,444	3,149,002
Operations and Maintenance	10,404,618	9,687,332	9,851,803
Transportation and Housing	5,588,285	5,140,263	5,564,450
Total Expense	65,150,843	63,069,366	62,512,547
Operating Surplus (Deficit) for the year	57,237	2,213,156	1,423,107
Budgeted Appropriation (Retirement) of Surplus (Deficit)	630,763		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(50,000)	(21,127)	(103,809)
Local Capital		(900,000)	(2,750,000)
Other	(638,000)	(624,086)	(562,729)
Total Net Transfers	(688,000)	(1,545,213)	(3,416,538)
Total Operating Surplus (Deficit), for the year	-	667,943	(1,993,431)
Operating Surplus (Deficit), beginning of year		2,374,810	4,368,241
Operating Surplus (Deficit), end of year		3,042,753	2,374,810

Financial Statement Discussion & Analysis



STATEMENT OF OPERATIONS - OPERATING FUND

Amended Budget vs Actuals Variance:

Highlights of some of the larger items that impacted our final surplus balance vs early year projections. Earlier in the school year there was some concern that the district could potentially end up in a situation that resulted in a deficit position at the year end based on initial projections.

This section breaks down the main cost items that changed between the early year projections and the end of the year that resulted in our current surplus position.

The table below outlines approximately \$2.9 Million in cost variances that occurred during the year that landed us in a surplus position.

Surplus Variance Items	2025 Amended Budget	2025 Actual
Operating Fund Surplus	57,237	2,213,156
Carryover Budget Appropriation (Indigineous Ed Commitments)	630,763	-
Adjusted End of Year Operating Fund Surplus	688,000	2,213,156
Tangible Capital Assets Purchased	(50,000)	(21,127)
Less Capital Lease Obligations	(638,000)	(624,086)
Year End Surplus less transfers from other funds	-	1,567,943
-Additional Funding from Ministry for Classroom Enhancement Fund (Feb 2025) (Wages Allocated to Special Purpose Fund from Operating)		(372,787)
-Underspent Indigineous Ed Commitments		(817,518)
-Underspent Indigenous Education Council (IEC)		(102,433)
-Transportation Department Cost Savings		(467,000)
-Maintenance Department Cost Savings		(165,000)
-Utilities Cost Savings		(106,000)
-Application of PEBT Benefit Refund in the Year		(131,000)
-Final Benefit Loading percent was 24.4% vs 25.0% budgeted		(312,876)
-Unfilled Excluded Positions		(412,000)
Surplus (Deficit) Reconciliation		(1,318,671)

Financial Statement Discussion & Analysis

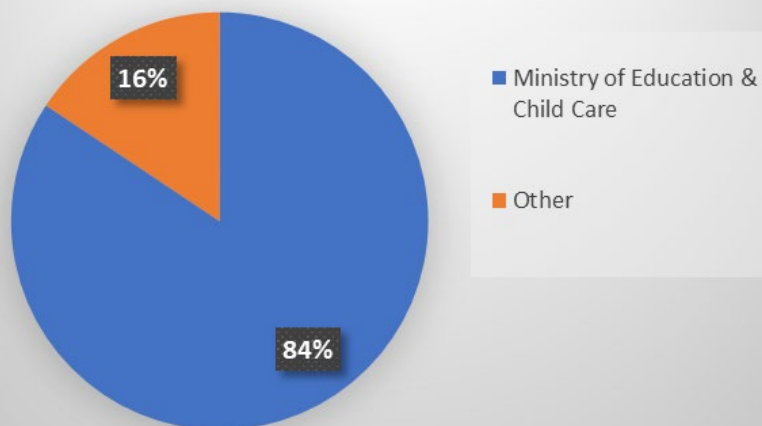


STATEMENT OF OPERATIONS - SPECIAL PURPOSE FUNDS

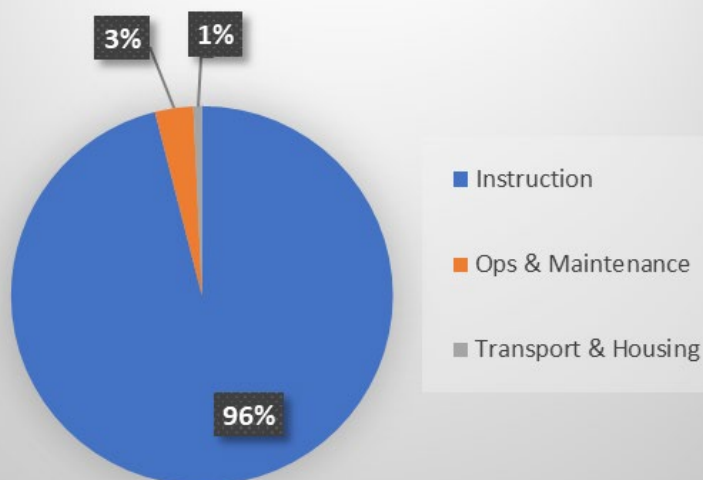
Special Purpose Funds are funds received by the district and are designated for a specific use. The district gets the funds from both provincial and federal governments and from other sources. School funds are included in other sources; they include fundraising for school purposes as well as funds collected and paid out through school accounts in support of school-based programs.

The Ministry of Education and Child Care (MECC) make up 84% of the Special Purpose Funds revenues.

Revenue By Source



Expenses by Type



Within the Special Purpose Funds expenses, Instructional costs continue to make up most of the costs at 96% followed by Operations and Maintenance at 3% and lastly Transportation and Housing at 1%.

Special Purpose Funds do not run surpluses or deficits as they operate on a set amount of funding for each project. These revenues get used up as the expenditures are spent on that specific program. The deferred revenues sit on the Statement of Financial Position until the expenses are spent, at which time they are recognized.

Financial Statement Discussion & Analysis



STATEMENT OF OPERATIONS - SPECIAL PURPOSE FUNDS

Schedule of Special Purpose Operations Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	8,259,074	8,124,894	8,000,758
Other	169,812	141,091	62,975
Other Revenue	1,364,366	1,359,914	1,463,226
Investment Income	7,700	7,056	46,068
Total Revenue	<u>9,800,952</u>	<u>9,632,955</u>	<u>9,573,027</u>
Expenses			
Instruction	9,388,217	9,251,385	9,155,346
Operations and Maintenance	312,373	312,373	252,084
Transportation and Housing	100,362	69,197	106,440
Total Expense	<u>9,800,952</u>	<u>9,632,955</u>	<u>9,513,870</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>59,157</u>
Net Transfers (to) from other funds			
Other			(59,157)
Total Net Transfers	<u>-</u>	<u>-</u>	<u>(59,157)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year		15,000	15,000
Special Purpose Surplus (Deficit), end of year		<u>15,000</u>	<u>15,000</u>
Special Purpose Surplus (Deficit), end of year			
Endowment Contributions		15,000	15,000
Total Special Purpose Surplus (Deficit), end of year		<u>15,000</u>	<u>15,000</u>



STATEMENT OF OPERATIONS – CAPITAL FUNDS

Each year the district spends amounts on capital in various projects to renew or replace assets across the district. They can range from school renovations (flooring, roofing, HVAC upgrades, landscaping, accessibility improvements, painting) and playgrounds to bus replacements and new computers. The district spent just over \$15.9 million dollars on capital projects in the year. The funding sources varied from MECC, Restricted Capital, Operating Surplus to Local Capital.

Below is a summary of some of the larger projects ongoing and completed by the district in the 24/25 Year:

- Roofing Projects at 100 Mile and Forest Grove and PSO
- Chilcotin Road Daycare Project
- School PA System Upgrades
- Tatla Lake HVAC upgrades
- 108 Mile Accessible Playground
- Kitchen Equipment at Lake City Secondary School
- Upper Floor Training and Meeting Facility at Columneetza Site
- Completed and opened the Columneetza Daycare
- Accessible Playgrounds at Lac La Hache
- Camera Security Project PSO
- Physical Door Security Projects
- Cybersecurity Projects
- Five School Buses
- School Network Upgrades (various)



Financial Statement Discussion & Analysis



STATEMENT OF OPERATIONS - CAPITAL FUNDS

Tangible Capital Assets
Year Ended June 30, 2025

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	6,838,305	130,850,096	1,322,914	7,628,854	42,628	3,348,114	150,030,911
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,361,968	195,000	1,046,003			3,602,971
Deferred Capital Revenue - Other		1,126,647	197,233				1,323,880
Operating Fund						21,127	21,127
Local Capital		3,366,580	474,875	76,661		6,325	3,924,441
Acquisitions via Capital Lease						149,928	149,928
Transferred from Work in Progress		6,917,870					6,917,870
	-	13,773,065	867,108	1,122,664	-	177,380	15,940,217
Decrease:							
Deemed Disposals			133,919	241,585		49,265	424,769
ARO Liability		277,082					277,082
	-	277,082	133,919	241,585	-	49,265	701,851
Cost, end of year	6,838,305	144,346,079	2,056,103	8,509,933	42,628	3,476,229	165,269,277
Work in Progress, end of year		844,401	51,241				895,642
Cost and Work in Progress, end of year	6,838,305	145,190,480	2,107,344	8,509,933	42,628	3,476,229	166,164,919
Accumulated Amortization, beginning of year		74,883,335	628,122	3,018,293	26,941	1,077,359	79,634,050
Changes for the Year							
Increase: Amortization for the Year		2,779,475	168,951	806,939	8,526	682,434	4,446,325
Decrease:							
Deemed Disposals			133,919	241,585	-	49,265	424,769
ARO Liability		277,082					277,082
		277,082	133,919	241,585	-	49,265	701,851
Accumulated Amortization, end of year		77,385,728	663,154	3,583,647	35,467	1,710,528	83,378,524
Tangible Capital Assets - Net	6,838,305	67,804,752	1,444,190	4,926,286	7,161	1,765,701	82,786,395

Financial Statement Discussion & Analysis



STATEMENT OF OPERATIONS - CAPITAL FUNDS

The district executed their capital plan well in the 24/25 year both starting and completing many projects. Updating and upgrading various aging district assets has become a priority and we see this trend continuing across all our schools.

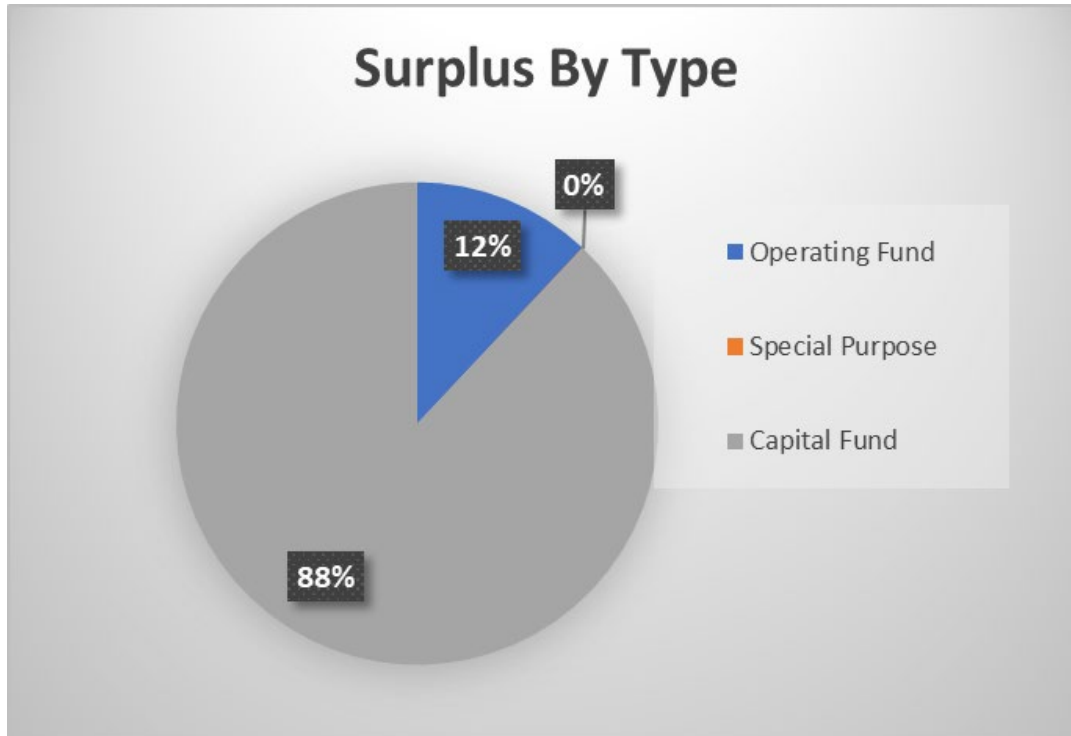
In looking at our Tangible Capital Assets we notice that in 24/25 we were able to increase the Net Book Value of our assets to \$82.8 million dollars. This is an increase of \$5.5 million dollars. This is a good sign which indicates we are continuously updating our assets at a faster rate than they are depreciating, investments necessary to keep them in good operating condition.

The overall age of the Tangible Capital Assets is decreasing as the district has made good progress on executing our capital projects in the current year. The district will continue this investment going forward, although not at the same rate as our surplus balances are declining.





ACCUMULATED SURPLUS (DEFICIT)



The Accumulated Surplus is the combined year over year total surplus or deficit that the district maintains. The surplus is a measure of the cumulative financial state the district is in as a whole.

As you can see to the left the Operating Fund Surplus only makes up 12% of the Total Accumulated Surplus, and of that some of those funds are restricted. The Special Purpose Fund Surplus (<1%) also have

conditions tied to their use so they are restricted as well. The Capital Fund Surplus (88%) have specific uses under the Capital Projects and Local Capital Projects which also have limitations on them.

The district spent \$2.685 million in local capital which represents a 29% usage of this fund in one year. Although this is good, it is not sustainable unless they can generate sizable surplus balances to continue these funding levels which is unlikely.

Financial Statement Discussion & Analysis



ACCUMULATED SURPLUS (DEFICIT)

This year the district reported a Net Operating Surplus of \$1.568 million dollars. This topped up the prior year's surplus of \$2.374 million dollars to \$3.942 million dollars in the Operating Funds Surplus. Then we deducted the committed \$0.9 million dollar transfer of Surplus to Local Capital to end the year at \$3.042 million in Operating Funds Surplus.

	2025	2024
Operating Fund		
Internally restricted:		
School Budget Balances	37,590	38,289
Indigenous Education Council (IEC)	102,433	-
Indigenous Commitments	817,518	630,763
Unrestricted	2,085,212	1,705,758
Operating Funds	3,042,753	2,374,810
Special Purpose Funds	15,000	15,000
Capital Fund		
Invested in Tangible Capital Assets	15,611,600	12,159,448
Local Capital	6,634,841	9,319,968
	22,246,441	21,479,416
Total Accumulated Surplus	25,304,194	23,869,226

Of the \$3.042 million dollars in Operating Funds Surplus \$0.957 million dollars of these funds are earmarked for specific programs and can only be spent on those items. The remaining \$2.085 million dollars are classified as Unrestricted Contingent Surplus and falls with Board Policy and Ministry recommendations for contingency reserves.

Only two portions of reported Accumulated Surplus truly represent surplus funds available to spend. Those are the Operating Surplus of \$3.042 million dollars and the Local Capital Surplus of \$6.634 million providing a total available surplus of \$9.676 million which can be utilized for spending. The \$15.611 million that makes up the Invested in Tangible Capital Assets and the \$15 thousand in Special Purpose Funds are not accessible surplus funds within the districts Accumulated Surplus.

Financial Statement Discussion & Analysis



ACCUMULATED SURPLUS (DEFICIT)

Within the Accumulated Surplus - Capital Fund are funds that are restricted for various Local Capital projects. The below list is projects that align with the strategic goals of the district. The funds are earmarked to allow the district to successfully execute longer-term capital goals with minimal yearly funding changes. Identifying these multi-year projects within Local Capital increases transparency of where the district is allocating resources.

	2025	2024
Local Capital Project Breakdown		
Daycare Project	-	800,000
Dorm Project Upstairs	-	1,800,000
White Fleet Replacements	-	80,000
Mini Bus for Sport/Extra Curricular	-	160,000
Building Envelope	1,000,000	1,000,000
Facilities Reserve	1,000,000	1,000,000
PA Security Projects	89,182	500,000
Physical Security Projects	92,447	100,000
Cybersecurity Project	93,675	100,000
Camera Security Project	35,943	100,000
Network/Electrical Wiring Project	1,000,000	1,000,000
Maint/Transportation Yard Upgrades	3,323,594	2,679,968
Local Capital Total	6,634,841	9,319,968

Overall, the district is maintaining an adequate surplus balance and is in a good position. We are not in a deficit position which means we are not required to use debt to fund any projects or programs. In addition, we reported a small operating surplus and were able to transfer \$900,000 to Local Capital in the year which helps to replenish our capital funds. The district has been purposely moving Operating Surplus funds to Local Capital to address the future long-term capital needs of the district.



FUTURE RISKS

Labour shortages and higher staff turnover probably represent one of the biggest near-term challenges that the district faces with regards to future risks. The district has found it challenging to hire and retain teachers, substitutes, education assistants, and all types of support services including bus drivers and custodial staff. The longer-term risk is that the district may struggle with succession planning with the higher turnover rates. This problem is also a national issue within Canada, but the impact of a shortage of teachers, professionals and support staff is being felt across the district. Work force projections indicate ongoing challenges, but the district is taking steps to try to address the shortage.

Increases to our employee benefits costs has been trending upwards, we are noticing increases in CPP, EI and WCB rates as well as extended health and dental insurance. As these costs continue to escalate, we might need to look at ways to mitigate their impact.

Another risk area that has been on the rise in BC more recently are the potential for cyberattacks on district network. On an ongoing basis it is important to be aware of the continued threat to our information and systems and reinforces why we need to maintain ongoing investment in protecting our systems from these evolving threats.



The potential of falling interest rates will impact our ability to generate investment income for our district especially since we have reduced our Local Capital Surplus balance over the last couple of years. We utilize these returns to augment our district surpluses to facilitate our mandate of improving student learning.

Financial Statement Discussion & Analysis



CONTACTING MANAGEMENT

This financial report is designed to provide the School District No. 27 (Cariboo-Chilcotin) stakeholders with a general but more detailed overview of the district's finances and to demonstrate increased accountability for the public funds received by School District No. 27 (Cariboo-Chilcotin).

If you have any questions about this financial report, please contact the Secretary-Treasurer at the district office or you can visit the School District No.27 Website <https://www.sd27.bc.ca/>

