

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)

A G E N D A

**REGULAR OPEN SCHOOL BOARD MEETING
MEETING HELD AT BOOTH MEETING ROOM
AND ON ZOOM**

Tuesday, September 29, 2026- 7:00 P.M.

1. **Adoption of Agenda**
2. **Presentation(s):**
 - 2.1 Kristy Tillman – PRMS Band
3. **Approval of the Minutes of the**
 - 3.1 Open Board Meeting Held on June 16, 2026 (p. 3)
 - 3.2 Special Open Board Meeting Held on July 23, 2026 (p. 10)
 - 3.3 Special Open Board Meeting Held on September 3, 2026 (p. 11)
4. **Necessity of Closed Meeting and Agenda**
 - 4.1 Approval of Agenda
 - 4.2 Approval of Minutes of the In-Camera Meeting held June 16, 2026
 - 4.3 Human Resources Report
 - 4.4 Secretary-Treasurer's Report
 - 4.5 Other
 - 4.6 Legal Items
 - 4.7 Information Items
 - 4.8 Old Business
 - 4.9 Items for Release
5. **Correspondence**
 - 5.1 Addressed to the Board
 - 5.1.1 Letter from Prince Rupert Library (p. 13)
 - 5.2 Copied to the Board
None
6. **Superintendent of Schools' Report**
 - 6.1 For Board Information:
 - 6.1.1 Enrolment
 - 6.1.1.1 Enrolment graph (p. 14)
 - 6.1.2 Upcoming Projects/Learning/Other
7. **Secretary-Treasurer's Report**
 - 7.1 Audited Financial Statements 2025-26 (p. 15)
 - 7.2 Audit Findings Report KPMG (p. 58)
 - 7.3 Minor Capital Plan 2027-28 (p. 108)
 - 7.4 Major Capital Plan 2027-28 (p. 111)
 - 7.5 June/July/August 2026 Operations Department Reports (p.114)
 - 7.6 June/July/August 2026 Information Technology Department Report (p. 115)

8. **Committee Reports**
- 8.1 Finance & Building Committee (Trustees Beil, Maier, Horne)
 - 8.2 Framework for Enhancing Student Learning (Trustees Horne, Toye)
 - 8.3 Provincial Council (Trustees Horne, Sanchez)
 - 8.4 Policy Committee (Trustees Maier, Toye)
 - 8.4.1 September 21, 2026 Meeting minutes (p. 116)
 - 8.4.2 Policies for Approval
 - 8.4.2.1 5240 – Child Care Policy (p. 117)
 - 8.4.3 Policies for Review
 - 8.4.3.1 4110 – Emergency Preparedness Policy (p. 120)
 - 8.4.3.2 4210 – Pandemic Response Policy (p. 122)
 - 8.5 District Technology Steering Committee (Trustee Horne)
9. **Old Business**
10. **Information Items**
- 10.1 National Day for Truth and Reconciliation, September 30, 2026
 - 10.2 Early Election Voting, October 7 & 14, 2026 – 8:00 am to 8:00 pm in the Raven Lounge at the Civic Centre
 - 10.3 Thanksgiving Day, October 12, 2026
 - 10.4 Election Day, October 17, 2026
 - 10.5 Board of Education Meeting, October 20, 2026
11. **10 Minute Question and Answer Period**
12. **Adjournment**

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)

MINUTES

**REGULAR OPEN SCHOOL BOARD MEETING
MEETING HELD IN THE BOOTH MEETING ROOM**

Tuesday, June 16, 2026 – 7:00 P.M.

Trustees Present: J. Beil, K. Toye, D. Dalton, L. Sanchez, K. Maier

Staff Present: A. Samoil, B. Verissimo, T. Dickens, K. MacIlroy, L. Burger, C. Rourke, A. Lihou, R. Edzerza

Regrets: J. Horne

Trustee Maier acknowledged that the meeting is being held on traditional Ts'msyen territory. The meeting was called to order at 7:01 p.m.

1. Adoption of Agenda

Motion 20260616-1.0

Beil "Be it resolved by the Board of Education of School District No. 52
Maier (Prince Rupert) that the Agenda is approved as amended."

Carried

Addition of bylaw 202601, Bylaw 2026-02 and calendar

2. Presentation

The Superintendent, Andrew Samoil introduced Christine Danroth to present on PCS Indspire trip and Mike McDowall to present on the French Immersion Speaking Competition.

Mike McDowall shared that in August of last year they discussed bringing back Concur – the Canada wide French speaking contest. This is an opportunity for students to practice writing in French, speaking and pronunciation skills as well as offering students the experience of speaking French in public. Mike shared a review of the CHSS and PRMS Concurs. Kiri Ortin was able to attend the BC Championships in May, and she represented SD 52 very well. Trustees congratulated Kiri for her presentation and hope to see this program continue.

Christine Danroth and students from PCS received a grant and travelled to Halifax to attend the Indspire conference. Students shared that they observed there was a lot of traditional wear in the crowd. Inclusivity was apparent the entire time. Four students had never flown before and found the experience to be very exciting. This experience pushed people out of their comfort zones and encouraged personal growth. This was an incredibly positive experience for the youth involved. Students found the Indspire trades fair beneficial to see what opportunities out there and how much support is available as well as how many Indigenous leaders there are. Trustees thanked them for their presentation and are thrilled that they were able to experience this.

3. Approval of the Minutes of the

3.1 Open Board Meeting held May 19, 2026

Motion 20260616-3.1

Maier	"Be it resolved by the Board of Education of School District No. 52	
Beil	(Prince Rupert) that the minutes of the open Board meeting held	
	May 19, 2026 be approved as presented".	<u>Carried</u>

4. **Necessity of Closed Meetings and Agenda**

- 4.1 Approval of Agenda
- 4.2 Approval of Minutes of the In-Camera Meeting held May 19, 2026.
- 4.3 Human Resources Report
- 4.4 Secretary-Treasurer's Report
- 4.5 Other
- 4.6 Legal Items
- 4.7 Information Items
- 4.8 Old Business
- 4.9 Items for Release

Motion 20260616-4.0

Beil	"Be it resolved by the Board of Education of School District No. 52	
Sanchez	(Prince Rupert) that the closed meeting be held and that agenda	
	items 1 through 9 be approved."	<u>Carried</u>

5. **Correspondence**

- 5.1 Addressed to the Board
None
- 5.2 Copied to the Board
None

6. **Superintendent of Schools Report**

- 6.1 For Board Information:
 - 6.1.1 Enrolment
The Director of Instruction, Carla Rourke reported enrolment is 1776 on May 31, 2026.

6.1.1.1 Enrolment graph
Review of graph and trends.
 - 6.1.2 Upcoming Projects/Learning/Other
Superintendent Andrew Samoil reported on attending the June DPAC meeting. "The group asked some very good questions and their interest in our programs and services is to be commended".
He also attended the CHSS Grad commencement on Friday, June 12th and noted the production was smooth and very professional. "It was great to hear about the varied and interesting plans each grad has in store for the future."
He will also be attending the Pacific Coast Grad ceremonies on Thursday June 18.
In support of the Board Strategic Plan and our district Operational Plan he attended The Large Framework for Enhancing Student Learning meeting on May 28. In that meeting with staff and trustee

representatives, the group examined recent school data and drew conclusion on actions that can be taken in support of student Literacy and Numeracy.

In support of our district strategic plan, he attended the Literacy Framework meeting at Wap Sigatgyet.

In support of Truth and Reconciliation he attended the BCTEA meeting on transportation. Canada will provide an extension to the current transportation funding agreement for one year. The superintendent also reached out to the new executive director of Metlakatla as district staff will need to meet with Chief and Council, along with the Board Chair and trustees to discuss transportation issues for next year.

On June 9 and 10 The Counselling staff in partnership with The RCMP Victim Services, hosted an interactive Safer Space workshop presented by *Children of the Street. (Prevention education from Vancouver)*

Sessions for grades 4-5 and 6-8 focused on online safety, digital trends, and strategies for students in helping them make safe choices when using online apps, social media and video games.

Early Learning & Child Care:

The summer child care program at Conrad Street Elementary School is now at capacity with twenty-four students. Registration rates for all child care programs across the board have gained momentum due to increased parental awareness and advertising. The child care program at Conrad Street Elementary School will run year-round for the 2026-2027 school year. The program will be open for all families who have children enrolled at all board operated programs during non-instructional days, winter (one week), spring (two weeks), and summer (seven weeks) break. This year-round offering will be a "pilot" and will be re-evaluated in June 2027. The ECE Dual credit program for CHSS and PCS students has now completed a fourth year in our district. Nineteen to Twenty students have successfully completed two courses this term. Hecate Strait met with this year's cohort and has offered support with grants and applications to post-secondary institutions to the Grade 12 students who will be continuing with their full Early Childhood Educator certification. This program will be offered again next year for CHSS and PCS Grade 11 and 12 students.

The Draft Annual District Growth Report Kxeen 2025-26 was distributed by Roberta Edzerza for review and questions. The data is a reflection of last year's data. Highlights include the local artists and the programs they have been involved in within the District.

Motion 20260616-6.1.2

Beil	"Be it resolved by the Board of Education of School District No. 52	<u>4 in favor</u>
Maier	(Prince Rupert) that the Annual District Growth Report Kxeen 2025-26	<u>1</u>
	be approved as presented."	<u>abstained</u>
		<u>Carried</u>

7. Secretary Treasurer's Report

7.1 Statement of Operations May 2026

The Acting Secretary-Treasurer presented the Statement of Operations May 2026 report and answered questions from Trustees. Variances are on par with what we have been looking at the last few months. Labour increase settlements are factors in these differences. Snow removal costs were over budget, which is a main reason why that budget is over.

7.2 2026-27 Annual Budget and Bylaw

Motion 20260616-7.2a

Maier "Be it resolved by the Board of Education of School District No. 52
Beil (Prince Rupert) that the second and third readings and adoption of the Annual Budget Bylaw for the 2026-27 fiscal year be read the 16th day of June 2026."

Carried

Motion 20260616-7.2

Maier "Be it resolved by the Board of Education of School District No. 52
Beil (Prince Rupert) that the second reading of the Annual Budget Bylaw for the 2026-27 fiscal year be read a second time the 16th day of June 2026."

Carried

Motion 20260616-7.2a

Maier "Be it resolved by the Board of Education of School District No. 52
Sanchez (Prince Rupert) that the third reading of the Annual Budget Bylaw for the 2026-27 fiscal year be read a third time, passed and adopted the 16th day of June 2026."

Carried

ANNUAL BUDGET BYLAW

A Bylaw of THE BOARD OF EDUCATION OF SCHOOL DISTRICT NO. 52 (PRINCE RUPERT) (called the "Board") to adopt the Annual Budget of the Board for the fiscal year 2026/2027 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 Annual Budget adopted by this bylaw.

2. This bylaw may be cited as School District No. 52 (Prince Rupert) Annual Budget Bylaw for fiscal year 2026/2027.

3. The attached Statement 2 showing the estimated revenue and expense for the 2026/2027 fiscal year and the total budget bylaw amount of \$39,096,337 for the 2026/2027 fiscal year was prepared in accordance with the *Act*.

4. Statement 2, 4 and Schedules 2 to 4 are adopted as the Annual Budget of the Board for the fiscal year 2026/2027.

READ A FIRST TIME THE 19th DAY OF MAY, 2026;

READ A SECOND TIME THE 16th DAY OF JUNE, 2026;

READ A THIRD TIME, PASSED AND ADOPTED THE 16th DAY OF JUNE, 2026;

7.3 May 2026 Operations Department Report
The Acting Secretary-Treasurer presented the report and answered questions from the Trustees. Four summer students will be working this summer.

7.4 May 2026 Information Technology Department Report
The Acting Secretary-Treasurer presented the report and answered questions from the Trustees.

7.5 Elections Bylaw
Amendment to the bylaw needed is to the rural, outlying areas.

Motion 20260616-7.5

Beil	"Be it resolved by the Board of Education of School District No. 52	
Maier	(Prince Rupert) that the bylaw 2025-26 01 be rescinded."	<u>Carried</u>

7.6 Election Bylaw 2025-26-02

Motion 20260616-7.6a

Beil	"Be it resolved by the Board of Education of School District No. 52	
Dalton	(Prince Rupert) that all three readings and adoption of Elections	
	Bylaw 2026-26 02 be read the 16 th day of June 2026."	<u>Carried</u>

Motion 20260616-7.6b

Maier	"Be it resolved by the Board of Education of School District No. 52	
Beil	(Prince Rupert) that the first reading of the Elections Bylaw 2025-26	
	02 be read a first time the 16 th day of June 2026."	<u>Carried</u>

Motion 20260616-7.6c

Maier	"Be it resolved by the Board of Education of School District No. 52	
Sanchez	(Prince Rupert) that the second reading of the Elections Bylaw 2025-	
	26 02 be read a second time the 16 th day of June 2026."	<u>Carried</u>

Motion 20260616-7.6d

Maier	"Be it resolved by the Board of Education of School District No. 52	
Beil	(Prince Rupert) that the Elections Bylaw 2025-26 02 be read a third	
	time, passed and adopted the 16 th day of June 2026."	<u>Carried</u>

7.7 Amended 2026-27 School Calendar
The upcoming year is one of the anomaly years where school starts later and is needed to end on June 30 to meet both the Ministry requirements and the collective agreement. This would include cancelling the September Implementation Day.

Motion 20260616-7.7

Beil	"Be it resolved by the Board of Education of School District No. 52	
Dalton	(Prince Rupert) that the 2026-27 calendar be amended as	
	presented."	<u>Carried</u>

8 Committee Reports

8.6 Finance & Building Committee

(Trustees Beil, Maier, Horne)

8.7 Framework for Enhancing Student Learning
Met on May 28th

(Trustees Horne, Toye)

8.8 Provincial Council

(Trustees Horne, Sanchez)

8.9 Policy Committee

(Trustees Toye, Maier)

8.9.1 June 8, 2026, meeting

Trustee Maier presented the minutes of the June 8, 2026, meeting of the Policy Committee and answered questions from Trustees.

8.9.2 Policies for Approval
None

8.9.3 Policies for Review

8.9.3.1 5240– Child Care Policy

8.9.3.2 1140 – Student Reporting Policy

8.9.3.3 1350 – Student Medications Policy

8.9.3.4 2310 – Protection of Students and Maintenance
of Order Policy

Motion 20260616-8.4.3.1

Maier "Be it resolved by the Board of Education of School District No. 52
Beil (Prince Rupert) that policy 5240 – Child Care be sent internally for
review."

Carried

Motion 20260616-8.4.3.2

Maier "Be it resolved by the Board of Education of School District No. 52
Beil (Prince Rupert) that the policy 1140 – Student Reporting Policy be
deleted."

Carried

Motion 20260616-8.4.3.3

Maier "Be it resolved by the Board of Education of School District No. 52
Beil (Prince Rupert) that the policy 1350– Student Medications Policy be
deleted."

Carried

Motion 20260616-8.4.3.4

Maier "Be it resolved by the Board of Education of School District No. 52
Beil (Prince Rupert) that the policy 2310–Protection of Students and
Maintenance of Order Policy be deleted."

Carried

8.10

S

District Technology Steering Committee

Met on June 5th. Members of BCTF, IUOE, Principals. Discussion of moving to EasyConnect and how this will reduce paperwork. Discussion of AI Implementation in our district. We are not rushing to implement this.

9 Old Business

None

10 Information Items:

10.6

PCS Commencement, June 18, 2026

Chair Toye noted that the PCS Commencement is on June 18, 2026.

10.7

National Indigenous Peoples Day, June 21, 2026

Chair Toye noted that the National Indigenous Peoples Day is on June 21, 2026.

10.8

Last Day of School, June 25, 2026

Chair Toye noted that the last day of school is on June 25, 2026.

10.9

Administrative Day, June 26, 2026.

Chair Toye noted that Administrative Day is on June 26, 2026.

10.10

First Day of School, September 8, 2026.

Chair Toye noted that the first day of school is on September 8, 2026.

10.11

Board of Education Meeting, September 29, 2026.

Chair Toye noted that the Board of Education meeting is on September 29, 2026.

11 10 Minute Question and Answer Period

12 Adjournment

Chair Toye adjourned the meeting at 8:23 p.m.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)

MINUTES

**SPECIAL OEPN SCHOOL BOARD MEETING
MEETING HELD VIA ZOOM
Wednesday, July 23, 2026 – 6:30 P.M.**

Trustees Present: K. Toye, K. Maier, D. Dalton, L. Sanchez, J. Beil

Staff Present: A. Samoil, G. Mezibroski, B. Verissimo

Chair Toye acknowledged that the meeting is being held on traditional Ts'msyen territory. The meeting was called to order 6:44 p.m.

1. Adoption of Agenda

Motion 20260723-1.0a

Dalton "Be it resolved by the Board of Education of School District No. 52
Maier (Prince Rupert) that the Agenda is approved as presented."

Carried

2. Election

Motion 20260723-2.0a

Maier "Be it resolved by the Board of Education of School District No. 52
Sanchez (Prince Rupert) that the board make all three readings of Bylaw No.
2025-26 03 on the 23rd day of July, 2026."

Carried

Addition of rural area to 5.1, 5.2 and 12.4

Motion 20260723-2.0b

Dalton "Be it resolved by the Board of Education of School District No. 52
Maier (Prince Rupert) that the board make the first reading of Bylaw No.
2025-26 03 on the 23rd day of July, 2026"

Carried

Motion 20260723-2.0b

Dalton "Be it resolved by the Board of Education of School District No. 52
Maier (Prince Rupert) that the board make the second reading of Bylaw No.
2025-26 03 on the 23rd day of July, 2026"

Carried

Motion 20260723-2.0b

Dalton "Be it resolved by the Board of Education of School District No. 52
Sanchez (Prince Rupert) that the board make the third reading, adopt and pass
Bylaw No. 2025-26 03 on the 23rd day of July, 2026"

Carried

3. Adjournment

Chair Toye adjourned the meeting at 6:54 p.m.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)

MINUTES

**SPECIAL OEPN SCHOOL BOARD MEETING
MEETING HELD VIA ZOOM**

Thursday, September 3, 2026 – 6:00 P.M.

Trustees Present: K. Toye, K. Maier, J. Horne, L. Sanchez, J. Beil

Staff Present: A. Samoil

Regrets: D. Dalton

Vice-Chair Maier acknowledged that the meeting is being held on traditional Ts'msyen territory. The meeting was called to order at 6:10 p.m.

1. Adoption of Agenda

Motion 20260903-1.0

Horne "Be it resolved by the Board of Education of School District No. 52
Sanchez (Prince Rupert) that the Agenda is approved as presented."

Carried

2. Port Edward Elementary School

Motion 20260903-2.0a

Beil "Be it resolved by the Board of Education of School District No. 52
Horne (Prince Rupert) that the board direct staff to contact parents, municipal
council to direct students be moved to school in town until we can
read the reports."

Carried

On Aug 12, Superintendent Samoil and the Director of Operations toured the Port Ed school to investigate why there is cracking and a pronounced heave in the floor. There have been some repairs, but the hallway is not improving. Engineering studies are going on to determine what the problem is. The Board wants to ensure the building is ready for a full compliment of students. The District of Port Edward offered the use of the gymnasium for a classroom. This is not ideal. Would the board require this before approving using the school. Other options are there is room at Roosevelt and students could be bussed there.

Motion 20260903-2.0b

Beil "Be it resolved by the Board of Education of School District No. 52
Horne (Prince Rupert) that the board direct staff to review with our own
engineer team the results of the engineering report coming through
the District of Port Edward."

Carried

3. PRMS Name

Motion 20260903-3.0

Beil "Be it resolved by the Board of Education of School District No. 52
Horne (Prince Rupert) that the board approve for release to the public the
Gitwaas Community School name for a 30-day review."

Carried

A variety of people attended the naming committee meetings. There were approximately 180 names presented. The committee received advice from the Indigenous Language Authority. They wanted to find an Indigenous name that was easy to pronounce.

The two names proposed are:

1. Wileeksm Laxa (Big Storm)
2. Gitwaas (People of the Rain)

Both names are meaningful to our community. A concern is that the first name is not as easily pronounced.

4. **Adjournment**

Chair Toye adjourned the meeting at 6:56 p.m.



Wap Liitsx - House of Reading

PRINCE RUPERT LIBRARY

101 6th Avenue West
Prince Rupert, BC V8J 1Y9
(250) 627-1345

www.princerupertlibrary.ca
info@princerupertlibrary.ca

July 20, 2026

To whom it may concern,

It has been brought to our attention that a possible collaboration between the Prince Rupert Library and the Middle School Library was discussed at the SD52 Board Meeting on May 19th, 2026. The Library Board and staff would like to clarify some of the information shared during this meeting.

The Prince Rupert Library Director spoke with Andrew Samoil over the phone in 2024. During this conversation, Mr. Samoil thought that the public library staff could work at the middle school library after school hours as the space was not staffed by teachers/ EAs during those times. According to our Director, Mr. Samoil was proposing that the middle school library would be an extension of the public library. However, at that time, our Director made no commitments or promises and advised him that any such proposal would have to go through the Library Board.

Given the lack of follow-up by either party, our Board has not considered this proposal in any way. However, we have been informed now that this issue was discussed at the SD52 Board Meeting as though this was moving forward. We write this letter to ensure that everyone is on the same page and that this is something that the Board and staff of the Prince Rupert Library are not considering at the moment.

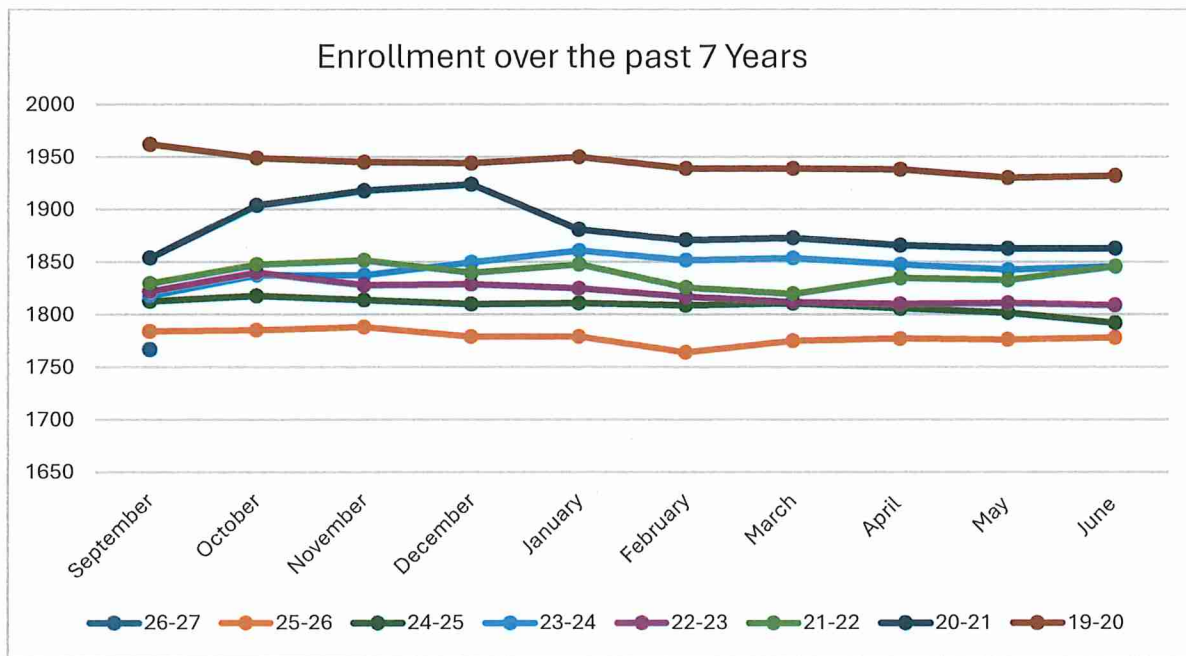
The second piece of information shared at the SD52 Board Meeting was that the Prince Rupert Public Library Director was away on maternity leave. This is incorrect. We are not sure where this information came from but want to ensure that such misinformation is not disseminated into the larger community.

We thank you for your attention and consideration. If you would like to discuss this further, please do not hesitate to reach out.

Sincerely,

Mercedes Taylor, Director
Prince Rupert Library

Ronald Braun, Vice Chair
Prince Rupert Library Board



Audited Financial Statements of

School District No. 52 (Prince Rupert)

And Independent Auditors' Report thereon

June 30, 2026

School District No. 52 (Prince Rupert)

June 30, 2026

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School District No. 52 (Prince Rupert)

MANAGEMENT REPORT

DRAFT

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 52 (Prince Rupert) have been prepared by management in accordance with the accounting requirements of 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, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 52 (Prince Rupert) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, KPMG, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 52 (Prince Rupert) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 52 (Prince Rupert)

DRAFT

Signature of the Superintendent of Education _____ Date Signed _____

Signature of the Superintendent _____ Date Signed _____

Signature of the Secretary Treasurer

Date Signed

School District No. 52 (Prince Rupert)

Statement of Financial Position

As at June 30, 2026

Statement 1

	2026 Actual	2025 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	15,994,180	13,326,012
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	5,025,029	5,003,304
Due from First Nations	444,430	
Other (Note 3)	1,979,824	1,020,435
Total Financial Assets	23,443,463	19,349,751
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	13,568,719	9,019,094
Unearned Revenue (Note 5)	56,577	38,788
Deferred Revenue (Note 6)	2,440,570	2,241,482
Deferred Capital Revenue (Note 7)	78,362,388	44,397,383
Employee Future Benefits (Note 8)	412,978	430,120
Asset Retirement Obligation (Note 21)	5,025,000	5,025,000
Total Liabilities	99,866,232	61,151,867
Net Debt	(76,422,769)	(41,802,116)
Non-Financial Assets		
Tangible Capital Assets (Note 9)	83,953,414	49,602,696
Prepaid Expenses	176,633	100,116
Total Non-Financial Assets	84,130,047	49,702,812
Accumulated Surplus (Deficit)	7,707,278	7,900,696

Contractual Obligations (Note 14)

Contractual Rights (Note 15)

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. 52 (Prince Rupert)

Statement of Operations

Year Ended June 30, 2026

Statement 2

	2026 Budget (Note 16)	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	33,050,951	33,325,082	32,592,845
Other	154,994	181,503	181,954
Tuition	47,700	43,020	71,950
Other Revenue	2,891,806	2,966,148	3,763,052
Rentals and Leases	122,890	121,990	133,391
Investment Income	159,583	207,903	272,198
Gain (Loss) on Disposal of Tangible Capital Assets		25,939	
Amortization of Deferred Capital Revenue (Note 7)	1,368,671	1,398,166	1,348,370
Total Revenue	37,796,595	38,269,751	38,363,760
Expenses			
Instruction	29,700,229	29,557,874	29,383,521
District Administration	2,345,191	2,560,170	2,440,003
Operations and Maintenance	5,766,841	5,723,149	5,407,745
Transportation and Housing	641,397	621,976	621,137
Total Expense	38,453,658	38,463,169	37,852,406
Surplus (Deficit) for the year	(657,063)	(193,418)	511,354
Accumulated Surplus (Deficit) from Operations, beginning of year		7,900,696	7,389,342
Accumulated Surplus (Deficit) from Operations, end of year		7,707,278	7,900,696

School District No. 52 (Prince Rupert)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2026

	2026 Budget (Note 16)	2026 Actual	2025 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(657,063)</u>	<u>(193,418)</u>	<u>511,354</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets (Note 9)	(41,166,841)	(35,987,582)	(11,899,782)
Amortization of Tangible Capital Assets (Note 9)	1,630,773	1,620,803	1,566,917
Net carrying value of Tangible Capital Assets disposed of		16,061	
Total Effect of change in Tangible Capital Assets	<u>(39,536,068)</u>	<u>(34,350,718)</u>	<u>(10,332,865)</u>
Acquisition of Prepaid Expenses		(146,028)	(45,627)
Use of Prepaid Expenses		69,511	174,322
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(76,517)</u>	<u>128,695</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(40,193,131)</u>	<u>(34,620,653)</u>	<u>(9,692,816)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(34,620,653)</u>	<u>(9,692,816)</u>
Net Debt, beginning of year		<u>(41,802,116)</u>	<u>(32,109,300)</u>
Net Debt, end of year		<u><u>(76,422,769)</u></u>	<u><u>(41,802,116)</u></u>

School District No. 52 (Prince Rupert)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2026

	2026 Actual	2025 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(193,418)	511,354
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(1,425,544)	(4,935,551)
Prepaid Expenses	(76,517)	128,695
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	4,549,625	5,807,749
Unearned Revenue	17,789	3,250
Deferred Revenue	199,088	120,852
Employee Future Benefits	(17,142)	17,550
Loss (Gain) on Disposal of Tangible Capital Assets	(25,939)	
Amortization of Tangible Capital Assets (Note 9)	1,620,803	1,566,917
Amortization of Deferred Capital Revenue (Note 7)	(1,398,166)	(1,348,370)
Recognition of Deferred Capital Revenue Spent on Sites (Note 7)	(306,634)	(196,052)
Total Operating Transactions	2,943,945	1,676,394
Capital Transactions		
Tangible Capital Assets Purchased	(2,267,606)	(3,028,020)
Tangible Capital Assets -WIP Purchased	(33,719,976)	(8,871,762)
District Portion of Proceeds on Disposal	42,000	
Total Capital Transactions	(35,945,582)	(11,899,782)
Financing Transactions		
Capital Revenue Received (Note 7)	35,669,805	12,589,900
Total Financing Transactions	35,669,805	12,589,900
Net Increase (Decrease) in Cash and Cash Equivalents	2,668,168	2,366,512
Cash and Cash Equivalents, beginning of year	13,326,012	10,959,500
Cash and Cash Equivalents, end of year	15,994,180	13,326,012
Cash and Cash Equivalents, end of year, is made up of:		
Cash	15,994,180	13,326,012
	15,994,180	13,326,012

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 1 AUTHORITY AND PURPOSE

School District No. 52 (Prince Rupert) (the "School District"), established on April 1, 1946, operates under the authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 52 (Prince Rupert)," and operates as "School District No. 52 (Prince Rupert)." A board of education (the "Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district and is principally funded by the Province of British Columbia through the Ministry of Education and Child Care. School District No. 52 (Prince Rupert) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of British Columbia*. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2(e) and 2(l).

In November 2011, Treasury Board provided a directive through Restricted Contributions Regulation 198/2011 providing direction for the reporting of restricted contributions whether they are received or receivable by the School District before or after this regulation was in effect.

As described in Notes 2(e) and 2(l), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense.

As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require that:

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410; and
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

a) Basis of Accounting (*Continued*)

The impact of this difference on the financial statements of the School District is as follows:

Year-ended June 30, 2025 – increase in annual surplus by \$10,187,301

June 30, 2025 – increase in accumulated surplus and decrease in deferred contributions to \$38,878,614

Year-ended June 30, 2026 – increase in annual surplus by \$34,014,158

June 30, 2026 – increase in accumulated surplus and decrease in deferred contributions to \$72,892,772

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

Accounts receivable are measured at amortized cost and shown net of allowance for doubtful accounts.

d) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods and receipt of proceeds for services to be delivered in a future period. Revenue will be recognized in that future period when the courses or services are provided.

e) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2(l).

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

e) Deferred Revenue and Deferred Capital Revenue (*Continued*)

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 2 (a) for the impact of this policy on these financial statements.

f) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2025 and projected to March 31, 2028. The next valuation will be performed at March 31, 2028 for use at June 30, 2028. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

The School district and its employees make contributions to the Teachers' Pension Plan and Municipal Pension Plan. The plans are multi-employer plans where assets and obligations are not separated. The costs are expensed as incurred.

g) Asset Retirement Obligation

A liability is recognized when, as at the financial reporting date:

- (a) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (b) the past transaction or event giving rise to the liability has occurred;
- (c) it is expected that future economic benefits will be given up; and
- (d) a reasonable estimate of the amount can be made.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

g) Asset Retirement Obligation (*Continued*)

The liability for the removal of asbestos and other hazardous material in several of the buildings owned by the School District has been initially recognized using the modified retroactive method. The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The resulting costs have been capitalized into the carrying amount of tangible capital assets and are being amortized on the same basis as the related tangible capital asset (see note 2 (h)). Assumptions used in the calculations are reviewed annually.

h) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the statement of operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

Buildings	40 years
Furniture & Equipment	10 years
Vehicles	10 years
Computer Software	5 years
Computer Hardware	5 years

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

i) Operating Leases

All current leases meet the definition for operating leases and the related payments are charged to expenses as incurred.

j) Prepaid Expenses

Prepaid expenses such as fees and dues are recorded as a prepaid expense, stated at acquisition cost and are charged to expense over the periods expected to benefit from them.

k) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved.

l) Revenue Recognition

Revenues are recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated.

Contributions received, or receivable where eligibility criteria have been met, are recognized as revenue except where the contribution meets the criteria for deferral as described below. Eligibility criteria are the criteria that the School District has to meet in order to receive the contributions, including authorization by the transferring government or organization.

For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized as follows:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year the related expenses are incurred,
- Contributions restricted for site acquisitions are recorded as revenue when the sites are purchased, and
- Contributions restricted for tangible capital assets acquisitions or construction, other than sites, are recorded as deferred capital revenue and amortized over the useful life of the related assets.

Donated sites are recorded as revenue at fair market value when received or receivable. Donated tangible capital assets other than sites are recorded at fair market value and amortized over the useful life of the assets.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

l) Revenue Recognition (*Continued*)

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 2(a) for the impact of this policy on these financial statements.

Revenue from transactions with performance obligations is recognized when (or as) the performance obligation is satisfied (by providing the promised goods or services to a payor).

Revenue from transactions with no performance obligations is recognized when the district:

- (a) has the authority to claim or retain an inflow of economic resources; and
- (b) identifies a past transaction or event that gives rise to an asset.

Investment income is reported in the period earned. When required by the funding party or related Act, investment income earned on deferred revenue is added to the deferred revenue balance.

m) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as Indigenous education and special education, are allocated to these programs. All other costs are allocated to related programs.
- Salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

n) Financial Instruments

A contract establishing a financial instrument creates, at its inception, rights to receive or obligations to deliver economic benefits. Financial assets and financial liabilities portray these rights and obligations in the financial statements. The School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and other liabilities.

Portfolio investments in equity instruments quoted in an active market are recorded at fair value. All other financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition and amortized using the effective interest rate method. Transaction costs are incremental costs directly attributable to the acquisition of a financial asset or the issue of a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations. There are no remeasurement gains or losses during the periods presented; therefore, no statement of remeasurement gains or losses is included in these financial statements.

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

o) Measurement Uncertainty

The preparation of financial statements in accordance with the basis of accounting described in Note 2(a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 3 ACCOUNTS RECEIVABLE – OTHER

	<u>June 30, 2026</u>	<u>June 30, 2025</u>
Due from Federal Government	\$ 1,638,060	\$ 332,586
Other	<u>341,764</u>	<u>687,849</u>
	<u><u>\$ 1,979,824</u></u>	<u><u>\$ 1,020,435</u></u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	<u>June 30, 2026</u>	<u>June 30, 2025</u>
Trade payables	\$ 12,711,918	\$ 8,192,945
Salaries and benefits payable	642,273	632,053
Accrued vacation pay	<u>214,528</u>	<u>194,096</u>
	<u><u>\$ 13,568,719</u></u>	<u><u>\$ 9,019,094</u></u>

NOTE 5 UNEARNED REVENUE

	<u>June 30, 2026</u>	<u>June 30, 2025</u>
Balance, beginning of year	\$ 38,788	\$ 35,538
Increase:		
Tuition fees collected	61,520	71,950
Rental/lease of facilities collected	8,350	3,250
Summer child care fees collected	5,768	-
Other	<u>3,830</u>	<u>-</u>
	<u>79,468</u>	<u>75,200</u>
Decrease:		
Tuition fees recognized	43,020	71,950
Rental/lease of facilities recognized	3,250	-
Early Career Mentorship funding recognized	<u>15,409</u>	<u>-</u>
	<u>61,679</u>	<u>71,950</u>
Net changes for the year	<u>17,789</u>	<u>3,250</u>
Balance, end of year	<u><u>\$ 56,577</u></u>	<u><u>\$ 38,788</u></u>

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 6 DEFERRED REVENUE

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled.

	<u>June 30, 2026</u>	<u>June 30, 2025</u>
Balance, beginning of year	\$ 2,241,482	\$ 2,120,630
Changes for the year:		
Increase:		
Provincial Grants - Ministry of Education and Child Care	5,698,722	5,440,090
Provincial Grants - Other	102,344	114,864
Other	1,584,633	1,127,054
Investment Income	6,183	6,853
Reallocation from Operating Funds	302,344	-
	<u>7,694,226</u>	<u>6,688,861</u>
Decrease:		
Salaries	4,292,605	3,834,057
Employee Benefits	1,006,064	883,770
Services and Supplies	1,927,845	1,850,182
Interfund Transfers - Tangible Capital Assets Purchased	268,624	-
	<u>7,495,138</u>	<u>6,568,009</u>
Net changes for the year	<u>199,088</u>	<u>120,852</u>
Balance, end of year	<u><u>\$ 2,440,570</u></u>	<u><u>\$ 2,241,482</u></u>

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 7 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired.

	Deferred Capital June 30, 2026	Unspent Capital June 30, 2026	Total Deferred Capital Revenue June 30, 2026	Total Deferred Capital Revenue June 30, 2025
Balance, beginning of year	\$ 38,878,614	\$ 5,518,769	\$ 44,397,383	\$ 33,351,905
Increase:				
Transfer from Unspent - Capital Additions	1,692,348	-	1,692,348	2,663,909
Transfer from Unspent - Work in progress	33,719,976	-	33,719,976	8,871,762
Transfer from Work in Progress	331,058	-	331,058	-
Provincial Grants - Ministry of Education	-	35,523,203	35,523,203	10,976,607
Provincial Grants - Other	-	-	-	1,282,235
Other Income	-	146,602	146,602	331,058
	<u>35,743,382</u>	<u>35,669,805</u>	<u>71,413,187</u>	<u>24,125,571</u>
Decrease:				
Amortization of Deferred Capital	1,398,166	-	1,398,166	1,348,370
Work in Progress - transfer to Deferred Capital Revenue	331,058	-	331,058	-
Capital Additions - transfer to Deferred Capital	-	1,692,348	1,692,348	2,663,909
Work in Progress - transfer to Deferred Capital	-	33,719,976	33,719,976	8,871,762
Site Purchases - transfer to Revenue	-	306,634	306,634	196,052
	<u>1,729,224</u>	<u>35,718,958</u>	<u>37,448,182</u>	<u>13,080,093</u>
Net changes for the year	<u>34,014,158</u>	<u>(49,153)</u>	<u>33,965,005</u>	<u>11,045,478</u>
Balance, end of year	<u>72,892,772</u>	<u>5,469,616</u>	<u>78,362,388</u>	<u>44,397,383</u>

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 8 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, retirement/severance, vacation, and banked overtime. Funding is provided when the benefits are paid and, accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

	<u>June 30, 2026</u>	<u>June 30, 2025</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 464,955	\$ 572,601
Service Cost	29,173	49,520
Interest Cost	16,898	24,027
Benefit Payments	(75,314)	(73,128)
Actuarial (Gain) Loss	(80,428)	(108,065)
Accrued Benefit Obligation – March 31	<u>\$ 355,284</u>	<u>\$ 464,955</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	\$ 355,284	\$ 464,955
Market Value of Plan Assets - March 31	<u>0</u>	<u>0</u>
Funded Status - Surplus (Deficit)	(355,284)	(464,955)
Employer Contributions After Measurement Date	0	0
Benefits Expense After Measurement Date	(11,127)	(11,517)
Unamortized Net Actuarial (Gain) Loss	(46,567)	46,352
Accrued Benefit Asset (Liability) - June 30	<u>\$ (412,978)</u>	<u>\$ (430,120)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	\$ 430,120	\$ 412,570
Net Expense for Fiscal Year	58,172	90,679
Employer Contributions	(75,314)	(73,129)
Accrued Benefit Liability (Asset) - June 30	<u>\$ 412,978</u>	<u>\$ 430,120</u>
Components of Net Benefit Expense		
Service Cost	\$ 28,868	\$ 44,433
Interest Cost	16,813	22,245
Amortization of Net Actuarial (Gain)/Loss	12,491	24,001
Net Benefit Expense (Income)	<u>\$ 58,172</u>	<u>\$ 90,679</u>

The significant actuarial assumptions adopted for measuring the School District's accrued benefit obligations are:

Discount Rate - April 1	4.00%	4.25%
Discount Rate - March 31	4.50%	4.00%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARS L - March 31	11.5 years	11.5 years

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 9 TANGIBLE CAPITAL ASSETS

	Net Book Value June 30, 2026	Net Book Value June 30, 2025
Net Book Value:		
Sites	\$ 7,190,025	\$ 6,899,452
Buildings	32,146,111	31,327,906
Buildings - work in progress	44,014,252	10,625,334
Furniture & Equipment	130,947	188,323
Vehicles	439,624	518,759
Computer Hardware	32,455	42,922
Total	\$ 83,953,414	\$ 49,602,696

June 30, 2026

Cost:	Balance at July 1, 2025	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2026
Sites	\$ 6,899,452	\$ 306,634	\$ (16,061)		\$ 7,190,025
Buildings	73,642,538	1,960,972	-	331,058	75,934,568
Buildings - work in progress	10,625,334	33,719,976	-	(331,058)	44,014,252
Furniture & Equipment	598,368	-	(49,209)		549,159
Vehicles	791,355	-	(13)		791,342
Computer Hardware	58,306	-	(11,938)		46,368
Total	\$ 92,615,353	\$ 35,987,582	\$ (77,221)	\$ -	\$ 128,525,714

Accumulated Amortization:	Balance at July 1, 2025	Amortization	Disposals	Balance at June 30, 2026
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	42,314,632	1,473,825	-	43,788,457
Furniture & Equipment	410,045	57,376	(49,209)	418,212
Vehicles	272,596	79,135	(13)	351,718
Computer Hardware	15,384	10,467	(11,938)	13,913
Total	\$ 43,012,657	\$ 1,620,803	\$ (61,160)	\$ 44,572,300

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 9 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2025

Cost:	Balance at July 1, 2024	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2025
Sites	\$ 6,703,400	\$ 196,052	\$ -	\$ -	\$ 6,899,452
Buildings	70,978,629	2,663,909	-	-	73,642,538
Buildings - work in progress	1,753,572	8,871,762	-	-	10,625,334
Furniture & Equipment	666,283	-	(67,915)	-	598,368
Vehicles	733,463	121,691	(63,799)	-	791,355
Computer Hardware	11,938	46,368	-	-	58,306
Total	\$ 80,847,285	\$ 11,899,782	\$ (131,714)	\$ -	\$ 92,615,353

Accumulated Amortization:	Balance at July 1, 2024	Additions	Disposals	Balance at June 30, 2025
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	40,894,213	1,420,419	-	42,314,632
Furniture & Equipment	414,727	63,233	(67,915)	410,045
Vehicles	260,154	76,241	(63,799)	272,596
Computer Hardware	8,360	7,024	-	15,384
Total	\$ 41,577,454	\$ 1,566,917	\$ (131,714)	\$ 43,012,657

Buildings - work in progress having a value of \$44,014,252 (2025: \$10,625,334) have not been amortized. Amortization of these assets will commence when the asset is put into service.

NOTE 10 WRITE-DOWN AND WRITE-OFF OF SITES AND BUILDINGS

Kanata Elementary School and Seal Cove Elementary School were closed on July 1, 2008 and the buildings were demolished in the year ended June 30, 2020. There has been no write-down of the land associated with these sites at June 30, 2026.

École Westview Elementary School was closed on August 31, 2011. There has been no write-down or disposal of this land or building at June 30, 2026.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 10 WRITE-DOWN AND WRITE-OFF OF SITES AND BUILDINGS *(Continued)*

The net book value of the closed school sites at June 30, 2026 is as follows:

	Kanata Elementary School	Seal Cove Elementary School	Westview Elementary School
Land	\$ 258,741	\$ 98,053	\$ 96,364
Buildings			1,372,794
	258,741	98,053	1,469,158
Accumulated Amortization			(1,442,431)
Net Land and Buildings	258,741	98,053	26,727
Less			
Net Deferred Capital Revenue	-	-	26,727
Net Book Value	\$ 258,741	\$ 98,053	\$ -

NOTE 11 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2024, the Teachers' Pension Plan has about 51,000 active members and approximately 42,000 retired members. As of December 31, 2024, the Municipal Pension Plan has about 256,000 active members, including approximately 31,000 from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2023, indicated a \$4,572 million surplus for basic pension benefits on a going concern basis.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2024, indicated a \$2,675 million funding surplus for basic pension benefits on a going concern basis.

The School District paid \$2,579,085 for employer contributions to the plans for the year ended June 30, 2026 (2025: \$2,499,199).

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 11 EMPLOYEE PENSION PLANS *(Continued)*

The next valuation for the Teachers' Pension Plan will be as at December 31, 2026. The next valuation for the Municipal Pension Plan will be as at December 31, 2027.

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plans record accrued liabilities and accrued assets for each plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plans.

NOTE 12 INTERFUND TRANSFERS

For the year ended June 30, 2026, a total of \$268,624 was transferred from the special purpose funds to capital funds for capital purchases. There were no funds transferred from the operating fund to the capital fund for capital purchases.

For the year ended June 30, 2025, a total of \$168,059 was transferred from the operating fund to capital funds for the purchase of vehicles. There were no funds transferred from the special purpose funds to the capital fund for capital purchases.

NOTE 13 RELATED PARTY TRANSACTIONS

The School District is related through common ownership to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Transactions with these entities, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

NOTE 14 CONTRACTUAL OBLIGATIONS

The School District has entered into two contracts for the lease of educational space. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

One building lease has a term that expires on August 31, 2032. Rates are renewed in five year intervals, with the next rate renewal effective September 1, 2027. The amount of lease payments from September 1, 2027 to August 31, 2032 is assumed to be equal to the current lease rate.

The other building lease has a term that expires on July 14, 2027.

Contractual Obligations	2026-27	2027-28	2028-29	2029-30	2030-31	Thereafter
Building Leases	\$ 123,024	\$ 38,313	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 15 CONTINGENT LIABILITIES

Management is of the opinion that the School District has valid defenses and appropriate insurance coverage in place for claims at June 30, 2026 or, if there is unfunded risk, such claims are not expected to have a material effect on the School District's financial position. Outstanding contingencies are reviewed on an ongoing basis and are provided for based on management's best estimate of the ultimate settlement.

NOTE 16 BUDGET FIGURES

The annual budget for the School District for the year ended June 30, 2026 was approved by the Board on June 17, 2025. In accordance with Ministry policy, an amended annual budget for the School District was approved by the Board on February 17, 2026. The amended annual budget reflects funding based on actual enrolment on September 30, 2025 and is considered by the Board to more accurately reflect the expected results for the year. These financial statements show the amended annual budget.

The annual budget and the amended annual budget are compared below:

	2025-26 Amended	2025-26 Preliminary	Change
Revenues			
Provincial Grants			
Ministry of Education	\$ 33,050,951	\$ 32,366,304	\$ 684,647
Other	154,994	147,410	7,584
Federal Grants	-	-	-
Tuition	47,700	36,000	11,700
Other Revenue	2,891,806	3,115,961	(224,155)
Rentals and Leases	122,890	98,640	24,250
Investment Income	159,583	140,576	19,007
Amortization of Deferred Capital Revenue	1,368,671	1,368,671	-
Total Revenue	37,796,595	37,273,562	523,033
Expenses			
Instruction	29,700,229	29,338,832	361,397
District Administration	2,345,191	2,366,402	(21,211)
Operations and Maintenance	5,766,841	5,801,383	(34,542)
Transportation and Housing	641,397	691,999	(50,602)
Total Expenses	38,453,658	38,198,616	255,042
Surplus (Deficit) for the year	(657,063)	(925,054)	267,991
Budgeted Allocation of Surplus	744,961	757,952	(12,991)
Surplus (Deficit) for the Year	\$ 87,898	\$ (167,102)	\$ 255,000

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 17 EXPENSE BY OBJECT

	<u>June 30, 2026</u>	<u>June 30, 2025</u>
Salaries and benefits	\$ 31,363,771	\$ 31,086,069
Services and supplies	5,478,595	5,199,420
Amortization	<u>1,620,803</u>	<u>1,566,917</u>
	<u>\$ 38,463,169</u>	<u>\$ 37,852,406</u>

NOTE 18 ACCUMULATED SURPLUS

	<u>June 30, 2026</u>	<u>June 30, 2025</u>
Operating Fund Accumulated Surplus		
Internally Restricted (appropriated) by Board for:		
School Supplies - School Generated Funds	-	201,941
Indigenous Education - Language Authority Funds	<u>-</u>	<u>100,403</u>
Total Internally Restricted Operating Surplus	-	302,344
 Unrestricted Operating Surplus (Contingency)	 1,630,566	 1,900,202
 Total Operating Fund Accumulated Surplus	 <u>\$ 1,630,566</u>	 <u>\$ 2,202,546</u>
 Special Purpose Funds Surplus	 <u>\$ -</u>	 <u>\$ -</u>
 Capital Fund Accumulated Surplus		
Invested in Capital Assets	<u>6,076,712</u>	<u>5,698,150</u>
Total Capital Fund Accumulated Surplus	<u>\$ 6,076,712</u>	<u>\$ 5,698,150</u>
 Total Accumulated Surplus	 <u><u>\$ 7,707,278</u></u>	 <u><u>\$ 7,900,696</u></u>

NOTE 19 ECONOMIC DEPENDENCE

The operations of the School District are dependent on continued funding from the Ministry of Education and Child Care and various governmental agencies to carry out its programs. These financial statements have been prepared on a going concern basis.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 20 RISK MANAGEMENT

The School District has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk. The Board ensures that the School District has identified its risks and ensures that management monitors and controls or mitigates them.

a) Credit risk:

Credit risk is the risk of financial loss to an institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held consisting of cash, amounts receivable and investments.

The School District is exposed to credit risk in the event of non-performance by a debtor. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized British Columbia institutions or held by the Ministry of Finance.

b) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

- Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. It is management's opinion that the School District is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.
- Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is not exposed to significant interest rate risk as it does not hold portfolio investments.

c) Liquidity risk:

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due.

The School District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

Risk management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposure from 2025 related to credit, market or liquidity risks.

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2026

NOTE 21 ASSET RETIREMENT OBLIGATION

Legal liabilities exist for the removal and disposal of asbestos and other environmentally hazardous materials within some district owned buildings that will undergo major renovations or demolition in the future. A reasonable estimate of the fair value of the obligation was recognized using the modified retroactive approach as at July 1, 2022. The obligation was measured at current cost as the timing of future cash flows cannot be reasonably determined. These costs have been capitalized as part of the assets' carrying value and are amortized over the assets' estimated useful lives.

Asset Retirement Obligation, July 1, 2025	\$ 5,025,000
Settlements during the year	<u> -</u>
Asset Retirement Obligation, closing balance	<u><u>\$ 5,025,000</u></u>

School District No. 52 (Prince Rupert)
Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2026

Schedule 1 (Unaudited)

	Operating Fund	Special Purpose Fund	Capital Fund	2026 Actual	2025 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	2,202,546		5,698,150	7,900,696	7,389,342
Changes for the year					
Surplus (Deficit) for the year	(571,980)	268,624	109,938	(193,418)	511,354
Interfund Transfers					
Tangible Capital Assets Purchased		(268,624)	268,624	-	
Net Changes for the year	(571,980)	-	378,562	(193,418)	511,354
Accumulated Surplus (Deficit), end of year - Statement 2	1,630,566	-	6,076,712	7,707,278	7,900,696

School District No. 52 (Prince Rupert)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2026

	2026 Budget (Note 16)	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	27,128,264	27,362,307	27,188,861
Other	32,483	32,483	32,483
Tuition	47,700	43,020	71,950
Other Revenue	1,682,982	1,278,392	2,553,029
Rentals and Leases	122,890	121,990	133,391
Investment Income	159,000	205,680	271,615
Total Revenue	29,173,319	29,043,872	30,251,329
Expenses			
Instruction	23,073,861	23,046,255	23,654,279
District Administration	2,202,536	2,188,781	1,998,879
Operations and Maintenance	3,989,468	4,102,514	3,781,411
Transportation and Housing	302,415	278,302	282,911
Total Expense	29,568,280	29,615,852	29,717,480
Operating Surplus (Deficit) for the year	(394,961)	(571,980)	533,849
Budgeted Appropriation (Retirement) of Surplus (Deficit)	744,961		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased			(168,059)
Local Capital	(350,000)		
Total Net Transfers	(350,000)	-	(168,059)
Total Operating Surplus (Deficit), for the year	-	(571,980)	365,790
Operating Surplus (Deficit), beginning of year		2,202,546	1,836,756
Operating Surplus (Deficit), end of year		1,630,566	2,202,546
Operating Surplus (Deficit), end of year			
Internally Restricted			302,344
Unrestricted		1,630,566	1,900,202
Total Operating Surplus (Deficit), end of year		1,630,566	2,202,546

School District No. 52 (Prince Rupert)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source
Year Ended June 30, 2026

	2026 Budget (Note 16)	2026 Actual	2025 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	27,269,507	27,249,733	26,975,245
ISC/LEA Recovery	(1,097,373)	(1,097,373)	(1,057,104)
Other Ministry of Education and Child Care Grants			
Pay Equity	706,027	706,027	706,027
Funding for Graduated Adults			711
Student Transportation Fund	117,597	117,597	117,597
Support Staff Benefits Grant			14,719
Foundation Skills Assessment (FSA) Scorer Grant	7,506	7,506	7,506
Child Care Funding	125,000	149,557	108,268
Labour Settlement Funding		439,382	243,813
Other		92,222	72,079
Reallocation to Special Purpose Funds		(302,344)	
Total Provincial Grants - Ministry of Education and Child Care	27,128,264	27,362,307	27,188,861
Provincial Grants - Other	32,483	32,483	32,483
Tuition			
International and Out of Province Students	47,700	43,020	71,950
Total Tuition	47,700	43,020	71,950
Other Revenues			
Funding from First Nations	1,386,131	1,225,972	1,259,580
Miscellaneous			
Jordan's Principle		-	360,829
Sundry Other Revenue	296,851	52,420	932,620
Total Other Revenue	1,682,982	1,278,392	2,553,029
Rentals and Leases	122,890	121,990	133,391
Investment Income	159,000	205,680	271,615
Total Operating Revenue	29,173,319	29,043,872	30,251,329

School District No. 52 (Prince Rupert)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2026

	2026 Budget (Note 16)	2026 Actual	2025 Actual
	\$	\$	\$
Salaries			
Teachers	11,147,728	11,045,249	11,087,099
Principals and Vice Principals	1,942,233	1,981,330	2,209,162
Educational Assistants	2,453,543	2,513,546	2,614,656
Support Staff	2,335,537	2,232,874	2,361,092
Other Professionals	2,005,182	2,096,585	1,790,591
Substitutes	1,139,210	1,088,230	1,125,083
Total Salaries	21,023,433	20,957,814	21,187,683
Employee Benefits	5,035,112	5,107,288	5,180,559
Total Salaries and Benefits	26,058,545	26,065,102	26,368,242
Services and Supplies			
Services	1,075,920	1,310,444	875,204
Student Transportation	36,704	41,219	13,438
Professional Development and Travel	496,937	387,242	453,952
Rentals and Leases	199,629	177,455	191,386
Dues and Fees	58,321	76,890	52,168
Insurance	115,877	88,157	98,038
Supplies	884,677	848,908	1,044,055
Utilities	641,670	620,435	620,997
Total Services and Supplies	3,509,735	3,550,750	3,349,238
Total Operating Expense	29,568,280	29,615,852	29,717,480

School District No. 52 (Prince Rupert)

Operating Expense by Function, Program and Object

Year Ended June 30, 2026

Schedule 2C (Unaudited)

	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	7,988,045	108,740	141,781	370,018	127,444	527,937	9,263,965
1.03 Career Programs							-
1.07 Library Services	414,111			191,079		11,995	617,185
1.08 Counselling	212,456	72,072		45,307		1,978	331,813
1.10 Inclusive Education	1,604,347	37,877	2,024,528	45,913	221,921	219,335	4,153,921
1.30 English Language Learning							-
1.31 Indigenous Education	826,290	101,913	347,237		212,865	40,475	1,528,780
1.41 School Administration		1,660,728		245,846		9,752	1,916,326
Total Function 1	11,045,249	1,981,330	2,513,546	898,163	562,230	811,472	17,811,990
4 District Administration							
4.11 Educational Administration					578,749		578,749
4.40 School District Governance					169,648		169,648
4.41 Business Administration				35,798	622,102	333	658,233
Total Function 4	-	-	-	35,798	1,370,499	333	1,406,630
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration					159,675		159,675
5.50 Maintenance Operations				1,129,294		241,528	1,370,822
5.52 Maintenance of Grounds				66,388			66,388
5.56 Utilities							-
Total Function 5	-	-	-	1,195,682	159,675	241,528	1,596,885
7 Transportation and Housing							
7.41 Transportation and Housing Administration					4,181		4,181
7.70 Student Transportation				103,231		34,897	138,128
Total Function 7	-	-	-	103,231	4,181	34,897	142,309
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	11,045,249	1,981,330	2,513,546	2,232,874	2,096,585	1,088,230	20,957,814

School District No. 52 (Prince Rupert)

Operating Expense by Function, Program and Object

Year Ended June 30, 2026

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2026 Actual	2026 Budget (Note 16)	2025 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	9,263,965	2,367,605	11,631,570	506,963	12,138,533	12,495,590	12,948,256
1.03 Career Programs	-	-	-	2,888	2,888	6,275	4,980
1.07 Library Services	617,185	153,400	770,585	6,195	776,780	634,930	624,442
1.08 Counselling	331,813	82,704	414,517	1,547	416,064	297,184	244,166
1.10 Inclusive Education	4,153,921	1,041,323	5,195,244	65,449	5,260,693	5,091,962	5,239,040
1.30 English Language Learning	-	-	-	366	366	-	227
1.31 Indigenous Education	1,528,780	374,845	1,903,625	83,956	1,987,581	1,969,000	2,199,768
1.41 School Administration	1,916,326	446,911	2,363,237	100,113	2,463,350	2,578,920	2,393,400
Total Function 1	17,811,990	4,466,788	22,278,778	767,477	23,046,255	23,073,861	23,654,279
4 District Administration							
4.11 Educational Administration	578,749	91,536	670,285	81,428	751,713	582,936	487,928
4.40 School District Governance	169,648	25,639	195,287	99,266	294,553	338,549	227,433
4.41 Business Administration	658,233	154,026	812,259	330,256	1,142,515	1,281,051	1,283,518
Total Function 4	1,406,630	271,201	1,677,831	510,950	2,188,781	2,202,536	1,998,879
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	159,675	41,126	200,801	130,228	331,029	327,723	313,581
5.50 Maintenance Operations	1,370,822	280,327	1,651,149	1,319,774	2,970,923	2,880,552	2,730,921
5.52 Maintenance of Grounds	66,388	15,424	81,812	98,315	180,127	139,523	115,912
5.56 Utilities	-	-	-	620,435	620,435	641,670	620,997
Total Function 5	1,596,885	336,877	1,933,762	2,168,752	4,102,514	3,989,468	3,781,411
7 Transportation and Housing							
7.41 Transportation and Housing Administration	4,181	930	5,111	-	5,111	5,791	4,485
7.70 Student Transportation	138,128	31,492	169,620	103,571	273,191	296,624	278,426
Total Function 7	142,309	32,422	174,731	103,571	278,302	302,415	282,911
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	20,957,814	5,107,288	26,065,102	3,550,750	29,615,852	29,568,280	29,717,480

School District No. 52 (Prince Rupert)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2026

	2026 Budget (Note 16)	2026 Actual	2025 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	5,922,687	5,656,139	5,207,932
Other	122,511	149,020	149,471
Other Revenue	1,208,824	1,687,756	1,210,023
Investment Income	583	2,223	583
Total Revenue	<u>7,254,605</u>	<u>7,495,138</u>	<u>6,568,009</u>
Expenses			
Instruction	6,626,368	6,511,619	5,729,242
District Administration	142,655	371,389	441,124
Operations and Maintenance	213,566	78,967	135,658
Transportation and Housing	272,016	264,539	261,985
Total Expense	<u>7,254,605</u>	<u>7,226,514</u>	<u>6,568,009</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>268,624</u>	<u>-</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(268,624)	
Total Net Transfers	<u>-</u>	<u>(268,624)</u>	<u>-</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 52 (Prince Rupert)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2026

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Special Education Technology	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	5,378	179,262	9,361	570,244	-	13,138	-	226,036
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	135,659	96,282				136,000	14,700	90,561	595,793
Provincial Grants - Other			12,132		1,014,413				35,810
Other			3,373						5,000
Investment Income					201,941				
Reallocation from Operating Funds									
	135,659	96,282	15,505	-	1,216,354	136,000	14,700	90,561	636,603
	135,659	88,422	26,551	161	737,077	136,000	5,828	90,561	719,650
Less: Allocated to Revenue	-	13,238	168,216	9,200	1,049,521	-	22,010	-	147,989
Deferred Revenue, end of year									
Revenues									
Provincial Grants - Ministry of Education and Child Care	135,659	88,422				136,000	5,828	90,561	483,466
Provincial Grants - Other			26,091	161	737,077				53,809
Other Revenue			460						182,375
Investment Income									
	135,659	88,422	26,551	161	737,077	136,000	5,828	90,561	719,650
Expenses									
Salaries									
Teachers								23,393	
Principals and Vice Principals									
Educational Assistants		88,422				100,808			394,004
Support Staff									
Other Professionals									98,015
Substitutes							1,118		37,266
Employee Benefits		88,422	-	-	-	100,808	1,118	23,393	529,285
Services and Supplies	11,546		26,551	161	737,077	28,310	5,239		134,315
	11,546	88,422	26,551	161	737,077	6,882	4,710	61,929	56,050
						136,000	5,828	90,561	719,650
Net Revenue (Expense) before Interfund Transfers	124,113	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(124,113)								
	(124,113)	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund						45,070			

School District No. 52 (Prince Rupert)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2026

Schedule 3A (Unaudited)

	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children (CR4YC)	Seamless Day Kindergarten	Early Childhood Education (ECE) Dual Credit Program	Strengthening Early Years to Kindergarten (SEY2KT)
Deferred Revenue, beginning of year	\$ -	\$ 105,697	\$ 56,520	\$ 7,427	\$ 17,287	\$ 30,575	\$ -	\$ 48,121	\$ 21,837
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	227,179	2,785,389	356,996	179,023	57,000	-	55,400	-	-
Provincial Grants - Other							3,024		
Other				85,566			43,142		
Investment Income									
Reallocation from Operating Funds									
Less: Allocated to Revenue	227,179	2,785,389	356,996	264,589	57,000	-	101,566	-	-
Deferred Revenue, end of year	227,179	2,891,086	363,855	264,539	56,731	22	101,566	48,121	10,519
Revenues	-	-	49,661	7,477	17,556	30,553	-	-	11,318
Revenues	227,179	2,891,086	363,855	181,325	56,731	22	55,400	48,121	10,519
Provincial Grants - Ministry of Education and Child Care							3,024		
Provincial Grants - Other				83,214			43,142		
Other Revenue									
Investment Income									
Expenses	227,179	2,891,086	363,855	264,539	56,731	22	101,566	48,121	10,519
Salaries									
Teachers		2,309,323	330,842						
Principals and Vice Principals	42,447						76,145		
Educational Assistants									
Support Staff	55,930			47,589	33,646				
Other Professionals	83,085								
Substitutes							4,030		2,754
Employee Benefits	181,462	2,309,323	330,842	47,589	33,646	-	80,175	-	2,754
Services and Supplies	45,717	581,763	33,013	10,703	9,983	22	19,482	48,121	470
				206,247	13,102	22	1,909		7,295
	227,179	2,891,086	363,855	264,539	56,731	22	101,566	48,121	10,519
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund		29,024							26,634

School District No. 52 (Prince Rupert)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2026

Schedule 3A (Unaudited)

	Early Care & Learning (ECL)	Feeding Futures Fund	Health Career Grants	Professional Learning Grant	National School Food Program	Lillian Brown Trust	Network of Innovation and Inquiry	Anti-Racism Multicultural Grants	Coastal Pathways Partnership
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	43,428	72,715	22,081	247,162	50,771	53,293	8,162	18,649	86,039
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	525,000	350,000			93,740				
Provincial Grants - Other									
Other		27,525				1,047			
Investment Income									
Reallocation from Operating Funds									
	525,000	377,525	-	-	93,740	1,047	-	-	-
	189,063	430,554	22,081	122,077	144,511	-	257	14,869	17,849
	379,365	19,686	-	125,085	-	54,340	7,905	3,780	68,190
Less: Allocated to Revenue									
Deferred Revenue, end of year									
Revenues									
Provincial Grants - Ministry of Education and Child Care	189,063	404,233	22,081	122,077	144,511				
Provincial Grants - Other									
Other Revenue		26,321					257	14,869	17,849
Investment Income									
	189,063	430,554	22,081	122,077	144,511	-	257	14,869	17,849
Expenses									
Salaries									
Teachers				91,525					
Principals and Vice Principals									
Educational Assistants									
Support Staff									
Other Professionals		79,181							
Substitutes				3,652					
	150,320	79,181	-	95,177	-	-	-	-	-
Employee Benefits	32,183	23,044		22,558					
Services and Supplies	6,560	328,329	22,081	4,342			257	14,869	17,849
	189,063	430,554	22,081	122,077	-	-	257	14,869	17,849
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	144,511	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased					(144,511)				
	-	-	-	-	(144,511)	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund						5,675			

Schedule 3A (Unaudited)

Other Aboriginal Initiatives	ECE Pro-D Bursary	ERASE/PSSG	After School Sport & Art	Computational Thinking	Indigenous Language & Culture	Reaching Home	Before & After School Care	Food Program Grants
\$	\$	\$	\$	\$	\$	\$	\$	\$
16,983	1,423	28,677	-	5,056	10,464	162,569	-	91,585
		63,510	83,000			10,000	63,262	56,294
-	-	63,510	83,000	-	-	10,000	63,262	56,294
-	1,423	92,187	83,000	425	4,466	166,285	63,262	109,861
16,983	-	-	-	4,631	5,998	6,284	-	38,018

Less: Allocated to Revenue
Deferred Revenue, end of year

Expenses

Employee Benefits
Services and Supplies

Interfund Transfers

Net Revenue (Expense)

50.769

School District No. 52 (Prince Rupert)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2026

	Extra-Curricular Funds	Indigenous Language Authority	Other	TOTAL
	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	31,542	2,241,482
Add: Restricted Grants				
Provincial Grants - Ministry of Education and Child Care				5,698,722
Provincial Grants - Other				102,344
Other	83,048		101,251	1,584,633
Investment Income		1,763		6,183
Reallocation from Operating Funds		100,403		302,344
	83,048	102,166	101,251	7,694,226
	22,400	21,402	85,639	7,495,138
Less: Allocated to Revenue				
Deferred Revenue, end of year	60,648	80,764	47,154	2,440,570
Revenues				
Provincial Grants - Ministry of Education and Child Care				5,656,139
Provincial Grants - Other				149,020
Other Revenue	22,400	19,639	85,639	1,687,756
Investment Income		1,763		2,223
	22,400	21,402	85,639	7,495,138
Expenses				
Salaries				
Teachers				2,755,083
Principals and Vice Principals				42,447
Educational Assistants				691,928
Support Staff				229,480
Other Professionals				521,073
Substitutes				52,594
	-	-	-	4,292,605
Employee Benefits				1,006,064
Services and Supplies	22,400	21,402	85,639	1,927,845
	22,400	21,402	85,639	7,226,514
Net Revenue (Expense) before Interfund Transfers	-	-	-	268,624
Interfund Transfers				
Tangible Capital Assets Purchased				(268,624)
	-	-	-	(268,624)
Net Revenue (Expense)	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund				157,172

School District No. 52 (Prince Rupert)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2026

	2026 Budget (Note 16)	2026 Actual			2025 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care		306,636		306,636	196,052
Gain (Loss) on Disposal of Tangible Capital Assets		25,939		25,939	
Amortization of Deferred Capital Revenue	1,368,671	1,398,166		1,398,166	1,348,370
Total Revenue	<u>1,368,671</u>	<u>1,730,741</u>	<u>-</u>	<u>1,730,741</u>	<u>1,544,422</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,563,807	1,541,668		1,541,668	1,490,676
Transportation and Housing	66,966	79,135		79,135	76,241
Total Expense	<u>1,630,773</u>	<u>1,620,803</u>	<u>-</u>	<u>1,620,803</u>	<u>1,566,917</u>
Capital Surplus (Deficit) for the year	<u>(262,102)</u>	<u>109,938</u>	<u>-</u>	<u>109,938</u>	<u>(22,495)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		268,624		268,624	168,059
Local Capital	350,000			-	
Total Net Transfers	<u>350,000</u>	<u>268,624</u>	<u>-</u>	<u>268,624</u>	<u>168,059</u>
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(42,000)	42,000	-	
Total Other Adjustments to Fund Balances		<u>(42,000)</u>	<u>42,000</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>87,898</u>	<u>336,562</u>	<u>42,000</u>	<u>378,562</u>	<u>145,564</u>
Capital Surplus (Deficit), beginning of year		5,698,150		5,698,150	5,552,586
Capital Surplus (Deficit), end of year		<u>6,034,712</u>	<u>42,000</u>	<u>6,076,712</u>	<u>5,698,150</u>

School District No. 52 (Prince Rupert)

Tangible Capital Assets
Year Ended June 30, 2026

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	6,899,452	73,642,538	598,368	791,355	-	58,306	81,990,019
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	306,634	1,581,656					1,888,290
Deferred Capital Revenue - Other		110,692					110,692
Special Purpose Funds		268,624					268,624
Transferred from Work in Progress		331,058					331,058
	306,634	2,292,030	-	-	-	-	2,598,664
Decrease:							
Disposed of	16,061		49,209	13		11,938	16,061
Deemed Disposals		-	49,209	13	-	11,938	61,160
	16,061		49,209	13	-	11,938	77,221
Cost, end of year	7,190,025	75,934,568	549,159	791,342	-	46,368	84,511,462
Work in Progress, end of year		44,014,252					44,014,252
Cost and Work in Progress, end of year	7,190,025	119,948,820	549,159	791,342	-	46,368	128,525,714
Accumulated Amortization, beginning of year							
Changes for the Year							
Amortization for the Year		42,314,632	410,045	272,596		15,384	43,012,657
		1,473,825	57,376	79,135		10,467	1,620,803
		1,473,825	57,376	79,135	-	10,467	1,620,803
Deemed Disposals			49,209	13		11,938	61,160
Written-off During Year						-	-
District Entered						-	-
		-	49,209	13	-	11,938	61,160
		43,788,457	418,212	351,718	-	13,913	44,572,300
Accumulated Amortization, end of year							
Tangible Capital Assets - Net	7,190,025	76,160,363	130,947	439,624	-	32,455	83,953,414

School District No. 52 (Prince Rupert)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2026

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	10,625,334				10,625,334
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	33,213,553				33,213,553
Deferred Capital Revenue - Other	506,423				506,423
	33,719,976	-	-	-	33,719,976
Decrease:					
Transferred to Tangible Capital Assets	331,058				331,058
	331,058	-	-	-	331,058
Net Changes for the Year	33,388,918	-	-	-	33,388,918
Work in Progress, end of year	44,014,252	-	-	-	44,014,252

School District No. 52 (Prince Rupert)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2026

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	26,641,333	832,823	779,124	28,253,280
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,581,656		110,692	1,692,348
Transferred from Work in Progress			331,058	331,058
	1,581,656	-	441,750	2,023,406
Decrease:				
Amortization of Deferred Capital Revenue	1,322,076	30,351	45,739	1,398,166
	1,322,076	30,351	45,739	1,398,166
Net Changes for the Year	259,580	(30,351)	396,011	625,240
Deferred Capital Revenue, end of year	26,900,913	802,472	1,175,135	28,878,520
 Work in Progress, beginning of year	 10,233,996	 60,280	 331,058	 10,625,334
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	33,213,553	506,423		33,719,976
	33,213,553	506,423	-	33,719,976
Decrease				
Transferred to Deferred Capital Revenue			331,058	331,058
	-	-	331,058	331,058
Net Changes for the Year	33,213,553	506,423	(331,058)	33,388,918
Work in Progress, end of year	43,447,549	566,703	-	44,014,252
Total Deferred Capital Revenue, end of year	70,348,462	1,369,175	1,175,135	72,892,772

School District No. 52 (Prince Rupert)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2026

Schedule 4D (Unaudited)

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	53,566	28,863	5,436,340			5,518,769
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	35,523,203					35,523,203
Other		-	-	-	146,602	146,602
	35,523,203	-	-	-	146,602	35,669,805
Decrease:						
Transferred to DCR - Capital Additions	1,581,656				110,692	1,692,348
Transferred to DCR - Work in Progress	33,213,553		506,423			33,719,976
Transferred to Revenue - Site Purchases	306,634					306,634
	35,101,843	-	506,423	-	110,692	35,718,958
Net Changes for the Year	421,360	-	(506,423)	-	35,910	(49,153)
Balance, end of year	474,926	28,863	4,929,917	-	35,910	5,469,616



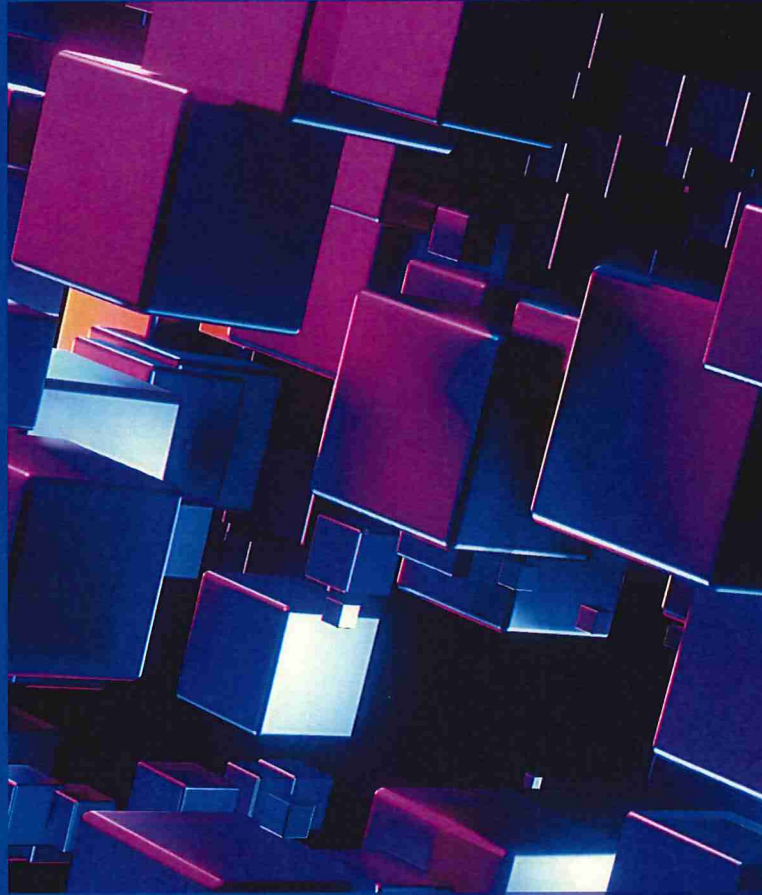
School District No. 52 (Prince Rupert)

Audit Findings Report
for the year ended June 30, 2026

KPMG LLP

Prepared for the meeting on September 29, 2026

kpmg.ca/audit



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8	Audit strategy	12	Risk assessment	13	Risks and results
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The purpose of this report is to assist you, as a member of the Board of Education, in your review of the results of our audit of the financial statements. This report is intended solely for the information and use of Management, Finance and Building Committee, and the Board of Education and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Digital use information

This Audit Findings Report is also available as a "hyper-linked" PDF document.

If you are reading in electronic form (e.g. In "Adobe Reader" or "Board Books"), clicking on the home symbol on the top right corner will bring you back to this slide.



Click on any item in the table of contents to navigate to that section.



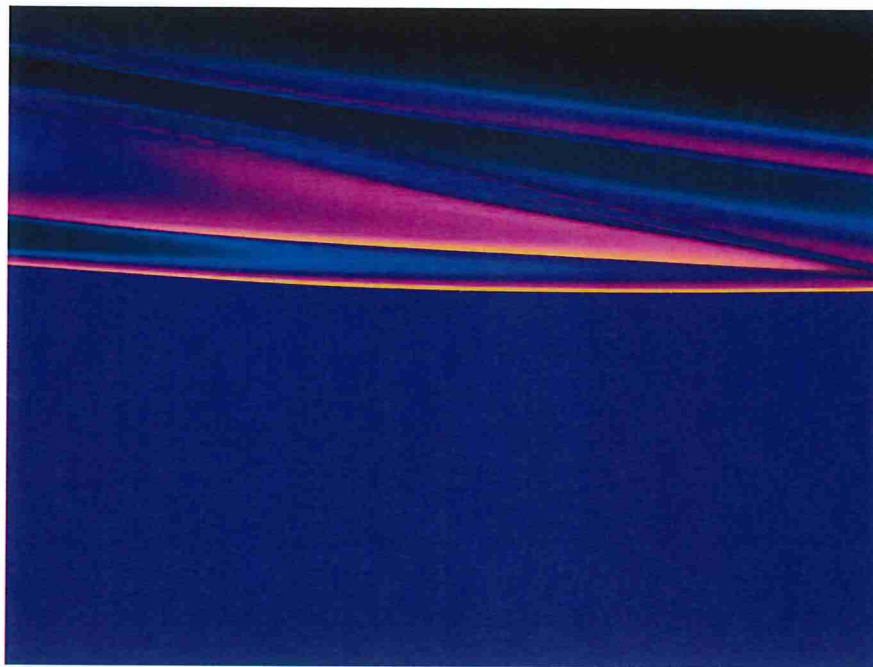
Status

As of the date of this report, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include amongst others:

- Completing our discussions with the Board
- Obtaining evidence of the Board's approval of the financial statements
- Obtaining a signed management representation letter
- Completing subsequent event review procedures up to the date of the Board's approval of the financial statements
- Reporting to the Office of the Auditor General for the purposes of reliance on our audit opinion in the audit of the summary financial statements of the Province

We will update the Board on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures. Our auditor's report will be dated upon the completion of any remaining procedures.

A draft of our auditor's report is enclosed with the draft financial statements.





Required inquiries of the Board



Inquiries regarding risk assessment, including fraud risks

- What are the Board's views about fraud risks, including management override of controls, in the District? And have you taken any actions to respond to any identified fraud risks?
- Is the Board aware of, or has the Board identified, any instances of actual, suspected, or alleged fraud, including misconduct or unethical behavior related to financial reporting or misappropriation of assets?
 - If so, have the instances been appropriately addressed and how have they been addressed?
- How does the Board exercise oversight over Management's assessment of fraud risk and the establishment of controls to address/mitigate fraud risks?
- Is the Board aware of any instances of actual or possible violations of laws and regulations, including illegal acts (irrespective of materiality threshold)?
- Is the Board aware of any correspondence with regulators or licensing authorities?
- Is the Board aware of any additional matters relevant to the audit?



Inquiries regarding District processes

- Is the Board aware of or have they received tips or complaints regarding the District's financial reporting (including those received through the Board's internal whistleblower program, if such programs exist)? If so, what was the Board's responses to such tips and complaints?
- Has the District complied with all covenants during the financial statement period and before the date of the auditor's report?
- Have there been any events of default during the financial statement period and before the dates of the auditor's report?



Inquiries regarding related parties and significant unusual transactions

- Is the Board aware of any instances where the District entered into any significant unusual transactions?
- What is the Board's understanding of the District's relationships and transactions with related parties that are significant to the District?
- Is the Board concerned regarding relationships or transactions with related parties? If so, what is the substance of those concerns?
- Declarations for related party transactions obtained by KPMG were signed through to March 31, 2026. Have there been any changes to related parties or related party transactions between April 1, 2026 and June 30, 2026 that we should be aware of?



Auditor's Report on Compliance Framework



Auditor's Report on Compliance Framework

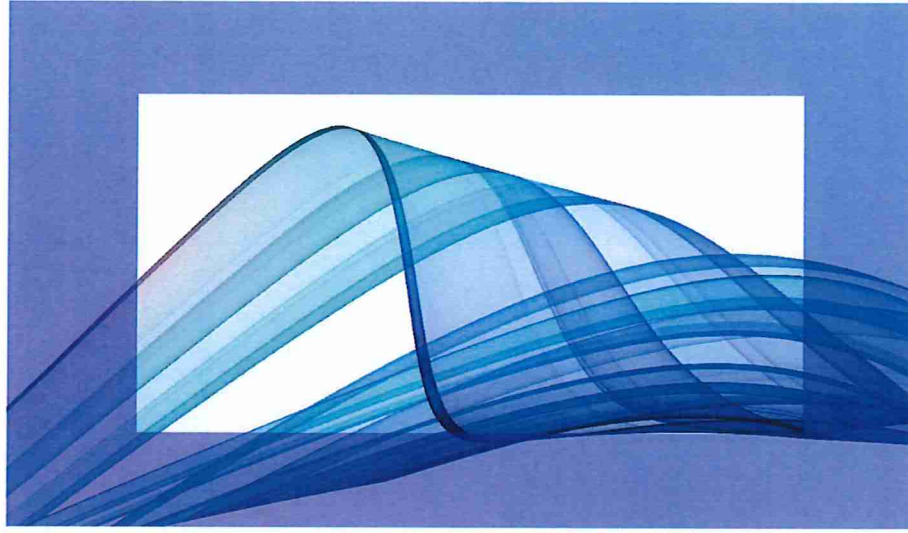
The financial statements are prepared under Canadian Public Sector Accounting standards ("PSAS"), supplemented by the requirements of Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board ("BTAA").

These regulations direct the School District to apply Public Sector Accounting Standards (PSAS), except in regard to accounting for restricted contributions. Under the regulations, capital contributions are deferred and amortized on the same basis as the amortization of the related tangible capital assets, not in accordance with the underlying stipulations on the funding, as required under PSAS.

As a result, the School District's revenue recognized in the statement of operations and certain related deferred capital revenue would have been recorded differently under Canadian Public Sector Accounting Standards.

Our procedures and results

- The notes to the financial statements appropriately describe the basis of accounting applied in the preparation of the financial statements as PSAS supplemented by the requirements of BTAA.
- The auditor's report includes an Emphasis of Matter section related to the Financial Reporting Framework. Specifically, that the financial statements are required to be prepared under Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia (the "Province").
- The Office of the Auditor General ("OAG") is the auditor of the Province of BC, in which the financial statements of the District are included. We are required to provide certain reporting to the OAG on completion of our audit, including confirmation of compliance with professional standards.





Materiality



We **initially determine materiality** at a level at which we consider that misstatements could reasonably be expected to influence the economic decisions of users. Determining materiality is a matter of **professional judgment**, considering both quantitative and qualitative factors, and is affected by our perception of the common financial information needs of users of the financial statements as a group. We do not consider the possible effect of misstatements on specific individual users, whose needs may vary widely.

We **reassess materiality** throughout the audit and revise materiality if we become aware of information that would have caused us to determine a different materiality level initially.

Plan and perform the audit

We **initially determine materiality** to provide a basis for:

- Determining the nature, timing and extent of risk assessment procedures;
- Identifying and assessing the risks of material misstatement; and
- Determining the nature, timing, and extent of further audit procedures.

We design our procedures to detect misstatements at a level less than materiality in individual accounts and disclosures, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

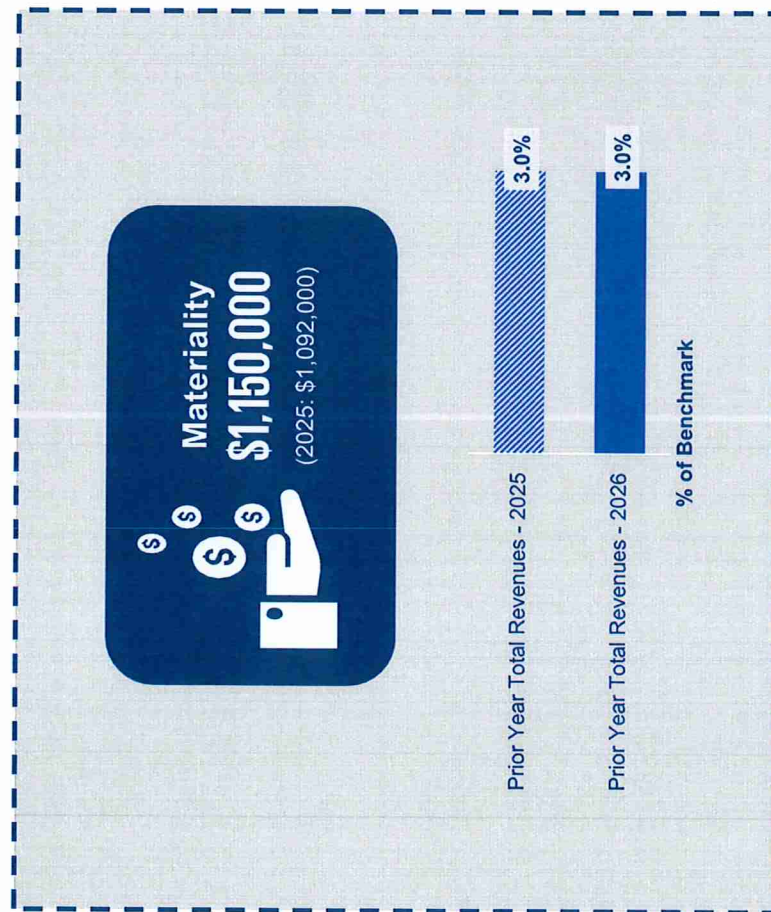
Evaluate the effect of misstatements

We also **use materiality** to evaluate the effect of:

- Identified misstatements on our audit; and
- Uncorrected misstatements, if any, on the financial statements and in forming our opinion.



Materiality (continued)



Prior Year Total Revenues

\$38.4 million

(2025 : \$36.4 million)

% of Benchmark

3.0%

(2025 : 3.0%)

Audit Misstatement Posting Threshold

\$57,500

(2025 : \$54,600)



Key milestones and deliverables

July 2026 – September 2026

Planning, Risk Assessment, and Fieldwork

- Kick-off with Management
- Obtain and update our understanding of the District and its environment
- Inquire of the Board and Management about risks of material misstatement
- Planning and initial risk assessment procedures, including:
 - Identification and assessment of risks of misstatements and planned audit response for certain processes
- Complete initial risk assessment and obtain an understanding of entity-level controls
- Identify IT applications and environments
- Perform process walkthroughs for business processes
- Complete year-end data extraction and processing activities
- Perform substantive audit procedures
- Review financial statement disclosures
- Evaluate results of audit procedures, including control deficiencies and audit misstatements identified

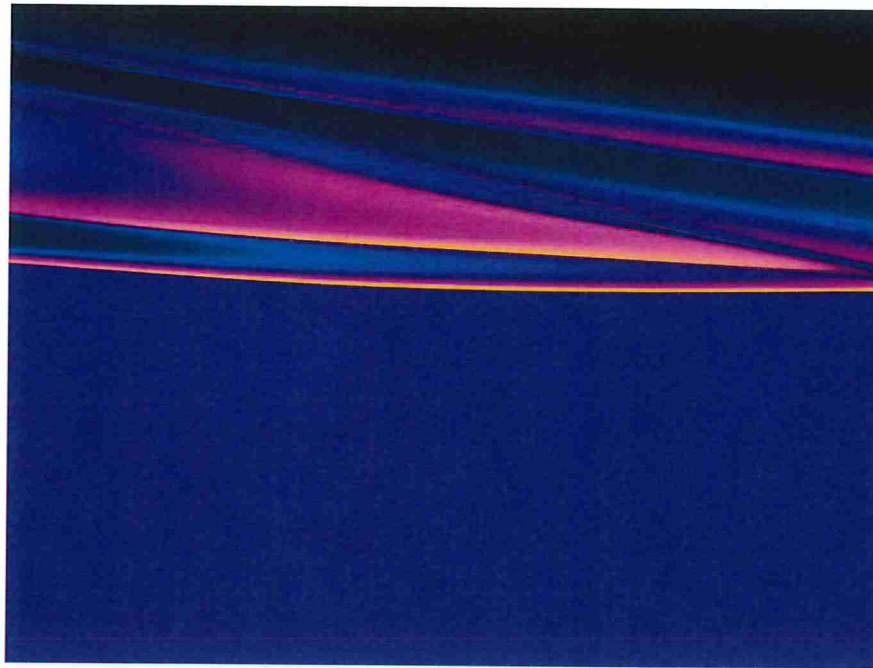
September 2026

Completion & Reporting

- Closing meeting with Management
- Present audit results to the Board and perform required communications
- Issue audit reports on financial statements



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Risk assessment summary

Our planning begins with an assessment of risks of material misstatement in your financial statements.

We draw upon our understanding of the District and its environment (e.g. the industry, the wider economic environment in which the entity operates, etc.), our understanding of the District's components of its system of internal control, including our business process understanding.

	Risk of fraud	Risk of error	Risk rating
● Management override of controls	✓		Significant
● Tangible capital assets and deferred capital revenue		✓	Base
● Revenue, accounts receivable, and deferred revenue		✓	Base
● Accounts payable, accrued liabilities, and expenses		✓	Base
● Salaries & benefits and employee future benefits obligations		✓	Base
● Cash, cash equivalents, and school generated funds		✓	Base

● SIGNIFICANT RISK ● PRESUMED RISK OF MATERIAL MISSTATEMENT ● OTHER RISK OF MATERIAL MISSTATEMENT



Significant risks



Management Override of Controls (non-rebuttable significant risk of material misstatement)

RISK OF



FRAUD

**Presumption
of the risk of fraud
resulting from
management
override of
controls**

Why is it significant?

Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nevertheless is present in all entities.

Our planned response

As this presumed risk of material misstatement due to fraud is not rebuttable, our audit methodology incorporates the required procedures in professional standards to address this risk. These procedures include:

- testing of journal entries and other adjustments,
- performing a retrospective review of estimates
- evaluating the business rationale of significant unusual transactions.

Significant findings

No matters to report.



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Other risks of material misstatement and results



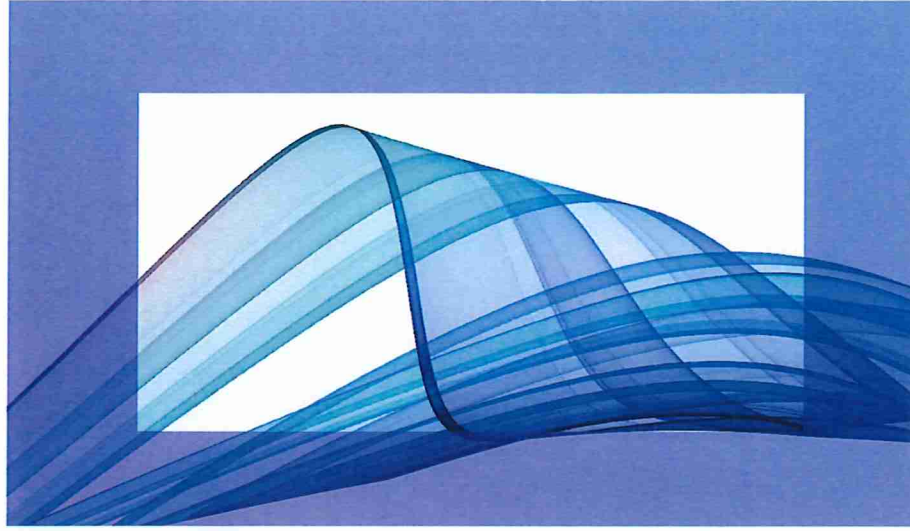
Tangible capital assets and deferred capital revenue

Our procedures and results

- We updated our understanding of the process activities over tangible capital assets and deferred capital revenue
- We selected a sample of tangible capital and work-in-progress additions in the period for testing and inspected supporting invoices to determine whether the amounts paid were capital in nature and eligible under the funding source.
- We performed a reasonability assessment of amortization expense based on estimated useful life of capital assets.
- We obtained Management's annual asset retirement obligation calculations and compared such to KPMG's expected obligation using Ministry proposed remediation rates adjusted for estimated future escalation costs to assess the reasonableness of the year-end asset retirement obligation balance.
- We obtained a confirmation from the Ministry of Infrastructure for capital funding provided in the 2026 fiscal year. We agreed capital funding received and deferred capital revenue recorded to assess the completeness and accuracy of deferred capital revenue balances.
- We performed a reasonability assessment of amortization of capital revenue based on the amortization of related tangible capital assets.

Corrected misstatement: Management expensed certain capital additions during the year which resulted to net understatement of \$142,705 in tangible capital assets and net overstatement of expenses for the same amount. Management has subsequently corrected this misstatement.

Uncorrected misstatement: KPMG identified that the asset retirement obligation (ARO) estimate was based on estimated costs at the time of adoption of the ARO standard in fiscal 2023 and had not been updated to reflect inflationary cost increases since. We recalculated the ARO obligation as at June 30, 2026 using available hazardous materials remediation quotation adjusted for inflation using the Consumer Price Index. Based on this recalculation, the ARO liability and the related ARO asset (tangible capital asset) would have increased by approximately \$119,015. Management believes the difference is not material to the users of the financial statements, and therefore this remains uncorrected.

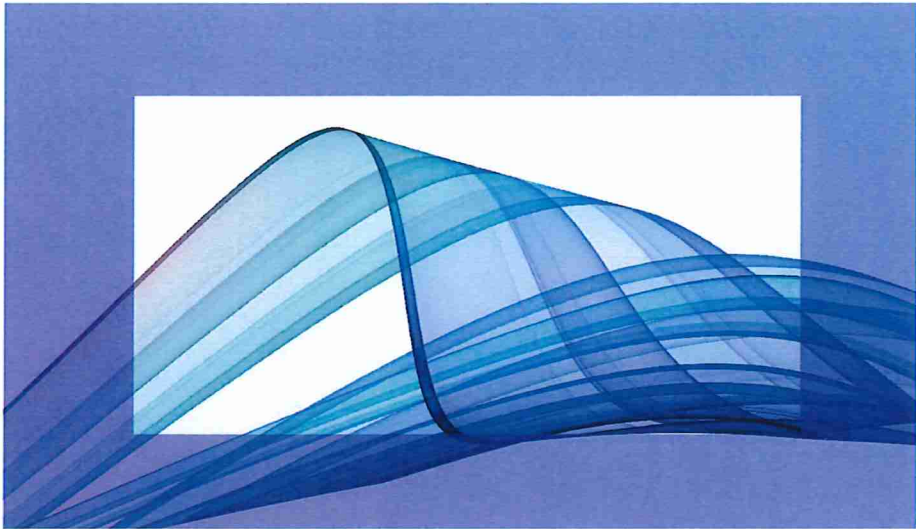


Other risks of material misstatement and results

Tangible capital assets and deferred capital revenue (continued)

Our procedures and results

Other: We noted, consistent with other BC School Districts, that the School District records an annual estimated deemed disposal of certain fully-amortized assets (furniture and equipment, vehicles, and computer hardware) after a prescribed period of time. While recording deemed disposals is a useful way of updating the School District's accounting records, the best tool available to School District is a detailed capital asset register, that lists date acquired, active use and scheduled replacement date. Using a detailed capital asset register, a School District can track and record disposals in the year they occur and can use this tool for future capital budgeting..





Other risks of material misstatement and results



Revenue, accounts receivable, and deferred revenue

Our procedures and results

- We updated our understanding of the process activities over revenue, accounts receivable, and deferred revenue.
- We obtained a confirmation from the Ministry of Education and Child Care (Ministry) for the funding provided in the 2026 fiscal year. We agreed the operating grants to the amount of revenue recognized and special purpose grants received / recorded in deferred revenue to the confirmation received from the Ministry.
- We performed a substantive analytical procedure to develop an expectation for Local Education Agreements based on full-time equivalent Indigenous students and First Nation student rates for the year as published by the Ministry. We compared our expectation to assess the reasonability of the actual revenues recorded.
- We agreed the special purpose funding received and recorded in deferred revenue to the confirmation received from the Ministry. We tested that the special purpose funding recognized as revenue was consistent with the expenses incurred and the purpose of the funding specified by the Ministry.

We noted no issues as a result of the procedures performed.

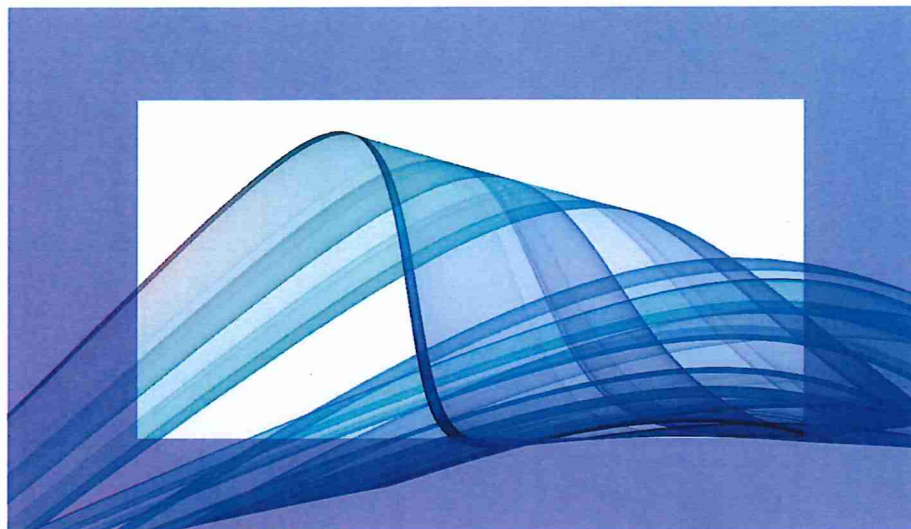


Accounts payable, accrued liabilities, and expenses

Our procedures and results

- We updated our understanding of the process activities over accounts payable, accrued liabilities, and expenses.
- We selected a sample of operating expenses to assess if they are accurate, properly classified and recorded in the appropriate fiscal year.
- We selected a sample of payments made, trade payables recorded, and invoices received subsequent to year-end to assess the completeness of accounts payable and accrued liabilities, and whether related expenses were recorded in the appropriate fiscal year.

We noted no issues as a result of the procedures performed.





Other risks of material misstatement and results

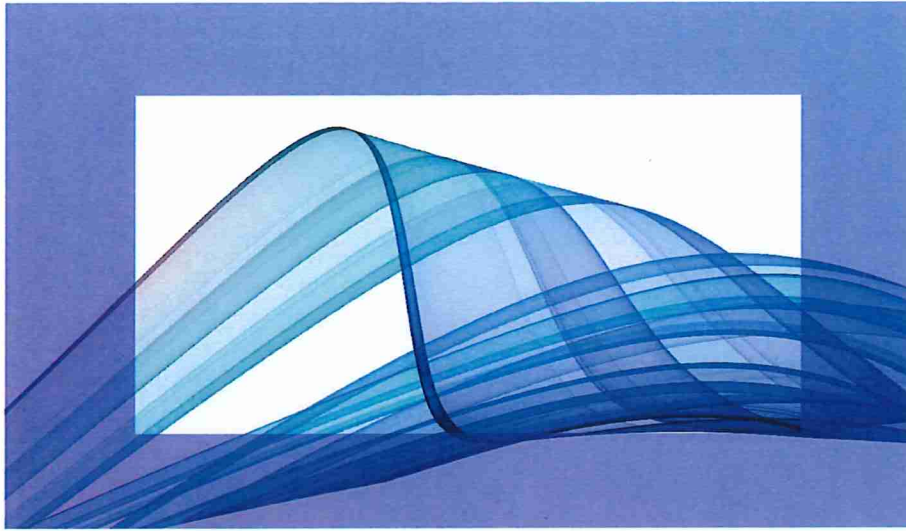


Salaries & benefits and employee future benefits obligations

Our procedures and results

- We updated our understanding of the process activities over salaries & benefits.
- We sampled payroll expenses throughout the year and independently recalculated employee compensation using employment agreements, salary grids, and payroll records to assess the accuracy and occurrence of payroll expenses.
- We developed an expectation for employee benefits expense based on historical benefits costs as a percentage of payroll expense and compared the expected amount to actual results to assess the reasonableness of employee benefits expense.
- We obtained the valuation report for employee future benefits from Mercer as at March 31, 2026 and Management's projection to June 30.
- We reviewed the assumptions used by management and agreed them to the Actuary's report.
- We reviewed financial statement presentation, including related note disclosure for compliance with requirements of accounting standards.

We identified an uncorrected misstatement on non-acrual of retroactive support staff & educational assistants' wage increases of \$210,843 in salaries and benefits, offset to other liabilities, with a corresponding \$158,132 receivable from the Ministry and \$158,132 in provincial grants revenue. Management did not record the adjustment as it was not considered material and expects to record it upon ratification of the collective agreement. No further issues were noted.





Other risks of material misstatement and results

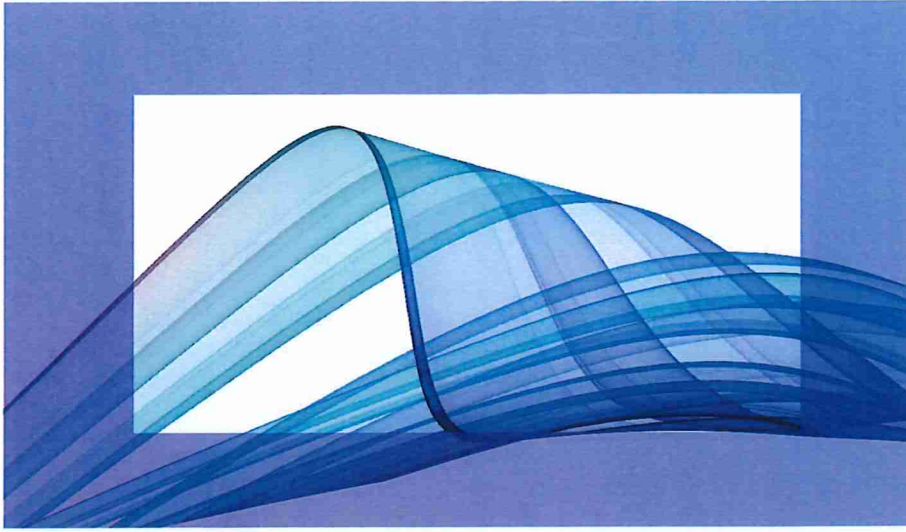


Cash, cash equivalents, and school generated funds

Our procedures and results

- We updated our understanding of the process activities cash, cash equivalents, and school generated funds.
- We obtained confirmations from the District's financial institutions for cash and cash equivalent balances as at June 30, 2026 and agreed the confirmed balances to the recorded amounts to assess the reasonableness and existence of cash / cash equivalents.
- We obtained Management's year-end bank reconciliation and assessed the validity of reconciling items, including whether they cleared subsequent to year-end, to assess the reasonableness and existence of adjusted cash balances.
- We obtained Management's school generated funds schedule and agreed the ending school generated fund balances to amounts recorded as deferred revenue. We obtained year-end bank statements to assess the reasonableness and existence of the related cash balances.
- We compared revenue recognized to expenses incurred as expenses are expected to be fully funded by restricted collections received for school generated funds.

We noted no issues as a result of the procedures performed.





Uncorrected misstatements

Uncorrected misstatements include financial presentation and disclosure omissions. As required by professional standards, we request these misstatements be corrected.

Impact of uncorrected misstatements – Not material to the financial statements

- The management representation letter includes the Summary of Uncorrected Misstatements, which discloses the impact of all uncorrected misstatements considered to be other than clearly trivial
- Based on both qualitative and quantitative considerations, Management has decided not to correct certain misstatements and represented to us that the misstatements—individually and in the aggregate—are, in their judgment, not material to the financial statements. This management representation is included in the management representation letter.
- We concur with Management's representation that the uncorrected misstatements are not material to the financial statements. Accordingly, the uncorrected misstatements have no effect on our auditor's report.
- Discussion about the uncorrected misstatements or matters underlying the uncorrected misstatements (e.g. control deficiencies) could potentially cause future-period financial statements to be materially misstated.





Uncorrected misstatement

Retro Pay Accrual

KPMG identified an uncorrected difference in the audit, relating to the lack of accrual for salaries and benefits of support staff's retroactive wage increase amounting to \$210,843 as well as the corresponding funding receivable and revenue from the Ministry in the amount of \$158,843.

The management representation letter includes the Summary of Uncorrected Audit Misstatements, which discloses the impact of all uncorrected differences considered to be other than clearly trivial, including the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole.

Based on both qualitative and quantitative considerations, management have decided not to correct the difference and represented to us that the difference is, in their judgment, not material to the financial statements. This management representation is included in the management representation letter.

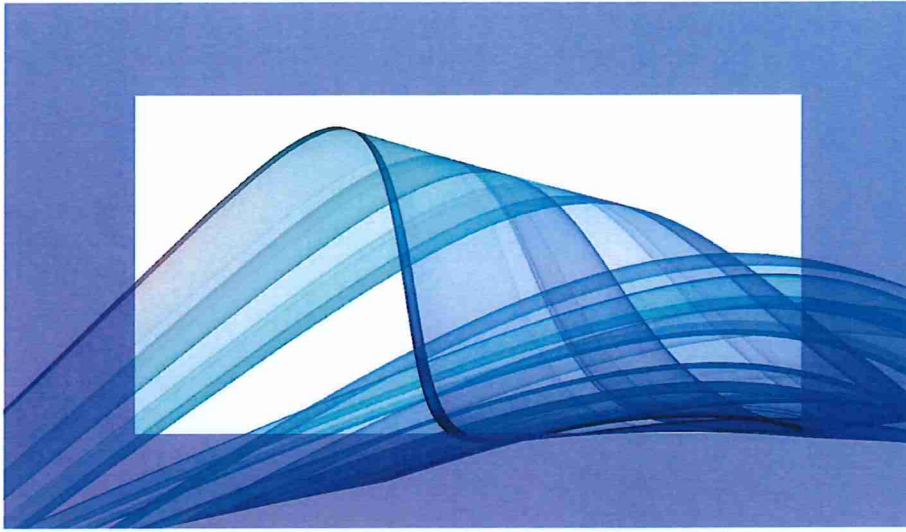
We concur with management's representation that the difference is not material to the financial statements. Accordingly, the difference has no effect on our auditor's report.

Adjustment entry

Presented	Description	Income effect (Decrease) Increase	Financial position		
			Assets (Decrease) Increase	Liabilities (Decrease) Increase	Equity (Decrease) Increase
	Salaries and benefits expense and related liability	(210,843)	-	210,843	(210,843)
	Provincial grants revenue and related accounts receivable	158,132	158,132	-	158,132
	Total	(52,711)	158,132	210,843	(52,711)



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Uncorrected misstatement

Asset Retirement Obligation

KPMG noted an uncorrected difference in the audit, relating to the asset retirement obligation estimate in the amount of \$192k as a result of future escalation of costs.

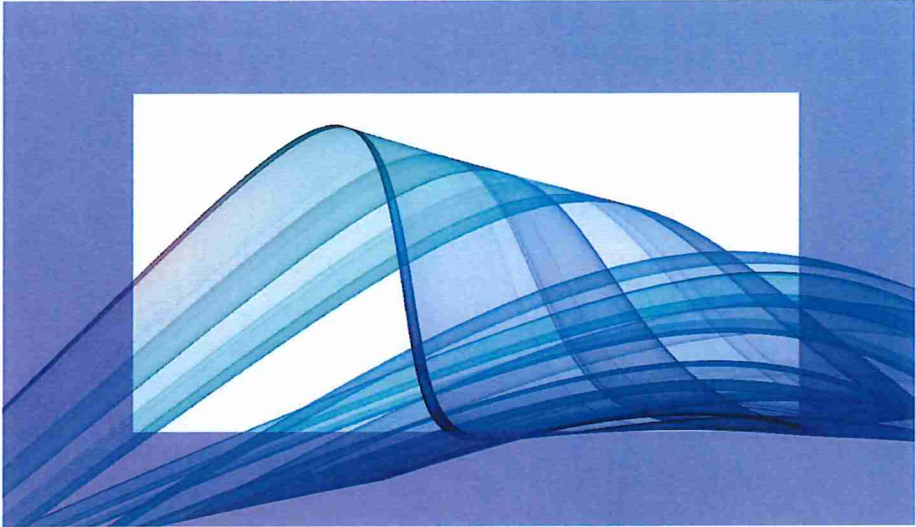
The management representation letter includes the Summary of Uncorrected Audit Misstatements, which discloses the impact of all uncorrected differences considered to be other than clearly trivial, including the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole.

Based on both qualitative and quantitative considerations, management have decided not to correct the difference and represented to us that the difference is, in their judgment, not material to the financial statements. This management representation is included in the management representation letter.

We concur with management's representation that the difference is not material to the financial statements. Accordingly, the difference has no effect on our auditor's report.

Adjustment entry

Presented	Income effect	Financial position		
Description of misstatements	(Decrease) Increase	Assets (Decrease) Increase	Liabilities (Decrease) Increase	Equity (Decrease) Increase
Asset retirement obligation	-	192,015	192,015	-
Total	-	192,015	192,015	-





Uncorrected misstatement

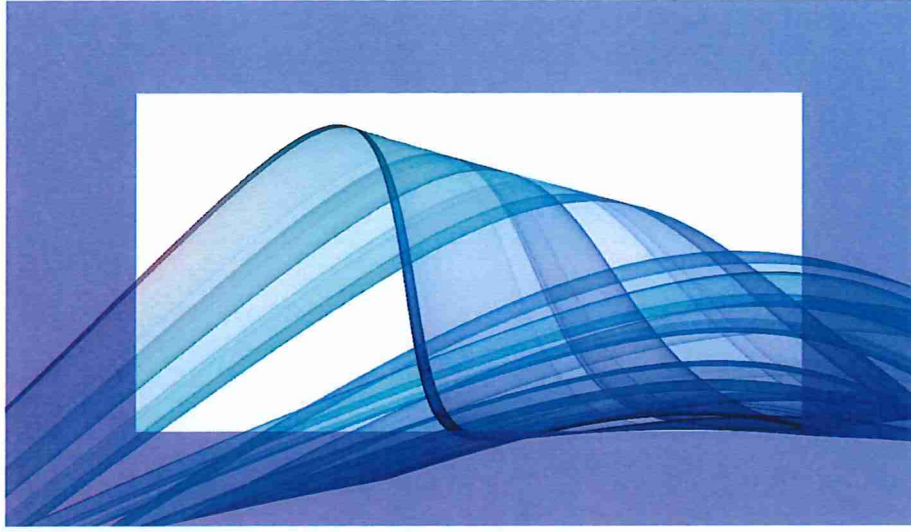
Budget

Similar to previous years, KPMG noted that the School District presents the amended budget on the financial statements rather than the original budget approved by the Board of Education as required by Canadian public sector accounting standards. The budget is reconciled in the notes to the financial statements presenting the original budget comparison for the users of the financial statements.

The management representation letter includes the Summary of Uncorrected Audit Misstatements, which discloses the impact of all uncorrected differences considered to be other than clearly trivial, including the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole.

Based on both qualitative and quantitative considerations, management have decided not to correct the difference and represented to us that the difference is, in their judgment, not material to the financial statements. This management representation is included in the management representation letter.

We concur with management's representation that the presentation of the amended budget rather than the original budget on the face of the financial statements is not material. Accordingly, the disclosure misstatement has no effect on our auditor's report.





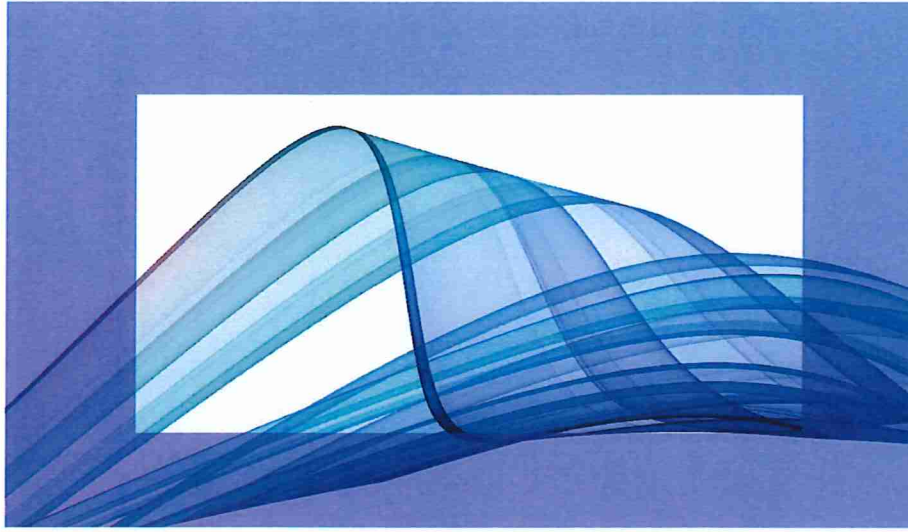
Corrected misstatement

Tangible Capital Assets and Services and Supplies Expense

KPMG noted that certain school kitchen upgrades were expensed rather than capitalized which resulted to understatement of tangible capital assets by \$142,705, understatement of amortization expense by \$1,806, and overstatement of services and supplies expense by \$144,511. These errors were subsequently corrected by management.

Adjustment entry

Presented	Income effect	Financial position		
		Assets (Decrease) Increase	Liabilities (Decrease) Increase	Equity (Decrease) Increase
Tangible capital assets	-	142,705	-	-
Amortization expense	(1,806)	-	-	(1,806)
Services and supplies expense	144,511	-	-	144,511
Total	142,705	142,705	-	142,705





Control observations



Consideration of internal control over financial reporting (ICFR)

In planning and performing our audit, we considered ICFR relevant to the District's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on ICFR.

Our understanding of internal control over financial reporting was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies. The matters being reported are limited to those deficiencies that we have identified during the audit that we have concluded are of sufficient importance to merit being reported to those charged with governance.

Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors. Had we performed more extensive procedures on internal control over financial reporting, we might have identified more significant deficiencies to be reported or concluded that some of the reported significant deficiencies need not, in fact, have been reported.

A deficiency in internal control over financial reporting



A deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed, or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

Significant deficiencies in internal control over financial reporting



A deficiency, or a combination of deficiencies, in internal control over financial reporting that, in our judgment, is important enough to merit the attention of those charged with governance.

We identified a significant deficiency related to the independent review of journal entries. Due to the size and nature of the organization, opportunities for independent review are limited, resulting in reliance on a small number of individuals within the journal entry process and reduced segregation of duties. This increases the risk that errors or inappropriate journal entries may not be identified in a timely manner.



Accounting policies and practices



Significant accounting policies

- There have been no initial selections of, or changes to, significant accounting policies and practices.
- There were no significant accounting policies in controversial or emerging areas.
- There were no issues noted with the timing of the District's transactions in relation to the period in which they were recorded
- There were no issues noted with the extent to which the financial statements are affected by a significant unusual transaction and extent of disclosure of such transactions.
- There were no issues noted with the extent to which the financial statements are affected by non-recurring amounts recognized during the period and extent of disclosure of such transactions.



Significant accounting estimates

- There were no issues noted with Management's identification of accounting estimates.
- There were no issues noted with Management's process for making accounting estimates.
- There were no indicators of possible management bias.
- There were no significant factors affecting the District's asset and liability carrying values.



Significant disclosures and financial statement presentation

- There were no issues noted with the judgments made, in formulating particularly sensitive financial statement disclosures.
- There were no issues noted with the overall neutrality, consistency, and clarity of the disclosures in the financial statements.
- There were no significant potential effects on the financial statements of significant risks, exposures, and uncertainties.

Appendices

1

Required
communications

2

Management
representation letter

3

Audit Quality

4

Independence

5

Current developments

6

Changes to auditing
standards

7

Thought leadership
and insights

Appendix 1: Required communications

	Auditor's report	Management representation letter
The conclusion of the audit is set out in the draft auditor's report attached to the draft financial statements.	A copy of the management representation letter is attached in Appendix 2.	
	Audit findings report	Engagement letter
The audit strategy, planned scope, as well as our significant findings and observations arising from our audit are summarized in this report.	The objectives and scope of the audit, together with ours and Management's responsibilities, are set out in the engagement letter.	
	Independence	
We are committed to being, and being seen to be, independent and remain in compliance with ethical requirements, refer to Appendix 4.		

Appendix 2: Management representation letter

Please see the following pages for a draft copy of the management representation letter

School District No. 52 (Prince Rupert)
634 6th Ave East
Prince Rupert, BC V8J 1X1

KPMG LLP
400 - 177 Victoria Street
Prince George, BC V2L 5R8
Canada

September 29, 2026

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the financial statements (hereinafter referred to as "financial statements") of School District No. 52 (Prince Rupert) ("the Entity") as at and for the period ended June 30, 2026.

General:

We confirm that the representations we make in this letter are in accordance with the definitions as set out in **Attachment I** to this letter.

We also confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Responsibilities:

- 1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated July 15, 2026, including for:
 - a) the preparation of the financial statements and believe that these financial statements have been prepared in accordance with the relevant financial reporting framework.
 - b) providing you with all information of which we are aware that is relevant to the preparation of the financial statements ("relevant information"), such as financial records, documentation and other matters, including:
 - the names of all related parties and information regarding all relationships and transactions with related parties;
 - the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors and committees of the board of directors that may affect the financial statements. All significant actions are included in such summaries.
 - c) providing you with unrestricted access to such relevant information.
 - d) providing you with complete responses to all enquiries made by you during the engagement.
 - e) providing you with additional information that you may request from us for the purpose of the engagement.
 - f) providing you with unrestricted access to persons within the Entity from whom you determined it necessary to obtain audit evidence.
 - g) such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We also acknowledge and understand that we are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.

- h) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.
- i) ensuring that internal auditors providing direct assistance to you, if any, were instructed to follow your instructions and that we, and others within the entity, did not intervene in the work the internal auditors performed for you.

Internal control over financial reporting:

- 2) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which we are aware.

Fraud & non-compliance with laws and regulations:

- 3) We have disclosed to you:
 - a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 - b) all information in relation to fraud or suspected fraud that we are aware of that involves:
 - management;
 - employees who have significant roles in internal control over financial reporting; or
 - otherswhere such fraud or suspected fraud could have a material effect on the financial statements.
 - c) all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements, communicated by employees, former employees, analysts, regulators, or others.
 - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements.
 - e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Subsequent events:

- 4) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment, or disclosure, in the financial statements have been adjusted or disclosed.

Related parties:

- 5) We have disclosed to you the identity of the Entity's related parties.
- 6) We have disclosed to you all the related party relationships and transactions/balances of which we are aware.
- 7) All related party relationships and transactions/balances have been appropriately accounted for, and disclosed, in accordance with the relevant financial reporting framework.

Employee future benefits:

- 8) The employee future benefits costs and obligations have been determined, accounted for and disclosed in accordance with the financial reporting framework.
- 9) All arrangements (contractual or otherwise) by which programs have been established to provide employee benefits have been disclosed to you and included in the determination of employee future benefits costs and obligations.

- 10) The assumptions included in the actuarial valuation are those that management instructed Mercer to use in computing amounts to be used by the Entity in determining non-pension post employment benefits costs and obligations and in making required disclosures in the above-named financial statements, in accordance with the relevant financial reporting framework.
- 11) The source data and plan provisions provided to the actuary for preparation of the actuarial valuation are accurate and complete.
- 12) The extrapolations are accurate and properly reflect the effects of changes and events that occurred subsequent to the most recent valuation and that had a material effect on the extrapolation.
- 13) All material events and changes to the plan subsequent to the most recent actuarial valuation have been properly reflected in the extrapolation.

Environmental matters:

- 14) The Entity has appropriately recognized, measured and disclosed liabilities for contaminated sites in the financial statements.

Estimates:

- 15) The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Going concern:

- 16) We have provided you with all information relevant to the use of the going concern assumption in the financial statements.
- 17) We confirm that we are not aware of material uncertainties related to events or conditions that may cast significant doubt upon the Entity's ability to continue as a going concern.

Non-SEC registrants or non-reporting issuers:

- 18) We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002).
- 19) We also confirm that the financial statements of the Entity will not be included in the group financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

Misstatements:

- 20) We approved the corrected misstatement identified by you during the audit described in **Attachment II**.
- 21) The effects of the uncorrected misstatement described in **Attachment II** are immaterial, both individually and in the aggregate, to the financial statements as a whole.

Other:

- 22) The amounts reported as differences between accounting for Non-Provincial restricted contributions in accordance with the Restricted Contributions Regulation as compared to Public Sector Accounting Standards for the purpose of reporting to the Office of the Auditor General are complete and accurate.
- 23) We confirm that we have provided to you all the information we are aware of regarding the impact of PS 3280 Asset Retirement Obligation and believe the disclosure in the financial statements is appropriate.

- 24) We confirm that the assumptions and data inputs used in the calculation of the asset retirement obligation are appropriate and reflect the geography that the Entity is located.
- 25) We confirm that we have provided you with a complete list of service organizations (SO) and sub-service organizations (SSO) and that the relevant complementary user entity controls (CUECs) related to each SO/SSO have been designed and implemented.
- 26) We confirm the Board of Trustees have approved the June 30, 2026 audited financial statements.

Yours very truly,

SCHOOL DISTRICT NO. 52 (PRINCE RUPERT)

By: Galina Mezibroski, Secretary-Treasurer

DRAFT

Attachment I – Definitions

Materiality

Certain representations in this letter are described as being limited to matters that are material.

Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in light of surrounding circumstances, and are affected by perception of the needs of, or the characteristics of, the users of the financial statements and, the size or nature of a misstatement, or a combination of both while also considering the entity's own circumstances.

Fraud & error

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

DRAFT

Attachment II – Summary of Audit Misstatements

Corrected misstatements in the year ending June 30, 2026

	Annual surplus effect	Financial position		
Description	(Decrease) Increase	Assets (Decrease) Increase	Liabilities (Decrease) Increase	Accumulated Surplus (Decrease) Increase
To capitalize certain kitchen upgrades made during the fiscal year.				
Tangible capital assets	-	142,705	-	-
Services and supplies expense	144,511	-	-	144,511
Amortization expense	(1,806)	-	-	(1,806)
TOTAL	142,705	142,705	-	142,705

Attachment II – Summary of Audit Misstatements

Uncorrected misstatements in the year ending June 30, 2026

Description	Annual surplus effect	Financial position		
	(Decrease) Increase	Assets (Decrease) Increase	Liabilities (Decrease) Increase	Accumulated Surplus (Decrease) Increase
<i>To record the retro pay accrual for support staff effective July 1, 2025 and accrue the related funding receivable from the Ministry.</i>				
Salaries and benefits expense	(210,843)	-	-	-
Accounts payable and accrued liabilities	-	-	210,843	-
Accounts receivable	-	158,132	-	-
Provincial Grants - Ministry	158,132	-	-	-
<i>To increase estimated liability as a result of future escalation costs from the year of adoption.</i>				
Tangible capital assets	-	192,015	-	-
Asset retirement obligation	-	-	192,015	-
TOTAL	(52,711)	350,147	402,858	(52,711)

Misstatements in presentation and disclosure

- The Public Sector framework requires the statement of operations and statement of changes in net debt present a comparison of the results for the accounting period with those originally planned. Management presented the Amended Annual Budget as the basis for this comparison. The original annual budget has been included in the notes to the financial statements, which provides information related to the differences between the original and amended budget. It is expected that the budget figures may change significantly between the original and amended budget as enrollment figures and Ministry funding is confirmed. The presentation difference is not considered material to the financial statements given that the original annual budget information is provided in the notes to the financial statements.



Appendix 3: Audit quality - Our commitment to delivering audit quality

We define 'audit quality' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a **strong system of quality management**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics and integrity**.

KPMG is committed to fulfilling our public interest role in providing robust assurance that can benefit investors and other stakeholders.

Businesses are integrating technology in ways once unimaginable. Geopolitical changes and inflationary pressures continue to drive uncertainty, and businesses need to take action to respond to societal threats like climate change.

The pace and scale of change only strengthens our resolve to ensure the quality, consistency and adaptability of our services are fit for this new future. Audit and assurance quality remains the highest priority at KPMG.

Through sustained innovation, we aim to consistently deliver superior audit quality. Across the global organization:

- KPMG firms have implemented a consistent risk-based approach to our system of quality management to drive audit and assurance quality, enabling us to meet the requirements of the International Standard on Quality Management 1 (ISQM 1).
- We are utilising powerful technologies on audit and assurance engagements, including artificial intelligence, and leveraging our alliances with technology leaders such as Microsoft to further enhance quality and provide even more value through deeper analysis of businesses, no matter their size.
- We believe the same level of rigour, quality, consistency and trust that is applied to financial statement information by companies should also apply to ESG reporting. Therefore, across the global organization we have deployed an assurance methodology, KPMG Clara workflow and learning tools to upskill and build teams to provide assurance on ESG reporting that helps our clients build a more sustainable future.

We encourage you to read our Transparency Report to learn more about our system of quality management and our firm's statement on the effectiveness of our SoQM:



[KPMG Canada Transparency Report](#)



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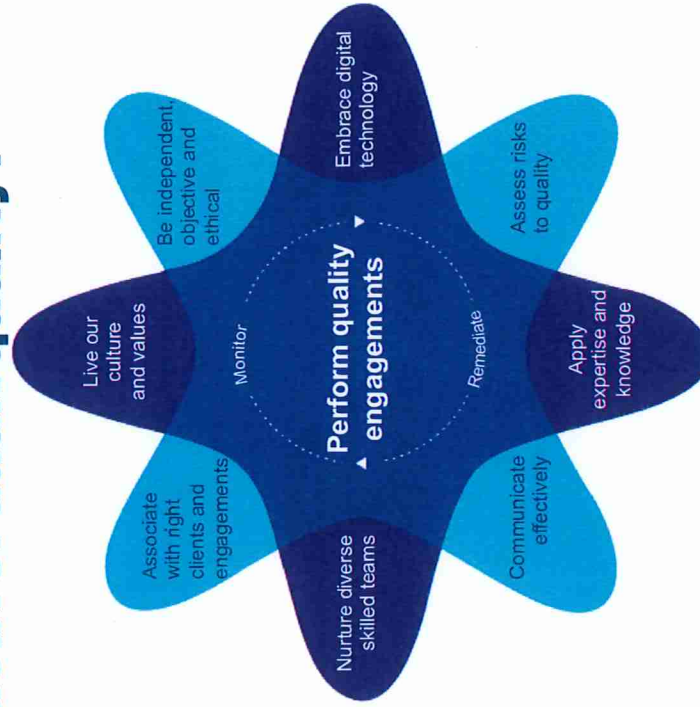
Appendix 3: Audit quality: How do we deliver audit quality?

Quality essentially means doing the right thing and remains our highest priority.

We have strengthened the consistency and robustness of our system of quality management to meet the requirements of ISQM 1 (CSQM 1), issued by the International Audit and Assurance Standards Board. Foundational for quality management, KPMG's globally consistent approach to ISQM 1 drives compliance with the standard and our efforts to strengthen trust and transparency with clients, the capital markets and the public we serve.

Aligned with ISQM 1 (CSQM 1), our SoQM meets the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting in Canada, which apply to professional services firms that perform audits of financial statements.

Our **Global Quality Framework** outlines how we deliver quality and how every KPMG professional contributes to its delivery.



Doing the right thing. Always.

✿ **'Perform quality engagements'** sits at the core, along with our commitment to continually monitor and remediate to fulfil our quality drivers.

✿ Our **quality value drivers** are the cornerstones to our approach underpinned by the **supporting drivers** and give clear direction to encourage the right behaviours in delivering audit quality.



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Appendix 3: Audit quality - The KPMG Audit

Globally consistent audit and assurance methodology and tools

As a scalable, intuitive cloud-based platform, KPMG Clara is driving globally consistent execution across all KPMG member firms. It enables delivery of KPMG audit and assurance methodologies through data-enabled workflows, which align with the applicable audit and assurance standards and provide an improved experience to audit and assurance professionals.



- Methodology aligned with professional standards, laws and regulations
- Standardised methodology and guidance
- Deep technical expertise and knowledge
- Quality and risk management policies

- Meeting the applicable standards, including International Standards on Auditing (ISA), standards issued by the Public Company Accounting Oversight Board (PCAOB) and the American Institute of CPAs (AICPA) – supplemented by KPMG firms to comply with additional local auditing standards and regulatory or statutory requirements.
- Identifying risks of material misstatements and the necessary audit response.

Statement of Compliance

We confirm that, as of the date of this communication, we are in compliance with relevant ethical requirements regarding independence in Canada.

- the rules of professional conduct / code of ethics applicable to the practice of public accounting issued by various professional accounting bodies in Canada ("CPA code") that are relevant to audits of financial statements of non-listed entities; and
- the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA independence rules") that are relevant to audits of financial statements of non-public interest entities.

The following processes and procedures have been established by the firm to ensure independence is maintained:

	Dedicated ethics & independence partners		Process for reporting breaches of professional standards and policy, and documented disciplinary policy
	Ethics, independence and integrity training for all staff		International proprietary system used to evaluate and document threats to independence and those arising from conflicts of interest
	Operating policies, procedures and guidance contained in our quality & risk management manual		Mandated procedures for evaluating independence of prospective audit clients
	Restricted investments and relationships		Annual ethics and independence confirmation for staff



Appendix 5: Current developments

Accounting standards

Conceptual Framework for Financial Reporting in the Public Sector

Effective for years commencing on or after April 1, 2026 with early adoption permitted.

- The framework provides the core concepts and objectives underlying Canadian public sector accounting standards.
- The ten chapter conceptual framework defines and elaborates on the characteristics of public sector entities and their financial reporting objectives. Additional information is provided about financial statement objectives, qualitative characteristics and elements. General recognition and measurement criteria, and presentation concepts are introduced.

Financial Statement Presentation

Effective for years commencing on or after April 1, 2026 with early adoption permitted.

- The proposed section PS 1202 *Financial statement presentation* will replace the current section PS 1201 *Financial statement presentation*. PS 1202 *Financial statement presentation*.
- The proposed section includes the following:
 - Relocation of the net debt indicator to its own statement called the statement of net financial assets/liabilities, with the calculation of net debt refined to ensure its original meaning is retained.
 - Separating liabilities into financial liabilities and non-financial liabilities.
 - Restructuring the statement of financial position to present total assets followed by total liabilities.
 - Changes to common terminology used in the financial statements, including re-naming accumulated surplus (deficit) to net assets (liabilities).
 - Removal of the statement of remeasurement gains (losses) with the information instead included on a new statement called the statement of changes in net assets (liabilities). This new statement would present the changes in each component of net assets (liabilities), including a new component called "accumulated other".
 - A new provision whereby an entity can use an amended budget in certain circumstances.
 - Inclusion of disclosures related to risks and uncertainties that could affect the entity's financial position.



Appendix 5: Current developments (continued)

Accounting standards (continued)

Employee Benefits

Effective for years commencing on or after April 1, 2029 with early adoption permitted.

- The Public Sector Accounting Board has issued a new standard PS 3251 *Employee benefits* which will replace the current sections PS 3250 *Retirement benefits* and PS 3255 *Post-employment benefits, compensated absences and termination benefits*.
- The standard uses principles from International Public Sector Accounting Standard 39 *Employee benefits* as a basis for the Canadian standard.
- The standard results in public sector entities recognizing the impact of revaluations of the net defined benefit liability (asset) immediately on the statement of financial position.
- The standard also requires that fully funded post-employment benefit plans use a discount rate based on the expected market-based return of plan assets and underfunded plans use a discount rate based on the market yield of government bonds, high-quality corporate bonds or another appropriate financial instrument. A simplified approach to determining a plan's funding status is provided.
- The standard also requires that:
 - Deferral provisions – Remeasurement gains and losses are presented as part of accumulated remeasurement gains and losses.
 - Valuation of plan assets – Upon adoption, public sector entities may continue to recognize non-transferable financial instruments balances that meet the definition of plan assets under existing PS 3250 guidance. This transitional provision does not permit the recognition of additional amount after adoption that do not meet the revised definition of plan assets.
 - Joint defined benefit plans – Defined benefit accounting is used for measurement of the proportionate share of the plan, instead of previously proposed multi-employer plan accounting which permitted accounting based on defined contribution concepts where insufficient information exists to use defined benefit accounting.
 - Disclosure of other long-term employee benefits and termination benefits – The standard does not include prescriptive disclosure requirements for other long-term employee benefits and termination benefits.
- The standard's guidance will be applied retroactively, with or without prior period restatement.



Appendix 5: Current developments (continued)

Accounting standards (continued)

Intangible Assets

Proposed to be effective for years commencing on or after April 1, 2030 with early adoption permitted.

- The Public Sector Accounting Standards Board has issued proposed new standard PS 3155 *Intangible Assets* which would replace Public Sector Guideline 8 *Purchased Intangibles*.
- The standard will include foundational guidance on acquired and internally generated intangibles. It excludes intangible assets addressed in other public sector accounting standards and other intangible items such as exploration and extraction costs for non-renewable resources or intangible assets related to insurance contracts.
- The definition of "intangible assets" requires an intangible resource to be separate and identifiable from goodwill. It also requires that the entity has control over the intangible resource, future economic benefits flow from the intangible resource, and the intangible resource is the result of a past transaction and/or other events.
- Internally generated goodwill is not permitted to be recognized as an asset.
- An intangible resource is recognized when it meets the definition of an intangible asset and the asset's cost can be measured in a faithfully representative way. The generation of the asset is classified into a research phase and a development phase. Expenditures from the research phase of an internally generated project are expensed. An intangible asset arising from the development phase can be recognized if it meets certain requirements.
- Intangible assets are initially measured at cost and subsequently carried at cost less accumulated amortization and accumulated impairment losses. Intangible assets acquired through a non-exchange transaction are measured at fair value as of the date it is acquired.

Cloud Computing Arrangements

- As part of its intangible assets project, the Public Sector Accounting Standards Board is also developing guidance on cloud computing arrangements. To ensure the development of this accounting guidance reflects current practices and needs, a survey was used to gather insights. The survey will inform the Public Sector Accounting Board about the types of cloud computing arrangements being encountered, magnitude of costs, key arrangement terms, current accounting policies and unique challenges in practice.



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Appendix 6: Newly effective and upcoming changes to auditing standards

For more information on newly effective and upcoming changes to auditing standards
- see Current Developments

Effective for periods beginning on or after December 15, 2024

ISA 260/CAS 260

.....
Communications
with those charged
with governance

Summary of Changes:

New requirements for the auditor to communicate:

- about the relevant ethical requirements, including those related to independence, that the auditor applied to the audit of the financial statements; and
- any enhanced independence requirement that the auditor applied specific to the audit of financial statements of certain entities.

ISA 700/CAS 700

.....
Forming an opinion
and reporting on
the financial
statements

Summary of Changes:

New requirements for the auditor to publicly disclose when the auditor applied independence requirements specific to audits of financial statements of certain entities WHEN the ethical requirements require public disclosure.



Appendix 7: Thought leadership and insights

Half of Public Servants Turn to AI Raising Risks

KPMG survey finds public sector unready for AI, low literacy, need for digital sovereignty.

While less than a quarter (22 per cent) of Canadian public sector organizations have adopted artificial intelligence (AI), half of the public servants who use AI in their jobs rely on publicly available AI tools, exposing governments to potential risks including data privacy and security breaches, intellectual property theft and exposure to biased or inaccurate information that can lead to legal and ethical issues, finds a new KPMG in Canada research.

[Click here for more information](#)

Intelligent Government

The emergence of generative AI, alongside advanced autonomous and agentic systems, is transforming how government and the public sector innovate and operate. Our findings reveal an actionable blueprint for governments and organizations aiming to leverage AI's potential to drive efficiency, reduce time-to-market and improve patient outcomes. This report provides insights into how they can take a value-based approach to AI that helps to accelerate innovation, unlock new growth opportunities, and maximize the impact of their AI investments.

[Click here for more information](#)

KPMG 2025 Canadian CEO Outlook

Our 2025 CEO Outlook survey reveals a compelling paradox: Canadian CEOs are increasingly confident in the growth of their companies and industries, yet their optimism about the Canadian and global economies is waning.

Despite the evolving pressures, CEOs alike are proactively focusing on making their organizations more resilient to external shocks. They are not just reacting to changes, but are actively seeking ways to mitigate external risks, improve productivity and optimize revenue.

[Click here for more information](#)

Responsible AI Adoption in Canada's Public Sector

Artificial intelligence is no longer a future concept in Canada's public sector – it is already being used daily by public servants. Recent KPMG in Canada research in 2025 fall reveals a widening gap between bottom-up AI

usage and top-down readiness: while fewer than one-quarter of public sector organizations have formally adopted AI, nearly half of public servants are already using AI tools in their work, with half relying on publicly available platforms.

[Click here for more information](#)

Accelerate

The Canadian business landscape is experiencing profound interconnected geopolitical, technological and sustainability challenges which are causing compound impacts on the balance sheet. The audit Council's role in stewarding their organization towards increased productivity, resilience, and growth has never been more essential.

Our *Accelerate* series strives to provide audit Councils with actionable insights and clear guidance for navigating through these interconnected challenges.

[Click here for more information](#)



Appendix 7: Thought leadership and insights (continued)

Generative AI Boom Among Canadian Students Raises Dilemmas

More than seven in 10 Canadian students (73 per cent) now rely on generative artificial intelligence (AI) for their schoolwork, up sharply from 59 per cent in 2024 and 52 per cent two years ago, finds a new KPMG in Canada survey. The surge in popularity poses fresh dilemmas for educational institutions because the research also shows that generative AI is being used to avoid critical thinking, with nearly half (48 per cent) saying that their critical thinking skills have deteriorated since they started using it.

[Click here for more information](#)

On the 2025 Higher Education Audit Committee Agenda

Audit committees can expect their institution's reporting, compliance, risk, and internal control environment to be put to the test in 2025. We recommend they consider six objectives as they carry out their agendas.

[Click here for more information](#)

Generative AI and the Future of Education

As generative artificial intelligence (AI) tools and platforms proliferate, students are increasingly applying them to school tasks. KPMG's Generative AI and the future of education report indicates that six out of 10 higher education students (59 per cent) already use this technology – up from 53 per cent last year. As generative AI improves and continues to find its way into day-to-day and educational settings, adoption rates will only escalate.

[Click here for more information](#)



Appendix 7: Thought leadership and insights (continued)

Current trends in internal audit

Organizations continually face a wide spectrum of risks beyond the already complex financial and regulatory compliance risks. Many organizations are recognizing the impact and benefit of internal audit activity that is agile, properly resourced, effectively managed, and aligned with strategic priorities, which can improve risk management and control processes and drive better efficiencies.

Examples of current internal audit trends are noted below.

Cost reduction / efficiency planning

Review the governance arrangements for the monitoring and efficiency delivery of programs / services as required. This includes considering how efficiency requirements have been apportioned and communicated to support planning.

Fraud risk management

Internal Audit assesses whether a fraud risk management framework exists and whether fraud risk assessment is performed at these levels. Internal Audit reviews the overall governance surrounding this process and review the communication and reporting protocols in place.

Staff inclusion and diversity

Assess the strategy and plan in place for inclusion and diversity amongst staff, their governance and the measures in place to measure achievement of goals. Training and awareness programs offered to staff and faculty to provide understanding of roles and responsibilities and material updated on a regular basis. Increasing trends also include mental health resources and support systems to manage external expectations.

Asset management / maintenance

Review the processes and controls in place to ensure assets are adequately managed based on an appropriate schedule.

Business continuity management

Review of the elements of the life cycle of business continuity management (BCM). The main goal is to ensure the recovery of crucial services within an acceptable timeframe following disturbances in operations. Elements may include: business impact analysis, evaluation of threats and vulnerabilities, defining critical asset requirements, preparation of business continuity and disaster recovery plans.

Cybersecurity and privacy protection

The increase in cyber attacks targeting educational institutions, coupled with implementation of stricter privacy regulations has led to heightened expectations for schools to effectively safeguard the privacy and identities of students and staff. The rapid pace of disruptive innovations driven by new and emerging technologies may introduce additional vulnerabilities.



Appendix 7: Thought leadership and insights (continued)

Our latest thinking on the issues that matter most to Boards, Councils and management.

KPMG Audit & Assurance Insights

Curated research and insights for audit Councils and Boards.

Board Leadership Centre

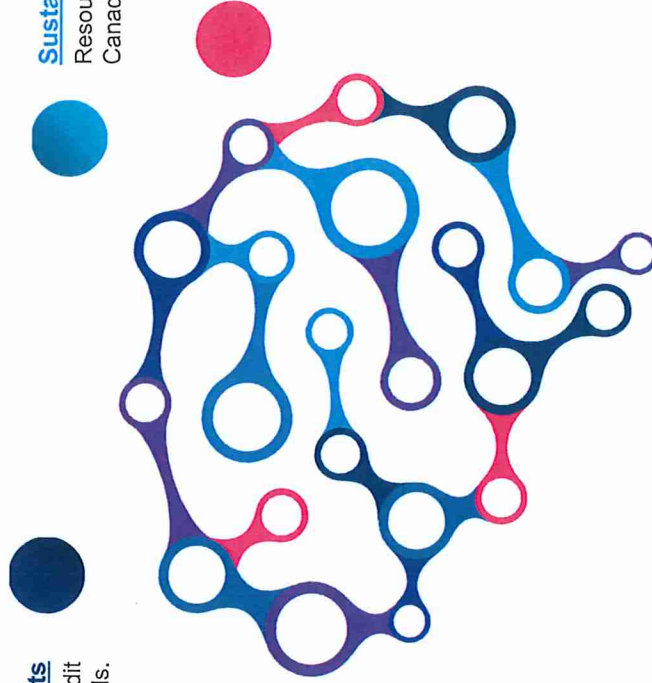
Leading insights to help board members maximize boardroom opportunities.

Sustainability Reporting

Resource centre on implementing the new Canadian reporting standards.

Audit Council Guide – Canadian Edition

A practical guide providing insight into current challenges and leading practices shaping audit Council effectiveness in Canada.





Appendix 7: Thought leadership and insights (continued)

Where are Finance Teams adopting AI

Finance's role as a business partner has put them an ideal position to lead enterprise adoption

Generating commentary

Reduce the time and effort needed to create recurring materials required for financial reporting, business reviews, management reports, and board meetings.

Generating strategic insights

Partner with other functions to provide insights across the business. Use finance's position to inform strategic decisions and solve problems with pricing, performance, and benchmarking metrics.

Managing contracts

Generative AI tools can draft contracts with preferred term and prioritize contract reviews based on deviations from standard terms and conditions.

Forecasting & budgeting

Integrating predictive models, creating scenarios, and generating insights on potential financial outcomes.

Collecting marketing intelligence

Powerful research tool able to find and synthesize public data to generate insights on markets, competitors, and customers.

Detecting anomalies

Generative AI shows promise as a tool for detecting errors and potential fraud. It can compare new data with past patterns to identify anomalies.



Appendix 7: Thought leadership and insights (continued)

AI brings Risks as well as Opportunities

Internal Risks & Considerations

External Risks & Considerations



Breaking Confidentiality

Many Generative AI models are built to absorb user-inputted data to improve the model over time. This could lead to exposure of key confidential information



Employee Misuse and Inaccuracies

Models generate responses based on input, so there is a risk of providing false or malicious content. Employees need to be cautious and review AI-generated content with a critical



Talent Implications

Professionals need to be made aware of their role in training and evolving the solution as high-quality output can only be achieved through high-quality, expert queries



Policies and Regulations

As the world's understanding of AI evolves, more policies and regulations will be brought upon by regulators which in turn need to be complied with



Misinformation, Bias and Discrimination

The model could generate a response containing inappropriate information or language. In cases where the model does not have an accurate response, it may 'hallucinate' with a false response.



Financial, Brand & Reputational Risk

Copying AI-produced information or code into any deliverable or product could constitute copyright infringement leading to legal and reputational harm



Intellectual Property and Copyright

Risks in copyright includes the potential creation of unauthorized plagiarized content, leading to infringement and violations of intellectual property rights



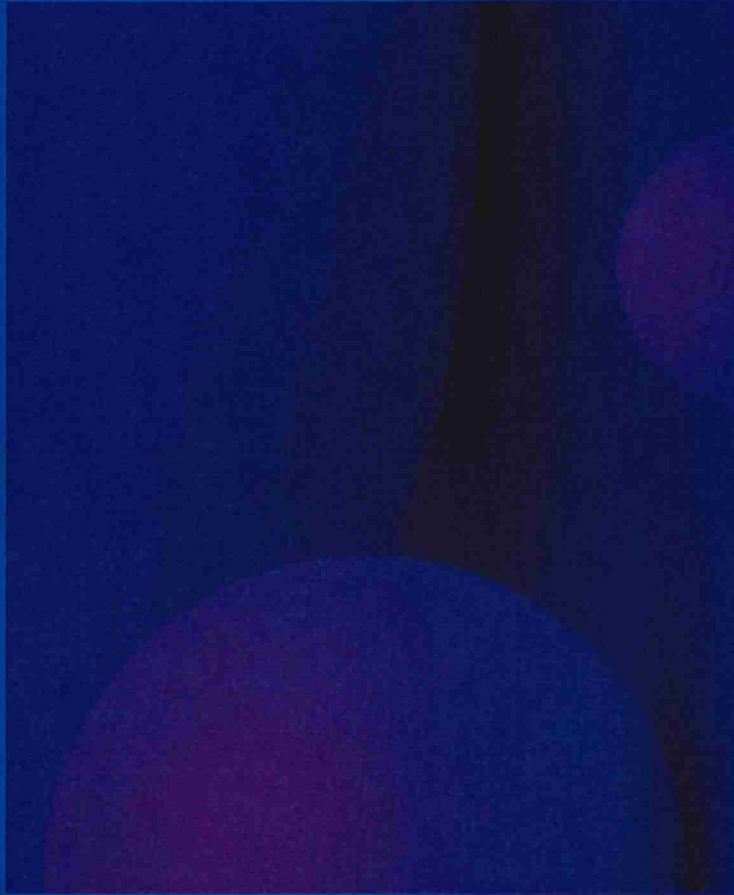
Cybersecurity

Generative AI models could be trained and employed for many cybersecurity attacks such as phishing scams, malware, data poisoning etc.



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REQUEST FOR DECISION

DATE: September 29, 2026

TO: Board of Education, School District 52 (Prince Rupert)

FROM: Galina Mezibroski, Secretary-Treasurer
Kevin Macilroy, Director of Operations

RE: 2027/28 Major and Minor Capital Plans

RECOMMENDATION

THAT the Board of Education:

1. Reaffirm its approval of the 2027/28 Capital Plan submission under the Major Capital Program:
 - Seismic Mitigation Program (SMP); and
2. Approve the 2027/28 Minor Capital Plan, as outlined in the attached document, for submission to the Ministry of Education and Child Care.

BACKGROUND

Annual Capital Plan submissions from boards of education are used by the Ministry of Infrastructure to assess and prioritize capital projects for potential inclusion in the province's capital planning process for the following fiscal year.

In June 2026, the Board approved the District's Capital Plan submission under the Major Capital Program, which included the following program priority:

- Seismic Mitigation Program (SMP)

Due to an administrative error related to the dates in the original Board resolution, an updated resolution is required.

Accordingly, the Board has been asked to reaffirm its previous approval of the Major Capital Plan submission.

Project requests under the following Minor Capital Programs are due to the Ministry by September 30, 2026:

- Bus Acquisition Program (BUS)
- Carbon Neutral Capital Program (CNCP)
- Playground Equipment Program (PEP)
- School Enhancement Program (SEP)
- Food Infrastructure Program (FIP)

Following its review and assessment of capital plan submissions from school districts across the province, and subject to the provincial budget and capital planning process, the Ministry will provide each school district with written notification regarding the projects approved for funding for fiscal year 2027/28.

School District No. 52 (Prince Rupert)
2027/28 Capital Plan (Minor Capital Programs) Submission Summary

BUS						
SD Category Rank	Project Number	Facility/Site	Project Type	Project Description	Total Funding Requested	
1	174970	Transportation	New (BUS)	Replacement of the A2 bus do too the ongoing mechanical cost. Mostly the diesel	\$162,930	
				Submission Category Total:	\$162,930	
CNCP						
SD Category Rank	Project Number	Facility/Site	Project Type	Project Description	Total Funding Requested	
1	175061	Conrad Elementary	HVAC (CNCP)	Replace end of life HVAC equipment.	\$667,285	
				Submission Category Total:	\$667,285	
PEP						
SD Category Rank	Project Number	Facility/Site	Project Type	Project Description	Total Funding Requested	
1	174964	Conrad Elementary	New (PEP)	Replace the pea gravel with pour in place rubber surface (PIP)	\$200,000	
				Submission Category Total:	\$200,000	
SEP						
SD Category Rank	Project Number	Facility/Site	Project Type	Project Description	Total Funding Requested	
1	175060	Charles Hays Secondary	HVAC (SEP)	Installation of new boilers purchased 2026/2027	\$1,052,100	
2	174961	Conrad Elementary	Plumbing	Fire protection upgrade. Phase 3	\$807,820	
3	174963	Pineridge Elementary	HVAC (SEP)	Replacement of boilers.	\$357,000	
4	174962	Roosevelt Park Elementary	Plumbing	Upgrade fire suppression system.	\$674,246	
				Submission Category Total:	\$2,891,166	
FIP						
SD Category Rank	Project Number	Facility/Site	Project Type	Project Description	Total Funding Requested	
1	175059	Various	Food Infrastructure	Upgrades to existing school kitchens. Creating cold storage for vegetables.	\$85,000	
				Submission Category Total:	\$85,000	



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In accordance with provisions under section 142 (4) of the *School Act*, the Board of Education of School District No. 52 (Prince Rupert) hereby approves the proposed Capital Plan (Minor Capital Programs) for 2027/28, as provided on the Capital Plan Summary for 2027/28 submitted to the Ministry of Infrastructure.

I hereby certify this to be a true copy of the resolution for the approval of the proposed Capital Plan (Minor Capital Programs) for 2027/28 adopted by the Board of Education, on this the 29th day of September 2026.

Secretary-Treasurer Signature

Galina Mezibroski



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In accordance with provisions under section 142 (4) of the *School Act*, the Board of Education of School District No. 52 (Prince Rupert) hereby approves the proposed Five-Year Capital Plan (Major Capital Programs) for 2027/28, as provided on the Five-Year Capital Plan Summary for 2027/28 submitted to the Ministry of Infrastructure.

I hereby certify this to be a true copy of the resolution for the approval of the proposed Five-Year Capital Plan (Major Capital Programs) for 2027/28 adopted by the Board of Education, on this the 29th day of September 2026.

Secretary-Treasurer Signature

Galina Mezibroski

School District No.52 (Prince Rupert) 2027-28 Major Capital Programs

Major Capital Program Priorities

Seismic Mitigation Program (SMP):

- Conrad Street Elementary School Seismic Project
- Pineridge Elementary School Seismic Project

Monthly Report to the Board

JUNE/JULY/AUGUST

Facilities-

Pre ordering of materials and supplies for the upcoming summer break. 38 projects were carried out throughout the district, including: parking lot line painting/CHSS track cleaning and maintenance/lawn care/CHSS siding repair/rotten roof columns at Lax Kxeen were replaced with metal product/final touch ups were completed in the commercial kitchen and the new prep room/furniture was relocated in various locations/outside and inside painting/a large paper storage unit was built for CHSS/new cameras were installed at Conrad/Roosevelt/CHSS camera installation is on going along with vape detectors in the washrooms. 90 work orders were also completed.

Custodial –

All district buildings had a deep cleaning. Floors were stripped and waxed/furniture washed/ high level dusting/furniture repair and carpets were scrubbed and cleaned. All air handlers and unit ventilators had filter media replaced.

Energy & Conservation –

All mechanical and boiler rooms had a servicing by our local contractor. Heating programs were shut down to conserve energy costs. New low temp boilers have been ordered for CHSS. New unit ventilators and air handlers were also ordered for Conrad. Installation should take place next year when funding comes available.

Transportation-

Our new bus has finally arrived.
June 47 intown trips
1 out of town

Health & Safety -

No injuries were report during the summer months.

IT Board Meeting Report
September 2026

The Information Technology Department remained highly active throughout the summer months, completing a number of essential infrastructure and modernization projects to ensure reliable, secure, and efficient technology services across the district.

Key accomplishments included:

1. Computer Refresh and Upgrades: More than 700+ computers across all schools and district sites were upgraded and reimaged, ensuring devices are ready to support teaching, learning, and administrative operations for the new school year.
2. Server Infrastructure Migration: The team successfully migrated 32 servers from the legacy Veeam environment to a modern Hyper-V virtualized infrastructure, improving system performance, reliability, scalability, and disaster recovery capabilities.
3. Camera Upgrade Project: Work continued on the district-wide security camera modernization project, enhancing school safety and improving monitoring capabilities at multiple sites.
4. Network Switch Replacements: Aging network switches were replaced to strengthen network performance, reliability, and security throughout district facilities.
5. Wireless Infrastructure Review: A comprehensive inventory of wireless access points was completed to assess the current state of district Wi-Fi infrastructure and identify priorities for replacement and modernization.

These projects represent significant progress in maintaining a modern, secure, and dependable technology environment that supports student learning, staff productivity, and district operations.

Report prepared by
Paramjit Khaira

School District No. 52 (Prince Rupert)
Policy Committee
Monday, September 21, 2026
4:45 pm

MINUTES

In Attendance : Andrew Samoil
Kristy Maier
Galina Mezibroski
Tamara Dickens

The meeting was called to order at 4:49 p.m.

1. Policies for Approval
 - a. 5240 – Child Care Policy

The committee would like to send policy 5240 to the Open Board Meeting for Approval.

2. Policies for Review
 - a. 4110 – Emergency Preparedness Policy
 - b. 4210 – Pandemic Response Policy

The committee would like to delete policy 4110 from policy and move to Regulation. The committee would like to delete policy 4210. This will be brought to the board meeting to request a motion to delete.

3. Other Business

None

Meeting Adjourned 4:54 p.m.

Next Meeting: Tuesday, October 13, 2026

5240 Childcare Policy

~~Bill 8, the Education Statutes Amendment Act, was activated on March 5, 2020. This amendment of the School Act by the provincial government outlines new provisions related to childcare facilities located on board of education property, including a prescriptive order from the Minister of Education regarding the formal establishment of new board policy to govern the establishment of such facilities Order M326, the Child Care Order, further defines the role of the boards of education with respect to the provision of childcare programs.~~

~~"Direct and indirect costs" include:~~

- ~~• Utilities~~
- ~~• Maintenance and repair~~
- ~~• Costs related to payment processing for rental fees~~
- ~~• A reasonable allowance for the cost of providing custodial services~~
- ~~• A reasonable allowance for the time school district administrators and other staff spend on matters relating to the use of board property by licensed childcare providers~~
- ~~• Any other incremental costs directly related to the provision of childcare services on board property~~

~~1. Childcare programs, if operated by the board, will be operated for a fee no greater than the direct costs the board incurs in providing the childcare program.~~

~~2. Fees for the use of board property by license holders other than the board will not exceed the direct and indirect costs the board incurs in making board property available for the childcare program.~~

~~3. If childcare programs are operated by a license holder other than the board, the board will require the licensee to agree to comply with this policy.~~

~~4. In selecting license holders other than the board to operate a childcare program, the board will give special consideration to the candidates' proposals that provide inclusive childcare; and foster Indigenous reconciliation with childcare, as outlined in #5.~~

~~5. If the board decides to operate a childcare program, the board will ensure that it is operated in a manner that:~~

- ~~Fosters and promotes Indigenous reconciliation in childcare. In particular, the childcare program will be operated consistently with the following principles of the British Columbia Declaration on the Rights of Indigenous Peoples Act: (i) Indigenous peoples have the right, without discrimination, to the improvement of their economic and social conditions, including the area of education; and (ii) "Indigenous peoples have the right to the dignity and diversity of their cultures, traditions, histories and aspirations which shall be appropriately reflected in education"; and~~
- ~~Is inclusive and consistent with the principles of non-discrimination set out in the British Columbia Human Rights Code.~~

~~6. Any contract a lease other than the board, to provide a childcare program on board property must be in writing and subject to regular review and completion of Licensed Child care Facility Inspection Reports in accordance with Ministry of Education & Childcare requirements. The contract must contain:~~

- ~~A description of the direct and indirect costs for which the license holder is responsible and shall clearly state that these costs are subject to annual increases in accordance with duly issued notifications of increases in the direct and indirect costs incurred by the District.~~
- ~~An agreement by the license holder to comply with this policy and all other applicable policies;~~
- ~~A provision describing how the agreement can be terminated by the board or license holder, whereby the termination notification shall not be less than 3 months;~~
- ~~An allocation of responsibility to ensure adequate insurance is in place to protect the interests of the board;~~
- ~~A statement that the agreement can only be amended in writing, signed by the board and the license holder;~~
- ~~A requirement for the license holder to maintain appropriate standards of performance; and~~
- ~~A requirement that the license holder must at all times maintain the required license to operate a childcare facility.~~

PREAMBLE

The Board of Education supports the use of its property by licensed child care providers, provided the property is not required for K-12 educational needs, early learning programs, or extra-curricular activities, does not disrupt or interfere with the provision of educational activities, and does not result in increased costs to the Prince Rupert School District.

POLICY

The Board of Education is supportive of the positive community benefits that occur when appropriate district spaces or sites are utilized by non-profit, licensed child care providers.

OBJECTIVES

1. Maximize the positive use of the District's vacant spaces or sites to serve community needs, when available and appropriate.
2. Make appropriate spaces or sites in the District available to non-profit licensed child care providers, if financial and operating conditions are met.

References:

5240-10 Use of Board Property as a Licensed Childcare Facility

Ministerial Order M326 – The Child Care Order

School Act 85.1-85.4

4110 Emergency Preparedness Policy

The Board of Education is committed to providing high standards of health, safety, and security for all students, staff and visitors. The purpose of this policy and its accompanying regulations is to ensure that action plans are prepared for emergencies. Those emergencies might threaten the personal safety or life of persons on school district activities, both on and off district premises, or threaten district facilities.

An emergency is a sudden, unexpected occurrence requiring immediate action to stabilize a situation. Emergencies affecting school activities and facilities for an unspecified period of time include, but are not limited to:

- earthquake
- fire
- tsunami
- hazardous material accident/spill
- threats to schools (e.g. intruder, bomb threat)
- transportation accident
- severe weather

It is important to develop appropriate plans and procedures to deal with such emergencies. It is also important that students, employees and parents know about the various emergency plans and procedures, in order to be as prepared as possible in the event of an actual emergency. To this end:

1. all employees shall be informed about the emergency plans and procedures to be followed at their work site;
2. students and employees shall practice the emergency plans and procedures implemented at their school or work site;
3. parents shall be advised of the emergency procedures developed at the school(s) where their child(ren) are attending and/or when being transported; and
4. materials and supplies kept on hand to support school emergency responses shall be in good order.

REFERENCES

[4110-10 -- Emergency Preparedness - Fire Response](#)
[4110-12 -- Emergency Preparedness - Fire Prevention](#)
[4110-15 -- Emergency Preparedness - Hazardous Material Spill](#)
[4110-20 -- Emergency Preparedness - Earthquake Response](#)
[4110-22 -- Emergency Preparedness - Earthquake Preparations](#)
[4110-25 -- Emergency Preparedness - Landslide or Mudslide Response](#)
[4110-30 -- Emergency Preparedness - Tsunami Response](#)

[4110-35 - - Emergency Preparedness - Flood Response](#)
[4110-40 - - Emergency Preparedness - Hold and Secure](#)
[4110-42 - - Emergency Preparedness - Intruder Lockdown](#)
[4110-50 - - Emergency Preparedness - Bomb Threat Response](#)
[4110-52 - - Emergency Preparedness - Bomb Threat Preparations](#)
[4110-90 - - Emergency Preparedness - Emergency Drills](#)
[4110-60 - - Emergency Preparedness - Medical Emergency Response](#)
[4110-62 - - Emergency Preparedness - Vehicle Accident Response](#)
[4110-65 - - Emergency Preparedness - Extended Power or Natural Gas Outage](#)
[4310-40 - - Incident Reporting and Investigation Decision Tree](#)

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4210 Pandemic Response Policy

The District, in cooperation with the provincial government and Northern Health Authority, supports efforts to minimize a pandemic and its disruption to the operational activities of the District. Principals, managers and staff are expected to ensure the most effective and efficient use of resources for the maximum benefit and protection of students, staff and facilities.

In the event that Northern Health Authority identifies evidence of a significant communicable disease outbreak in the region, the Superintendent has the authority to make decisions regarding crisis response. When a state of emergency is declared by a Ministry of the Government, the particular Ministry will have such authority.

The Board of Education recognizes that the legal authority to close a school for public health reasons falls under the purview of the Provincial Health Officer and the local Medical Health Officer. The Superintendent will take direction regarding the closure of schools from them.

The Superintendent will communicate a standard set of response protocols for dealing with the pandemic, in a Pandemic Response Plan, to ensure that all employees, students and families are familiar with their roles and responsibilities in the event of an outbreak. In accordance with directives emanating from federal and provincial authorities and the consequent circumstances that may prevail, the Superintendent may temporarily suspend the District's current practices and operating guidelines as necessary.

REFERENCES

- School Act Section 17, 20, 22, 65, 85
- School Regulation 265/89