

5. Reports from Senior Management

a. Capital Projects Update

i. New Westminster Secondary School (D. Crowe / G. Lachmuth) (8:05pm) 40

ii. Lord Tweedsmuir Elementary School (D. Crowe) (8:15pm) 48

b. Operations Update (K. Hachlaf)

i. 2019-2020 Budget - Process Debrief / Overview (8:25pm)

ii. Long-Range Facilities Review (8:35pm) 49

a. Feedback

b. Recommendation:

THAT the Operations Policy and Planning Committee recommend to the Board of Education of School District No. 40 (New Westminster) approval of Option 2: Addition to Queensborough Middle School + 3 new schools (1 Middle and 1 Elementary and 1 configuration to be determined) as outlined in the Long-Range Facilities Review.

6. General Announcements

(8:50pm)

7. New Business

a. Living Wage (Trustee Gifford)

(8:55pm) 135

Recommendation:

THAT the Operations Policy and Planning Committee recommend to the Board of Education of School District No. 40 (New Westminster) to instruct staff to prepare a report, on or before the November 19, 2019 Operations Policy and Planning Committee Meeting, that provides an analysis of the costs and benefits of New Westminster Schools becoming a Living Wage Employer.

b. Audit Planning Report for the Year Ended June 30, 2019 (Tim Holloway, KPMG & James Pocher) (9:05pm) 136

8. Old Business (9:20pm)

9. Question Period (15 Minutes) (9:25pm)

Questions to the Chair on matters that arose during the meeting.

10. Adjournment (9:40pm)



Corporation of the City of
NEW WESTMINSTER

REPORT

Development Services

To: Mayor Côté and Members of Council **Date:** 8/27/2018

From: Emilie K Adin, MCIP **File:** OCP00025
Director of Development Services

Item #: 334/2018

Subject: 647 Ewen Avenue: Official Community Plan Amendment Section 475
and 476 - Consultation Report

RECOMMENDATION

***THAT** Council, with regard to the proposed Official Community Plan Text Amendment to the (RL) Residential – Low Density Land Use Designation of the Queensborough Community Plan:*

- i. Give consideration to the requirements of Section 475 and 476 as well as other relevant sections of the Local Government Act;*
- ii. Direct staff to advise and consult with:*
 - a. The following nations:*
 - Cowichan Tribes
 - Halalt First Nation
 - Hwlitsum First Nation
 - Katzie First Nation
 - Kwantlen First Nation
 - Lyackson First Nation
 - Lake Cowichan First Nation
 - Musqueam Indian Band
 - Penelakut Tribe
 - Qayqayt First Nation
 - Semiahmoo First Nation
 - Sto:lo Nation
 - Stz'uminus First Nation

- *Tsawwassen First Nation*
- *Tsleil-Waututh Nation;*
- b. *Ministry of Transportation and Infrastructure;*
- c. *the Board of Education of School District 40;*
- iii. *Not pursue consultation with:*
 - a. *Board of the Regional District in which the area covered by a plan is located (Metro Vancouver);*
 - b. *any greater boards or improvement districts, as none are considered to be affected by this application;*
 - c. *any provincial or federal agency, as none are considered to be affected by this application;*
 - d. *Greater Vancouver Sewerage and Drainage District Board; and,*
 - e. *Councils of immediately adjacent municipalities.*

EXECUTIVE SUMMARY

Official Community Plan Amendment and Heritage Revitalization Agreement (HRA) applications are being processed in order to allow the development of five townhouses at the corner of Ewen Avenue and Wood Street in Queensborough. Two of the five townhouse units would be within the existing 1939 Slovak Hall, which is proposed to be retained and restored as part of this application. The remaining three townhouses would be within an addition to the rear of the Slovak Hall. Through the HRA, the Slovak Hall would also be protected with a Heritage Designation Bylaw.

The site is designated (RL) Residential – Low Density and, as such, would require an Official Community Plan amendment to permit the HRA. The new Official Community Plan, adopted in 2017, includes policy language in the updated land use designations, which supports creative approaches to retaining heritage assets. Given this context, the City is identified as the applicant for the OCP Amendment which would amend the RL designation to include policy language permitting consideration of the HRA application.

The site is currently zoned RQ-1 (Queensborough Neighbourhood Residential Dwelling Districts) but, given that the proposal is for townhouse units, the project would be evaluated against the RT-3 zone (Queensborough Townhouse Districts). The HRA would allow the additional units and density on-site, providing three bedroom units with a range of sizes from 130.55 m² (1,405.27 ft²) to 155.27 m² (1,671.36 ft²), meeting the intent of the Family-Friendly Housing Policy. Through the HRA, the applicant is also requesting variances to the

front, rear, and side yard setbacks, site coverage, height, off-street parking, visitor parking, and for an encroachment of the Slovak Hall's unenclosed porch onto a City road right-of-way.

PURPOSE

The purpose of this report is to identify those parties that may be affected by the proposed OCP Amendment, as required by Sections 475 and 476 of the *Local Government Act*, and request Council direction to proceed with the required consultation.

POLICY AND REGULATIONS

Section 475 and 476 of Local Government Act Consultation Requirements

Section 475 and 476 of the *Local Government Act* provides specific requirements for consultation that must occur prior to the consideration of an Official Community Plan (OCP) Amendment. The Act requires local government to provide one or more opportunities it considers appropriate for consultation with the organizations and authorities it considers will be affected by the proposed OCP Amendment. The local government must:

- a) consider whether the opportunities for consideration with one or more organizations and authorities should be early and ongoing; and
- b) specifically consider whether consultation is required with:
 - i) the Board of the Regional District in which the area covered by a plan is located;
 - ii) the Board of any Regional District that is adjacent to the area covered by the plan;
 - iii) the Council of any municipality that is adjacent to the area covered by the plan;
 - iv) First Nations;
 - v) Greater Boards and Improvement Boards;
 - vi) the Provincial and Federal governments and their agencies; and
- c) Consult with the Board of Education and seek input on the following:
 - i) the actual and anticipated needs for school facilities and support services in the School District;
 - ii) the size, number and location of the sites anticipated to be required for the school facilities referred to in paragraph (i);
 - iii) the type of school anticipated to be required on the sites referred to in paragraph (ii);

- iv) when the school facilities and support services referred to in paragraph (i) are anticipated to be required;
- v) how the existing and proposed school facilities relate to existing or proposed community facilities in the area.

The City's consideration of consultation required in part (b) above can be found in the Consultation Section of this report.

Queensborough Community Plan (QCP)

Land Use Designation

The site is designated **(RL) Residential – Low Density** in the Queensborough Community Plan (QCP) which is a schedule to the City of New Westminster Official Community Plan (OCP). The Plan describes the designation as:

(RL) Residential – Low Density – this area will include low density residential uses including single detached houses, houses with secondary suites, duplexes, detached townhouses, low density multi-family uses, places of worship, and may contain small scale local commercial uses such as home occupations and corner stores.

The current OCP land use designation does not allow for attached townhouses. As such, an OCP Text Amendment to the RL land use designation is required to facilitate the proposed attached townhouses.

Development Permit Area

The property is designated as part of **Natural Hazard Development Permit Area #1 – Flood Hazard**. All new residential construction must comply with the requirements of the DPA and obtain a Development Permit prior to construction.

Online weblink to the Flood Hazard DPA #1:

<https://www.newwestcity.ca/development-policies-and-process/development-permit-areas#development-permit-areas-queensborough>

Zoning Bylaw

The existing zoning for the site is RQ-1 (Queensborough Neighbourhood Residential Dwelling Districts). Given that the proposal is for townhouse units, the project is being evaluated against the RT-3 zone (Queensborough Townhouse Districts). The proposal would require variances to that zone's regulations for the front, rear, and side yard setbacks, site coverage, height, off-street parking, visitor parking, and an encroachment for the Slovak Hall's unenclosed porch onto a City road right-of-way. As the application is not consistent

with the site's existing zoning, a Heritage Revitalization Agreement is required to permit the variances being sought through the proposal.

BACKGROUND

Previous Council Direction

At their Regular meeting held on May 28, 2018, Council received the staff report titled 647 Ewen Avenue (Slovak Hall): Heritage Revitalization Agreement to Convert Hall for Two Residential Units and Add Three Townhouse Units – Preliminary Report and approved the following recommendation by consent.

That Council direct staff to process the Official Community Plan Text Amendment, Heritage Revitalization Agreement and Heritage Designation applications as outlined in the report to the LUPC on May 7, 2018.

Site Characteristics and Context

The subject site is located at the corner of Ewen Avenue and Wood Street in Queensborough. The site is relatively flat and fronts onto Ewen Avenue which is identified as a "Great Street" in the Master Transportation Plan. The properties adjacent to and across the street from the subject site consist of single detached dwellings, zoned RQ-1. Directly across Wood Street is Sukh Sagar Park, four blocks to the east is Old Schoolhouse Park, and three blocks to the west is the Queensborough Community Centre. The subject site is also one block south from the Sukh Sagar Sikh Temple. A site location map is included in this report as **Attachment 1**.

The site has a minimum elevation of 0.64 m (2.1 ft.) and a maximum elevation of 1.35 m (4.43 ft.) Geodetic Survey of Canada (GSC) and is located within the Fraser River flood plain. The Flood Construction Level (FCL) for the site is 3.53 m (11.53 ft.) GSC. No storage or habitable floor space is allowed below the FCL. The applicant is proposing to meet the FCL for the existing building and new building (with three townhouses). The underside of the habitable floor space system for the existing heritage building would be at 3.83 m (12.56 ft.) GSC and the new building would be at 3.53 m (11.58 ft.) GSC.

Project Overview

A Heritage Revitalization Agreement (HRA) application has been received which proposes the development of a five townhouse unit complex. Two of the five townhouse units would be within the existing 1939 Slovak Hall, which is proposed to be retained and restored as part of this application. The remaining three townhouse units would be in addition to the heritage building at the rear and would front onto Wood Street.

A complete detailed description including development statistics is available to view in the preliminary report to the Land Use and Planning Committee meeting which was held on May 7, 2018.

Online link to the May 7, 2018 LUPC Report including project drawings:

https://www.newwestcity.ca/council_minutes/0507_18/Public_Meeting_LandUseandPlanningCommittee_LUPC-8.2018.pdf

Official Community Plan Text Amendment

The Official Community Plan (OCP), adopted in 2017, includes policy language in the updated land use designations which supports creative approaches to retaining heritage assets. The current Queensborough Community Plan (QCP) does not.

At the time of adoption of the OCP, it was identified that a next step towards implementation would include making revisions to the QCP to bring them into alignment with this approach, i.e. including a similar heritage policy statement in the land use designations in the QCP. To help facilitate this Heritage Revitalization Agreement, the City is identified as the applicant for the OCP Amendment where staff proposes to amend the **(RL) Residential – Low Density** designation in the Queensborough Community Plan so that it includes a statement about heritage assets. The following definition is proposed:

Further refinements would be made to the other land use designations in the Queensborough Community Plan at a later date.

Public Consultation To Date

A presentation of the project to the Queensborough Residents' Association (QRA) was conducted on June 27, 2018 and the applicant is in the process of scheduling an Open House. A letter of support has been received from the QRA and is attached to this report as **Attachment 2**.

ANALYSIS

Consideration of Consultation

Council is required to consider who could be affected by the proposed Official Community Plan Text Amendment. The *Local Government Act* requires that Council specifically consider whether consultation is required with the groups listed below. Staff has provided a recommendation for Council's consideration for each of the identified groups:

- a) The Board of the Regional District in which the area covered by the OCP is located.

Consultation with Metro Vancouver is not recommended given the scale of the proposed development.

- b) Greater Boards or Improvement Districts.

Consultation with other Regional Districts is not recommended as the proposed OCP Amendment is not considered to affect adjacent Regional Districts.

- c) The Council of any municipality that is adjacent to the area covered by the plan.

Consultation with the City of Richmond is not recommended given the scale of the proposed development and location of the site, 1.3 kilometres away from the municipal boundary with Richmond. The proposal is not considered to have any negative impact on this municipality.

- d) First Nations

The City is currently in the process of developing a work plan to establish strategies to guide the City in the operationalization of Truth and Reconciliation efforts. These strategies will address how the City undertakes consultations with First Nations in regard to Official Community Plan Amendments, as well as other planning notifications. Until such time as this work is in place and adopted by Council, staff recommends consultation with the following nations which have been identified in the past by the City and Port Metro Vancouver for projects near the Fraser River:

- Cowichan Tribes
- Halalt First Nation
- Hwlitsum First Nation
- Katzie First Nation
- Kwantlen First Nation
- Lyackson First Nation
- Lake Cowichan First Nation
- Musqueam Indian Band
- Penelakut Tribe
- Qayqayt First Nation
- Semiahmoo First Nation
- Sto:lo Nation
- Stz'uminus First Nation
- Tsawwassen First Nation
- Tsleil-Waututh Nation

e) Greater Boards and Improvement Boards.

The Greater Vancouver Sewer and Drainage District Board oversee operation of regional utilities in New Westminster. Due to the insignificant change in density that the proposed Text Amendment would allow for, consultation with this Board is not recommended.

f) The Provincial and Federal governments and their agencies.

Consultation with the Ministry of Highways and Infrastructure is recommended since this Ministry has jurisdiction over lands within New Westminster, including the Queensborough Bridge and the property is located within 650 metres (2,132 feet) of a controlled access highway.

Consultation with other Provincial and Federal government agencies is not recommended as the proposed OCP Amendment is not considered to affect other agencies.

g) Board of Education and School District No. 40

Consultation is required with the Board of Education of School District No. 40. The OCP Amendment could impact school enrollment.

Staff will seek input from the parties selected in the following manner:

- i. send a request for written comments to the parties listed above; and,
- ii. place a notice on the City Page to advise the public of this application.

PROCESS AND NEXT STEPS

Below is an overall outline of the anticipated development review process for this project. The bold text outlines where we are currently at within the process.

#	Application Review Stage	Estimated Date
1	Official Community Plan (OCP) Text Amendment and Heritage Revitalization Agreement (HRA) Preliminary Report to the Land Use and Planning Committee	May 2018
2	OCP and HRA applications circulated to City Departments for review	May 2018
3	Land Use and Planning Committee Report to Council	May 2018
4	Review of the HRA by the Community Heritage Commission	June 2018
5	Applicant-led Public Open House and Presentation to the Queensborough Residents' Association	June 2018
6	Review of the HRA by the New Westminster Design Panel	July 2018

7	Council consideration of a Report on Consultation Requirements for the OCP Text Amendment as required by Sections 475 and 476 (formally sections 879 and 881) of the Local Government	August 2018
8	Review of the OCP and HRA by the Advisory Planning Commission	September 2018
9	Report to Land Use and Planning Committee	December 2018
10	Land Use and Planning Committee referral of applications to Council for consideration of First and Second Readings of Bylaws	January 2019
11	Council consideration of First and Second Readings of Bylaws	January 2019
12	Public Hearings and Council consideration of Third Reading of Bylaws	January 2019
13	Referral to Ministry of Transportation and Infrastructure for the HRA Bylaws.	January 2019
14	Completion of Adoption Requirements	February 2019
15	Consideration of adoption of Bylaws	March 2019

INTERDEPARTMENTAL LIAISON

The City has now initiated a project team based approach for reviewing development applications. A Staff-led project team has been assigned for reviewing this project consisting of staff from the Building, Planning (Development Services) and Engineering Departments.

OPTIONS

There are three options for Council's consideration; they are:

1. That Council, with regard to the proposed Official Community Plan Text Amendment to the (RL) Residential – Low Density Land Use Designation of the Queensborough Community Plan:
 - i. Give consideration to the requirements of Section 475 and 476 as well as other relevant sections of the Local Government Act;
 - ii. Direct staff to advise and consult with:
 - a. The following nations:
 - Cowichan Tribes
 - Halalt First Nation
 - Hwlitsum First Nation

- Katzie First Nation
 - Kwantlen First Nation
 - Lyackson First Nation
 - Lake Cowichan First Nation
 - Musqueam Indian Band
 - Penelakut Tribe
 - Qayqayt First Nation
 - Semiahmoo First Nation
 - Sto:lo Nation
 - Stz'uminus First Nation
 - Tsawwassen First Nation
 - Tsleil-Waututh Nation;
- b. Ministry of Transportation and Infrastructure;
 - c. the Board of Education of School District 40;
- iii. Not require consultation with:
 - a. Board of the Regional District in which the area covered by a plan is located (Metro Vancouver);
 - b. any Greater Boards or Improvement Districts, as none are considered to be affected by this application;
 - c. any other Provincial or Federal agency, as none are considered to be affected by this application;
 - d. Greater Vancouver Sewerage and Drainage District Board; and,
 - e. Councils of immediately adjacent municipalities.
- 2. That Council receive this report and take no further action.
 - 3. That Council provide staff with an alternative direction.

Staff recommends Option 1.

ATTACHMENTS

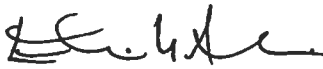
Attachment 1: Location Map

Attachment 2: Queensborough Residents' Association Letter of Support

This report has been prepared by:
Hardev Gill, Planning Technician

This report was reviewed by:
John Stark, Acting Manager of Planning

Approved for Presentation to Council



Emilie K Adin, MCIP
Director of Development Services



Lisa Spitale
Chief Administrative Officer



Attachment 1

Location Map



0.0 Kilometers

0.02

0

0.0

NAD_1983_UTM_Zone_10N
CNW GIS Services

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.



Attachment 2

Queensborough Residents'

Association - Letter of Support

Tuesday June 19, 2018

To: Mayor J. Cote and Members of Council
City of New Westminster

Hardev Gill - Planning Technician - City New Westminster

Lambert Chow - Architect (Birmingham & Wood)

RE: QRA Presentation regarding 647 Ewen

On Tuesday June 12, 2018 , the Queensborough Residents Association reviewed the presentation and development plans for 647 Ewen - Heritage Revitalization Project. Our members are in favour and in approval for this application and project.

Our membership voted an approval of this project.

Sincerely,

Laurie David Moore
President Queensborough Residents Association
Email: qbresidents@yahoo.ca

April 24, 2019

File: OCP00025

Doc#1408630

The Board of Education of School District 40 (New Westminster)
811 Ontario Street,
New Westminster, BC V3M 0J7

Re: Proposed Official Community Plan Amendment

The City of New Westminster is proposing to amend the (RL) Residential – Low Density designation in the Queensborough Community Plan which is a schedule of the Official Community Plan, for the overall city.

As part of legislative requirements, section 475 and 476 of the Local Government Act requires that Council provide opportunities it considers appropriate for consultation with persons, organizations and authorities it considers will be affected. As such, City Staff is seeking your feedback on the proposed OCP amendment.

Proposal

The proposed amendment to the RL land use designation would allow for opportunities for heritage assets under a Heritage Revitalization Agreement (HRA) to be considered for a land use that might not otherwise be permitted in the RL designation.

An example follows:

Heritage Assets: Through a Heritage Revitalization Agreement, or similar tool, a property may be eligible for incentives such as a smaller minimum lot size, an increase in density, or reduced parking requirements, which would make it viable to conserve assets with heritage merit. A Heritage Revitalization Agreement may also be used to permit the housing forms listed in Residential – Ground oriented Infill Housing designation or to formalize an existing, larger scale land use such as a low rise or a place of worship.

Given this intended direction, and to help facilitate a HRA, the City is identified as the applicant for the OCP amendment. Staff recommends amending the RL designation in the Queensborough Community Plan so that it includes a statement about heritage assets. The following definition is proposed:

(RL) Residential – Low Density – this area will include low density residential uses including single detached houses, houses with secondary suites, duplexes, detached townhouses, low density multi-family uses, places of worship, and may contain small scale local commercial uses such as home occupations and corner stores. Through a Heritage Revitalization Agreement, or similar tool, a property may be eligible for incentives such as a smaller minimum lot size, an increase in density, or reduced parking requirements, which would make it viable to conserve assets with heritage merit. A Heritage Revitalization Agreement may also be used to permit single detached dwellings



on a compact lot, triplexes, quadraplexes, cluster houses and other equivalent ground oriented housing forms, small scale townhouses and rowhouses projects, or to formalize an existing, larger scale land use such as a low rise or a place of worship.

The above-noted RL designation would allow all properties within the Queensborough Neighbourhood designated as RL to be considered for redevelopment potential as identified in the designation. Currently, the RL designation does not allow for Heritage Revitalization Agreements.

Related Development Application

Related to the proposed Official Community Plan amendment, the City of New Westminster is processing a HRA at 647 Ewen Avenue (shown in bold on the sketch plan attached) to enable the development of five attached townhouses at the corner of Ewen Avenue and Wood Street in Queensborough. The proposed development involves the retention and restoration of a heritage building known as the Slovak Hall which was built in 1939.

The site is designated (RL) Residential – Low Density in the Queensborough Community Plan and, as such, would require the proposed Official Community Plan amendment to permit the HRA.

Request for Feedback

As noted above, the *Local Government Act* requires that Council provide opportunities it considers appropriate for consultation with persons, organizations and authorities it considers will be affected and staff is seeking your feedback, specifically, on the proposed OCP amendment. Accordingly, a copy the August 27, 2018 Council report is attached.

Staff anticipates a bylaw will be considered by Council for first and second readings on May 27, 2019. The public hearing and third reading are anticipated for the Council session on June 24, 2019. In order to be available for Council's consideration, we require that written comments be submitted by Wednesday May 22, 2019. Written submissions should be sent to Development Services Department (Planning), 511 Royal Ave, New Westminster, BC, V3L 1H9, faxed to 604-527-4511 or emailed to hgill@newwestcity.ca.

If you require further information on this matter, please contact Hardev Gill by phone at 604-636-4315 or by email at hgill@newwestcity.ca.

Yours truly,

Emilie K. Adin,
Director of Development Services



NEW WESTMINSTER





living wage
for families campaign



Vancity

New Westminster School District 40

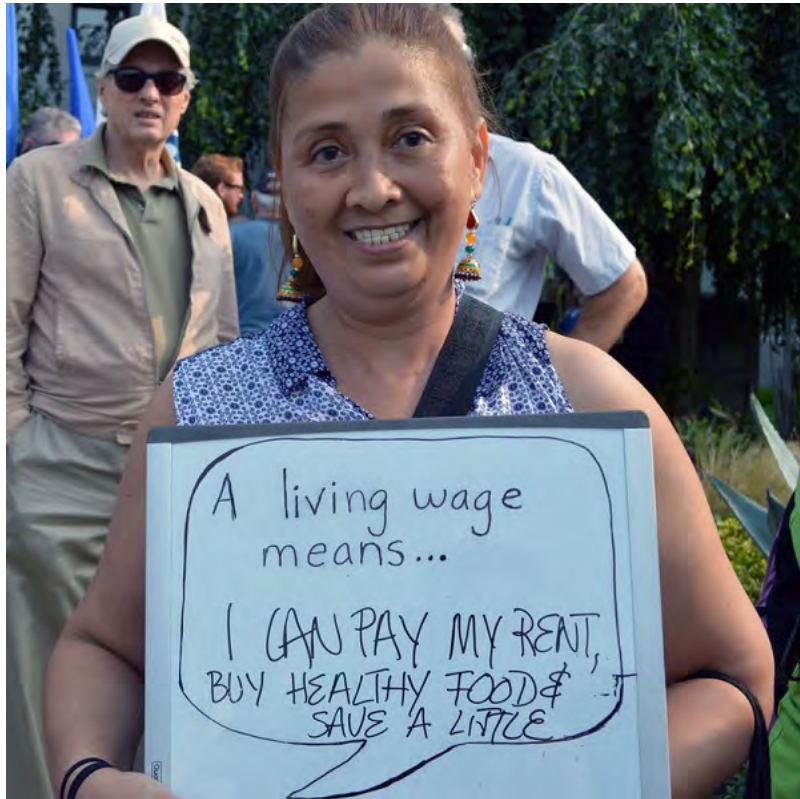
Operations Committee

May 14, 2019

Halena Seiferling, Campaign Organizer, Living Wage for Families Campaign

Catherine Ludgate, Senior Manager of Community Investment, Vancity Credit Union

What is the Living Wage?



- The hourly amount a worker would need to earn in order to be able to live in their community.
- Calculated based on a two-parent and two-child family, the most common family type in BC, to capture expenses that most families would encounter.
- Calculation includes: rent, food, child care, transportation, and other expenses, as well as government taxes and transfers.
- An overall picture of the cost of living in the community.
- One tool to be used in ending working poverty.

What is the Living Wage **not**?



- **The minimum wage.** The minimum wage is the legislated amount employers must pay their employees as defined by the provincial government.
- **A legislated or mandatory wage.** It is an optional amount that employers can choose to pay to show their commitment to reducing working poverty.
- **Arbitrary.** Our data comes from Statistics Canada measures such as the Consumer Price Index, the Market Basket Measure, and the Canadian Housing and Mortgage Corporation, as well as local surveys of costs in each community. The living wage is therefore a robust measure of the cost of living.

How is the Living Wage used?

- Living wages in communities across the province are calculated annually.
- Employers are certified as Living Wage Employers if they pay the living wage.
- The Living Wage for Families Campaign also advocates for complementary policies to help families; issues like housing, food, and transportation.



Why a living wage?

- 1 in 5 BC children are still growing up in poverty.
- The majority of these children live with parents who work.
- Poverty can adversely affect child development.
- 32 per cent of families in Metro Vancouver earn below the living wage and therefore struggle to make ends meet.
- Employers who pay higher wages report higher staff morale, productivity, and retention rates.

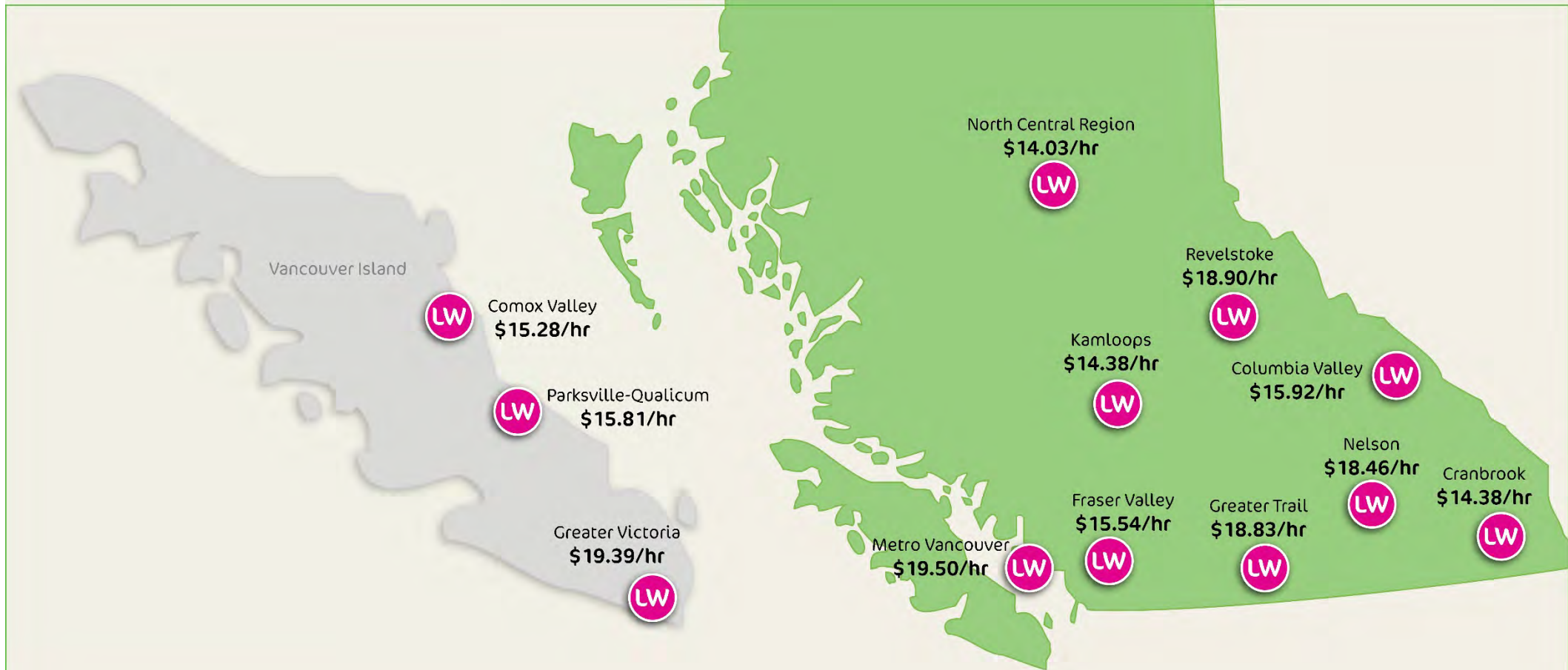


Making a difference

- Over 140 certified Living Wage Employers
- Impacting more than 20,000 workers across the province
- Fighting for low-wage and precarious workers



2019 Living Wages in BC



Living Wage Employers:



- Commit to paying their staff and contractors their regional living wage per hour.
- Mandate that for major service contracts, service providers must also pay their staff the living wage.
- Can use some exemptions, including for contracts of fewer than 120 hour per year, students, social enterprises, and more.
- The Living Wage for Families Campaign has some further criteria that we can provide more information about, but large employers can also determine the extent to which it makes sense to include their service contracts in their policy.



Living expenses for a family of four



food



clothing + footwear



shelter



transportation



child care



household expenses



social participation



Medical
Services Plan



extended
healthcare



parents'
education



contingency fund
2 weeks pay per adult

benefits

living expenses decrease when benefits are paid for by the employer



Medical
Services Plan



extended
healthcare



professional
development



paid sick leave
+ vacation



or



The Living Wage Employer Process for SD40

1. Learn about the living wage.
2. Pass a motion for staff to prepare a full report on the costs and implications of passing a living wage policy.
3. Accept staff report and determine if SD40 would like to move forward with becoming a Living Wage Employer.
4. Throughout the process, receive support from the Living Wage for Families Campaign regarding advice on drafting a living wage policy, specifics of criteria, etc.

Monitoring & Reporting

- Employers inform service providers of their intention to be a Living Wage Employer, and renegotiate those contracts when next they become open.
- Living Wage Employers are not expected to monitor whether their service providers pay their staff the living wage, but are expected to have the right of “proof.”
- The Living Wage for Families Campaign informs Living Wage Employers of the new living wage rates each spring.
- Living Wage Employers must complete a one-page form recertifying their commitment to continuing to pay the living wage within 6 months of new living wages being released.

Living Wage Employers of Note

Local governments:

- 8 in BC have become Living Wage Employers, including the City of New Westminster (in 2011)

School Districts:

- School District 69 - Qualicum (certified in 2015)

Employers in New Westminster:

- United Food and Commercial Workers, Local 1518 (certified in 2012)
- Community Savings Credit Union (branches in New Westminster - certified in 2010)



Vancity's Journey: Staff

Were our employees close to or already at the Living Wage? At the time of application, Vancity had 2,361 employees, more than 98% of which are paid above the Living Wage.

We determined two reasons that had led to 2% being below the Living Wage: the structure of our salary scales/wage grids; and, our casual employees are not provided benefits due to inconsistent work terms.



Vancity's Journey: Contractors

- Had 1,200 unique contractors across 45 industry sectors! Proposed concentrating on 'strategic' suppliers (annual spend over \$250K or more than 120 hours of labour service provided, as well as reputational risk/operational risk such as business continuity).
- Also included suppliers in categories where we considered workers to be "vulnerable" – there we lowered the thresholds: Personnel Agencies to \$50k, Janitorial to \$50k, Catering to \$10k; and, Security Services to \$100k.
- With this combination of strategic spend and a focus on these four categories of vulnerable workers, we believe we have affected 90% of our spend (in ~55 contracts).

Business case: real savings from happy workers

35% increase in performance

47% improvement in morale

45% improvement in customer service

44% fewer disciplinary issues

50% reduction in employee turnover



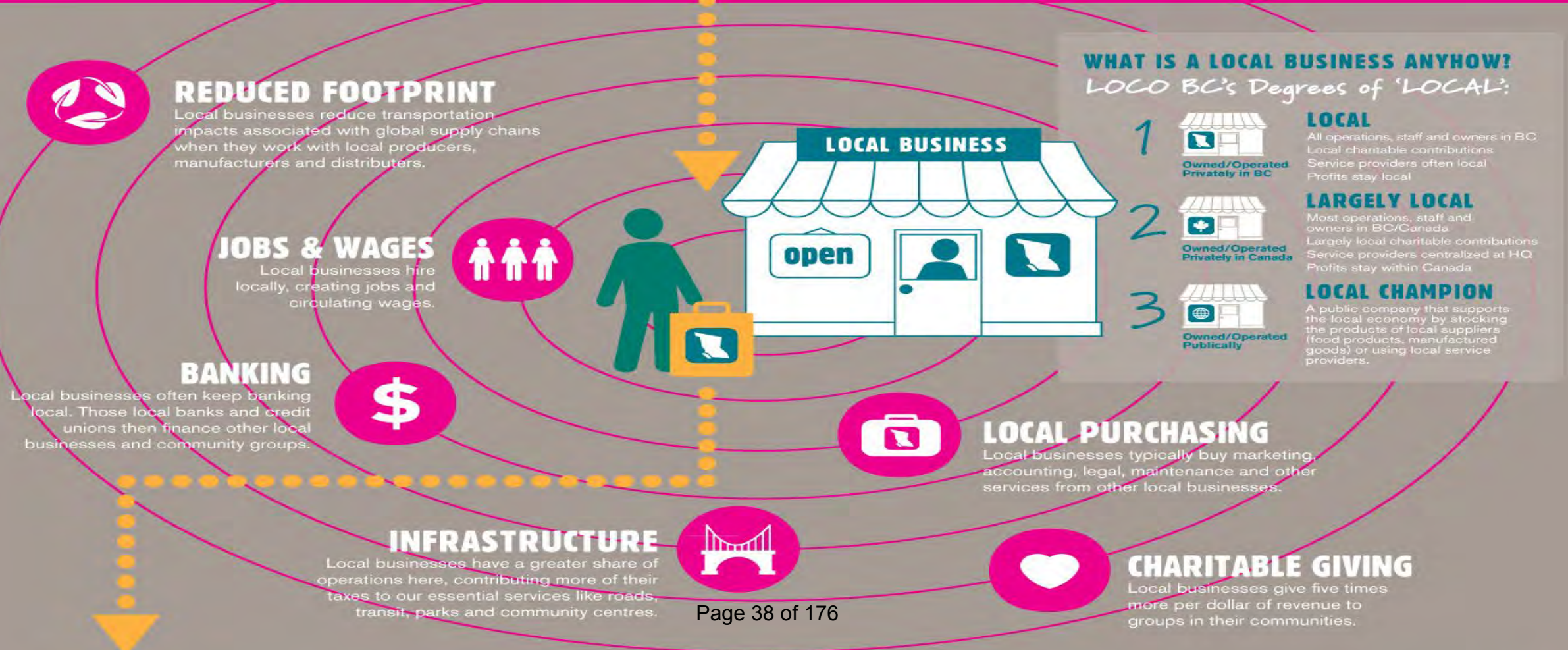
Other benefits... surprise!

- Set aside \$1M to come compliant in year one; the actual costs were \$700k.
- Focus on reviewing strategic contracts has been a good exercise to review what we are buying and why.
- Open houses to announce RFPs and explain Living Wage and vision.
- Now saving ~\$1M a year through a different relationship with our contractors.



Your choice to shop at a local business means that for every **\$100** you spend, **\$46** is recirculated back into the local economy.

Here's how local businesses keep our communities strong



WHAT IS A LOCAL BUSINESS ANYHOW?
LOCO BC's Degrees of 'LOCAL':

- 1 LOCAL**
All operations, staff and owners in BC
Local charitable contributions
Service providers often local
Profits stay local
Owned/Operated Privately in BC
- 2 LARGELY LOCAL**
Most operations, staff and owners in BC/Canada
Largely local charitable contributions
Service providers centralized at HQ
Profits stay within Canada
Owned/Operated Privately in Canada
- 3 LOCAL CHAMPION**
A public company that supports the local economy by stocking the products of local suppliers (food products, manufactured goods) or using local service providers.
Owned/Operated Publicly

Thank you!

Halena Seiferling
halena@livingwageforfamilies.ca
604.975.3347

Catherine Ludgate
livingwage@vancity.com
604.709.6940

1. Project Summary

The existing school facility is approximately 69 years old and it has reached the end of its useful life as well as being classified as H1 high seismic risk. The existing school facility is built on an area that has history of burial usage.

The project consists of design and construction of a 19,837m² replacement facility on the existing SD-owned property, decommissioning of the existing school, and restoration of the site with appropriate memorialization.

2. Project Structure

The Project Team are identified in Appendix 1.

3. Scope

The new school will accommodate more than 1,900 students with 76 teaching units and an allowable school area of 16,390m², plus Neighbourhood Learning Centre (NLC) space of 2,802m², and a SD Maintenance/IT facility of 645m², for a total gross area of 19,837m² per the CPFA.

There may be sufficient site area to accommodate two playfields and the Maintenance/IT facility is proposed as a stand-alone facility separate from the new school building.

4. Schedule

The following Table 1 sets out target milestone dates.

Table 1 – Tentative Timetable for Key Milestones

Milestone/Deliverable	Target Dates	Revised
RFQ issued	November 24, 2016	-/-
RFP issued	Early March 2017	Late March 2017
Technical submissions	July 2017	September 25, 2017
Financial submissions	August 2017	November 1, 2017
Contract award	September 2017	December 2017
Occupancy	September 2019	September 2020
Demo + Memorialization	September 2020	-/-

5. Budget

Contract expenditures to date total to an aggregate value of \$26,700,000 – On Budget

6. Communications

a) General

- Teachers and Department Heads have been consulted on classroom requirements.
- Ongoing stakeholder consultation regarding scheduling of civil works between Massey Theatre and Moody Park Arena (Tentative for July/August 2019).

- Ongoing communications with adjacent stakeholders (one-on-one) and surrounding community by door-to-door flyers (as required) and web updates, as and when required.
- Memorialization Advisory Committee (MAC) met May 1, 2019 – ongoing.

7. Procurement

- Completed

8. Work Completed or Underway - See photos pages 5-8

Over the course of March/April:

- **Foundation/Seismic Readiness** work has been completed.
- **Footings** - East and North wings are now completed.
- **Civil works:**
 - New service lines (electrical, water, sewer) installed throughout the foundation of the East Wing (Grand Commons to Sixth Street).
 - Remediation and resurfacing of internal service lane (aka 7th Street) from area of project office, northerly to 10th Avenue.
 - No archeological/environmental issues.
- **Concrete Work** - area in the north wing has all service lines installed and the concrete slab-on-grade floor for gymnasium was poured on March 20th. East Wing slab-on-grade concrete floor continues in Westerly direction.
- **Structural Steel Construction** – East Wing of school has significant amount of work completed – structural steel, hollow-core floor panels, top-lift concrete on floor.

Looking into May/June:

- Concrete slab-on-grade floors to continue along East Wing to Grand Commons and Theatre.
- Erecting the **structural steel** – ongoing along North Wing towards gymnasium area.
- Placement of “Hollow Core” concrete floor panels in balance of East Wing and then advance to North Wing.
- **Maintenance/IT (MIT) Building** – foundation excavation and footings preparation.

Notes:

- **On-time...On budget. (One year to completion)**
- **No changes to “Risk Summary”** – all items are “Low Risk”.
- **Work hours for Graham Design-Builders - Monday to Friday from 7:00 a.m. to 5:00 p.m.**
- **Traffic/Pedestrian/Cycling movements through and around worksite on Municipal streets are operating effectively and safely.**

Figure 1 – Anticipated Location of Major Site Uses (January 2017)



Appendix 1 – Project Team

- **School District #40:**
 - o Karim Hachlaf, Superintendent
 - o Kim Morris, Secretary-Treasurer
 - o Murray McLeod, NWSS Principal
 - o Dave Crowe, Director, Capital Projects
 - o Grant Lachmuth (Black Wolf Consulting Inc.), Project Officer

New Westminster Secondary School Replacement Project SD 40 Board Report #22



View from Project Cam – April 22nd



View from gymnasium area



Concrete floor for gymnasium



Concrete finishing of gym floor



View from 6th Street



View from 6th Street – Top-lift concrete on 3rd Floor



View of Theatre



Ground Floor on East Wing facing 6th Street (CTE Area)

Capital Projects, Operations and Planning

Lord Tweedsmuir Elementary School

The Lord Tweedsmuir Seismic Upgrade is going well and on schedule. Unitech has finished the demolition of rooms 109, 203, 204 and the Resource Room, and have completed all seismic connections and shear walls. The new sub-flooring has been completed as well as the new air handlers with ducting. Unitech has started on the MDF sheeting of the walls and dry walling of the ceilings. Rooms 109, 203, 204 and the Resource Room will be completed with new flooring, cabinets, lighting and T-Bar drop ceiling by the last week of May. Unitech has poured the slab and footings for the new elevator and the elevator shaft has been built ready to start framing. Unitech will be ready to start the next set of classrooms 108, 111, 206 & 207 in the beginning of June. Unitech has completed all of the crawl space with sheer walls and strapping and has also poured all the footings.

Richard McBride Elementary School

The public will soon have a chance to see draft designs and artists' renderings of what a new school for Richard McBride Elementary will look like, thanks to the input of parents, staff and the community. Architects at IBI Architectural Group will be ready to present their drafts at a second public consultation event scheduled for spring. The \$22.6 million seismic replacement for the 90-year-old structure will provide students with a safe, modern school to learn and thrive in. Completion is slated for 2021. Please check out the District's [website](#) for additional details.

All Other Projects

- New Westminster Secondary School
See meeting agenda item.
- Herbert Spencer Elementary School
Upgrade of new boilers and hot water tanks to an on-demand system with new pumps and controls. The work will be done over the summer AFG project \$320,000.00.
We are also doing a complete floor replacement SEP \$170,000.00 and Gym floor from AFG \$20,000.00
- Glenbrook Middle School
Replacing Gas fired roof top units to hot water from June 2019 to March 2020. SEP project \$528,000.00 and some out of AFG \$200,000.00
- Lord Kelvin Elementary School
Complete boiler and air handler upgrade from June 2019 to March 2020 SEP project \$900,000.00 and \$200,000.00 from AFG.
We are also doing a sprinkler piping refit replacing all dry system piping and straps tees from AFG \$50,000.00

Staff continues to work on planning for future projects.

Long-Range Facilities Review New Westminster Schools

April 4, 2019

Why Undertake a Long-Range Facilities Review?

The purpose of the review is multi-faceted:

- determine enrolment growth and corresponding future space requirements for delivery of educational services in New Westminster Schools
- fulfill the Ministry of Education's (MOE) requirement for a 10-year long-range facilities plan to support the rolling annual 5-Year Annual Capital Plan
- examine a longer timeframe beyond the 10-year required by the Ministry, to 2041 to coincide with the longer term planning horizon of the recently adopted New Westminster Official Community Plan (OCP)
- estimate the number of additional students from new housing to be determined from the OCP, and to provide enrolment projections for the schools
- propose options to accommodate future enrolment increases
- prepare a further detailed study for the next 10 years based on the option preferred by the Board of Education

Timeline

Cascade Facilities Management Ltd. was contracted in December 2017 and delivered its draft report in June 2018 (Appendix A). Over the course of the summer 2018, a new district staff team was hired, and a new Board of Education was elected in November 2018. During the month of April 2019, the Board will present the facilities review to the public and seek feedback on the options considered, including the preferred recommendation. By May 31, 2019 the Board intends to have an approved Long-Range Facilities Plan to include with the Annual 5-Year Capital Plan submission on June 30, 2019.

Over the planning horizon, the plan will be monitored relative to enrolment growth and capital application approvals for improved capacity and will be adjusted as necessary. The overall intent of the plan is to provide direction for capital spending into the future. This will help New Westminster Schools be responsive and proactive to enrolment and capacity changes. A solid and sustainable plan will improve return on investment and reduce the number of portables required for instruction.

Data

There are five key considerations when undertaking a facilities review:

1. Enrolment: How many students do we/will we have?
2. Capacity: How many seats do we have/will we need for students?
3. Utilization: How full or empty are the schools/will the schools be?
4. Condition: What is the quality of the structures we have/will have?
5. Options: After analyzing the enrolment, capacity, utilization and condition data, what priorities begin to emerge? What different scenarios should be considered?

Enrolment: How many students do we have?

In September 2018, New Westminster Schools had a total K-12 Standard school enrolment of 6,497 in:

- 8 elementary schools
- 3 middle schools
- 1 secondary school
- 3 alternate programs located in the secondary school, a shared leased space, and 5 modulars/portables
- 29 classroom modulars/portables*

In addition, New Westminster Schools also had a total Alternate and Distributed Learning enrolment of 392 FTE* (full-time equivalent) in:

- 3 distributed learning programs located in a closed elementary school, 6 modulars/portables and a shared leased space

* Modulars are prefabricated structures with robust structural features that assist in longer-term occupancy solutions such as full day Kindergarten.

Portables are prefabricated structures have standard structural features and are intended for temporary capacity challenges

* Full-Time Equivalent: Number of Courses Enrolled
Headcount

Elementary	Headcount	Location	Modular/Portable: Instructional	Modular/Portable: Non-Instructional
Lord Kelvin Elementary	455	Lord Kelvin Elementary	3	1
Herbert Spencer Elementary	470	Herbert Spencer Elementary	3	
Richard McBride Elementary	422	Richard McBride Elementary	2	1
Lord Tweedsmuir Elementary	357	Lord Tweedsmuir Elementary	2	1
FW Howay Elementary	120	FW Howay Elementary	1	
Connaught Elementary	158	Connaught Elementary	3	1
Queen Elizabeth Elementary	443	Queen Elizabeth Elementary	9	1
Qayqayt Elementary	509	Qayqayt Elementary	1	
	2,934			
Middle				
Queensborough Middle	320	Queensborough Middle		4
Glenbrook Middle	639	Glenbrook Middle	2	
Fraser River Middle	491	Fraser River Middle		
	1,450			
Secondary				
New Westminster Secondary	1,695	New Westminster Secondary	2	
International	285	New Westminster Secondary		
Alternate				
Royal City (Junior)	44	Fraser River Middle School Site	5	
Power (Senior)	45	Columbia Square Lease		
Sigma	44	New Westminster Secondary		
	133			
Total On-Site Students	6,497			
Distributed Learning	FTE			
Hume Park Home Learner	123	Hume Park Elementary	1	1
Continuing Education	218	Modulars on New Westminster Secondary Site	6	
Access New West Online	51	Columbia Square Lease		
Total Off-Site Students	392			
Administration Buildings				
School Board Office		School Board Office		1
Inclusion Itinerant Offices		Modular on Lord Tweedsmuir Site		1
Maintenance/Technology		Modulars on New Westminster Secondary Site		2
Total Enrolment	6,889	On-Site and Off-Site	40	14

Enrolment: How many students will we have?

The enrolment prepared by Cascade Facilities Management Ltd. projects an increase in enrolment from 6,497 in 2018 to 8,238 by 2041.

NOTE: Cascade's projections do not include our alternate program housed at New Westminster Secondary nor the international student enrolment.

New housing developments expected in New Westminster, will be yielding a student age population of close to 2,800, and based on an assumed participation rate * for the District, approximately 80% will be attending SD40 schools.

* Participation rate: # children resident and attending SD40 Schools
Total # children resident

	2017	2021	2026	2031	2036	2041	Growth (2017 to 2041)
Queen Elizabeth	418	459	495	523	541	558	
Queensborough	282	340	390	425	443	460	
École Qayqayt	493	545	615	685	745	803	
Connaught Heights	164	180	190	226	260	299	
École Lord Tweedsmuir	347	370	383	396	409	422	
Lord Kelvin	419	447	497	547	597	645	
Fraser River	472	506	561	618	688	758	
École Herbert Spencer	463	491	512	536	560	584	
FW Howay	127	133	138	142	146	150	
Richard McBride	433	499	526	576	625	674	
Glenbrook	619	645	661	686	711	735	
New Westminster	1737	1797	1877	1967	2055	2150	
DISTRICT	5974	6412	6845	7327	7780	8238	

Elementary & Middle By zone	2017	2021	2026	2031	2036	2041	Growth
Queensborough	700	799	885	948	984	1018	45%
Fraser River	1895	2048	2246	2472	2699	2927	54%
Glenbrook	1642	1768	1837	1940	2042	2143	31%

Capacity: How many seats do we have?

	Assumptions by 2041	Nominal Capacity Current	Nominal Capacity Approved Capital	Nominal Capacity Pending Capital Approval
Connaught Heights (K-5)		170	170	170
École Qayqayt (K-5)		550	550	550
École Lord Tweedsmuir (K-5)	250 Added in 18/19 Seismic Upgrade	655	655	655
Fraser River Middle (6-8)		500	500	500
Lord Kelvin (K-5)		460	460	460
École Herbert Spencer (K-5)		450	450	450
FW Howay (K-5)		190	190	190
Glenbrook Middle (6-8)		575	575	575
Richard McBride (K-5)		440	505	505
Queen Elizabeth (K-4)	Assumes 285 seats already added	305	305	590
Queensborough Middle (5-8)		375	375	375
New Westminster Secondary (9-12)		2025	2100	2100
District Total		6695	6835	7120

* Nominal capacity is based on occupancy as follows:
 20 students per classroom Kindergarten
 25 students per classroom Elementary
 25 students per classroom Secondary

*NOTE: Capacity Greater Than 100%: Ideally all schools operate at as near to 100% as possible. However, many schools in New Westminster and throughout the province operate robust programming at greater than 100% capacity, especially at secondary schools. It should also be noted that schools operating at greater than 100% are not automatically approved for capital expansions or replacements.

Utilization: How full or empty are our schools?

Capacity Utilization: Enrolment Headcount
Number of seats or Nominal Capacity

100% capacity utilization in any one building indicates the buildings is full. A capacity utilization of 50% indicates the building is half-full. A capacity utilization of 120% means there are 20% more students attending the school than the school was built for (possibly attending in portables).

New Westminster Schools has a 96% capacity utilization using current enrolment. If enrolment did not change from today, and once Richard McBride Elementary and New Westminster Secondary Schools (NWSS) are constructed, the District would be at 94% capacity. If enrolment did not change from today and the Queen Elizabeth Elementary expansion project was approved and constructed, the district would be at 90% capacity.

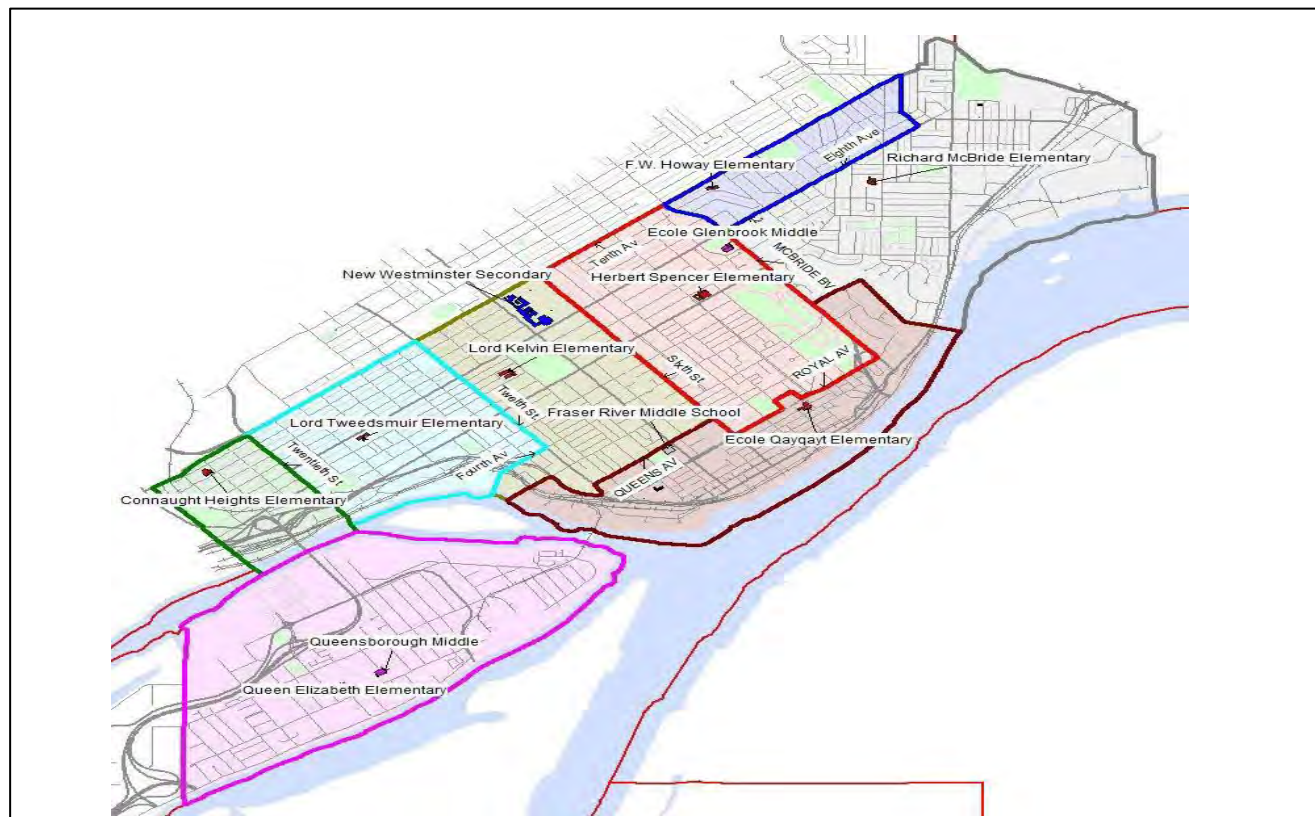
	Zone	Capacity Utilization 2018	Capacity Utilization 2026	Capacity Utilization 2041	Available Seats 2041	Available Seats 2041
Connaught Heights (K-5)	Fraser River	93%	93%	93%	12	
École Qayqayt (K-5)	Fraser River	93%	93%	93%	41	
École Lord Tweedsmuir (K-5)	Fraser River	55%	55%	55%	298	
Fraser River Middle (6-8)	Fraser River	98%	98%	98%	9	
Lord Kelvin (K-5)	Fraser River	99%	99%	99%	5	365
École Herbert Spencer (K-5)	Glenbrook	104%	104%	104%	-20	
FW Howay (K-5)	Glenbrook	63%	63%	63%	70	
Glenbrook Middle (6-8)	Glenbrook	111%	111%	111%	-64	
Richard McBride (K-5)	Glenbrook	96%	84%	84%	83	69
Queen Elizabeth (K-4)	Queensborough	145%	145%	75%	147	
Queensborough Middle (5-8)	Queensborough	85%	85%	85%	55	202
New Westminster Secondary (9-12) (Incl. International & Alternate)		100%	96%	96%	76	76
District Total		96%	94%	90%	712	712

Utilization: How full or empty will our schools be?

If we go one step further and account for enrolment growth between 2018 and 2041, AND capital construction project applications approved (NWSS & McBride) and pending (Queen Elizabeth), district capacity utilization is 96% in 2018, 103% in 2026 and 118% in 2041. Note: a planned downsizing of international programming is required to meet 109% capacity utilization at the secondary school in 2041.

	Zone	Capacity Utilization 2018	Capacity Utilization 2026	Capacity Utilization 2041	Available Seats 2041	Available Seats 2041
Connaught Heights (K-5)	Fraser River	93%	112%	176%	-129	
École Qayqayt (K-5)	Fraser River	93%	112%	146%	-253	
École Lord Tweedsmuir (K-5)	Fraser River	55%	58%	64%	233	
Fraser River Middle (6-8)	Fraser River	98%	112%	152%	-258	
Lord Kelvin (K-5)	Fraser River	99%	108%	140%	-185	-592
École Herbert Spencer (K-5)	Glenbrook	104%	114%	130%	-134	
FW Howay (K-5)	Glenbrook	63%	73%	79%	40	
Glenbrook Middle (6-8)	Glenbrook	111%	115%	128%	-160	
Richard McBride (K-5)	Glenbrook	96%	104%	133%	-169	-423
Queen Elizabeth (K-4)	Queensborough	145%	162%	95%	32	
Queensborough Middle (5-8)	Queensborough	85%	104%	123%	-85	-53
New Westminster Secondary (9-12) (Incl. International & Alternate)		100%	99%	109%	-194	-194
District Total		96%	103%	118%	-1,262	-1,262
		NWSS: 44 Alt	NWSS: 44 Alt	NWSS: 44 Alt	NWSS: 44 Alt	
		NWSS: 285 Int'l	NWSS: 160 Int'l	NWSS: 100 Int'l	NWSS: 100 Int'l	

If the District reaches 118% capacity utilization by 2041, the district will be short 1,262 seats.



As the District looks at enrolment growth and capacity growth from capital projects, by zone, priorities begin to emerge as follows:

1. Fraser River Zone: short 592 seats / 125% capacity
2. Glenbrook Zone: short 423 seats / 125% capacity
3. Queensborough Zone: short 53 seats / 105% capacity

Facility Condition: What is the quality of the buildings we have/will have?

The provincial facility condition sits somewhere in the 43% range. The VFA Condition Report for New Westminster Schools indicates that twelve of the schools, with a Facility Condition Index (FCI*) score of 0% and 42%, are in better condition than the provincial average and two in worse condition, with a score higher than 43%.

New Westminster Secondary School has an FCI of 70% and is currently being replaced. Hume Park Home Learner Program, one of the District's Distributed Learning Programs, is housed in the closed Hume Park Elementary School, and has an FCI of 51%.

New Westminster Schools' total FCI is 35% and is 13% better than the provincial average.

*FCI = Future deferred maintenance costs
Replacement value

- Reported as a percentage
- Rule of thumb: the lower the percentage FCI, the better the condition of the building
- E.g. New Westminster Secondary has an FCI of 70% meaning it has a large number of capital requirements to maintain the building; Qayqayt, one of the District's newest school, has an FCI of 0% and has very few capital requirements given its recent construction, to maintain the building.

Facility Name	Facility Code	Facility Type	Facility Status	VFA Replacement Value	FCI Cost	FCI	RI Cost	RI
CONNAUGHT HEIGHTS ELEMENTARY	4040010	Elementary School	Active	\$4,044,370	\$538,404	0.13	\$709,092	0.18
DISTRICT BOARD OFFICE	-	Board Office	Active	\$2,545,740	\$0	0.00	\$56,217	0.02
F W HOWAY ELEMENTARY	4040009	Elementary School	Active	\$5,388,250	\$716,316	0.13	\$852,624	0.16
FRASER RIVER MIDDLE	04040016	Junior Middle School	Active	\$12,524,826	\$8,876	0.00	\$65,093	0.01
GLENBROOK MIDDLE SCHOOL	4040013	Junior Middle School	Active	\$9,777,149	\$876,968	0.09	\$1,102,437	0.11
HERBERT SPENCER ELEMENTARY	4040002	Elementary School	Active	\$8,616,077	\$1,155,276	0.13	\$1,415,598	0.16
HUME PARK SCHOOL	4040011	Elementary School	Active	\$1,289,854	\$651,944	0.51	\$756,488	0.59
LORD KELVIN ELEMENTARY	4040001	Elementary School	Active	\$8,376,307	\$1,780,239	0.21	\$2,043,018	0.24
LORD TWEEDSMUIR ELEMENTARY	4040004	Elementary School	Active	\$8,555,807	\$2,511,912	0.29	\$2,728,924	0.32
NEW WESTMINSTER SECONDARY	4040008	Secondary School	Active	\$58,718,492	\$41,036,931	0.70	\$41,354,186	0.70
QAYQAYT ELEMENTARY	04040015	Elementary School	Active	\$9,791,852	\$0	0.00	\$58,682	0.01
QUEEN ELIZABETH ELEMENTARY	4040012	Elementary School	Active	\$7,258,191	\$1,422,311	0.20	\$1,608,494	0.22
QUEENSBOROUGH MIDDLE SCHOOL	4040014	Junior Middle School	Active	\$9,620,868	\$296,904	0.03	\$475,870	0.05
RICHARD MCBRIDE ELEMENTARY	4040003	Elementary School	Active	\$6,680,313	\$2,637,511	0.39	\$2,823,313	0.42
School District Total				\$153,188,096	\$53,633,592	0.35	\$56,050,036	0.37

Seismically, all schools in the high-risk category have been upgraded or replaced, or supported for seismic upgrade or replacement. Two schools: Connaught and Lord Kelvin Elementary, remain in the medium risk category and one school: Queen Elizabeth Elementary, in the low risk category.

New Westminster Schools has a very good overall facility condition index leading to safe and healthy learning environments.

Options

After analyzing the enrolment, capacity, utilization and condition data, what priorities begin to emerge? What different scenarios should be considered? At what cost?

Four options were proposed by Cascade:

- Option 1: Additions to schools based on growth in catchment area (i.e. add space to existing buildings wherever needed).
- Option 2: Addition to Queensborough Middle School + 3 new schools (1 Middle and 1 Elementary and 1 configuration to be determined).
- Option 3: Co-location of K-5 and 6-8 on same site within Queensborough, Fraser River and Glenbrook zones.
- Option 4: Eliminate middle school model and reconfigure all elementary and middle schools Grades K-7 (except Connaught Grades K-4), and the secondary school Grades 8-12.

Subsequent to the Cascade report, two options were added:

- Option 5: Reconfigure middle school model (K-5, 6-8, 9-12) and create junior secondary school model (K-6, 7-9, 10-12) using additions to existing buildings.
- Option 6: Reconfigure middle school model (K-5, 6-8, 9-12) and create junior secondary school model (K-6, 7-9, 10-12) using 2 additions and 4 new builds.

Status Quo

Before analysing options to change capacity and configurations in the District, we first must set a baseline or “current state”.

No additions or new builds beyond current approved capital projects and pending capital projects.

Assumes New West Secondary and Richard McBride construction is complete.
Assumes 285 seat Queen Elizabeth expansion project is complete (pending MOE approval in capital plan).

Capacity Utilization:

Fraser River Zone:	125%
Glenbrook Zone:	125%
Queensborough Zone:	105%
District Overall:	118%

All zones overcapacity.

Strengths:

- no capital costs

Challenges:

- high operating costs for portables, if possible to place the number needed
- **site constraints for portable installation (required portables do not fit)**
- programming impacted by learning environment, reconfiguration & capacity issues

	Assumptions by 2041	Nominal Capacity Current	Nominal Capacity Approved Capital	Nominal Capacity Pending Capital Approval
Connaught Heights (K-5)		170	170	170
École Qayqayt (K-5)		550	550	550
École Lord Tweedsmuir (K-5)	250 Added in 18/19 Seismic Upgrade	655	655	655
Fraser River Middle (6-8)		500	500	500
Lord Kelvin (K-5)		460	460	460
École Herbert Spencer (K-5)		450	450	450
FW Howay (K-5)		190	190	190
Glenbrook Middle (6-8)		575	575	575
Richard McBride (K-5)		440	505	505
Queen Elizabeth (K-4)	Assumes 285 seats already added	305	305	590
Queensborough Middle (5-8)		375	375	375
New Westminster Secondary (9-12)		2025	2100	2100
District Total		6695	6835	7120

	Zone	Enrolment 2018	Enrolment 2026	Enrolment 2041	Growth 2018 to 2041	Zone Growth
Connaught Heights (K-5)	Fraser River	158	190	299	141	
École Qayqayt (K-5)	Fraser River	509	615	803	294	
École Lord Tweedsmuir (K-5)	Fraser River	357	383	422	65	
Fraser River Middle (6-8)	Fraser River	491	561	758	267	
Lord Kelvin (K-5)	Fraser River	455	497	645	190	957
École Herbert Spencer (K-5)	Glenbrook	470	512	584	114	
FW Howay (K-5)	Glenbrook	120	138	150	30	
Glenbrook Middle (6-8)	Glenbrook	639	661	735	96	
Richard McBride (K-5)	Glenbrook	422	526	674	252	492
Queen Elizabeth (K-4)	Queensborough	443	495	558	115	
Queensborough Middle (5-8)	Queensborough	320	390	460	140	255
New Westminster Secondary (9-12) (Incl. International & Alternate)		2024	2081	2294	270	270
District Total		6,408	7,049	8,382	1,974	1,974

	Zone	Capacity Utilization 2018	Capacity Utilization 2026	Capacity Utilization 2041	Available Seats 2041	Available Seats 2041	
Connaught Heights (K-5)	Fraser River	93%	112%	176%	-129		
École Qayqayt (K-5)	Fraser River	93%	112%	146%	-253		
École Lord Tweedsmuir (K-5)	Fraser River	55%	58%	64%	233		
Fraser River Middle (6-8)	Fraser River	98%	112%	152%	-258		
Lord Kelvin (K-5)	Fraser River	99%	108%	140%	-185	-592	-25%
École Herbert Spencer (K-5)	Glenbrook	104%	114%	130%	-134		
FW Howay (K-5)	Glenbrook	63%	73%	79%	40		
Glenbrook Middle (6-8)	Glenbrook	111%	115%	128%	-160		
Richard McBride (K-5)	Glenbrook	96%	104%	133%	-169	-423	-25%
Queen Elizabeth (K-4)	Queensborough	145%	162%	95%	32		
Queensborough Middle (5-8)	Queensborough	85%	104%	123%	-85	-53	-5%
New Westminster Secondary (9-12) (Incl. International & Alternate)		100%	99%	109%	-194	-194	
District Total		96%	103%	118%	-1,262	-1,262	-18%
		NWSS: 44 Alt	NWSS: 44 Alt	NWSS: 44 Alt	NWSS: 44 Alt		
		NWSS: 285 Int'l	NWSS: 160 Int'l	NWSS: 100 Int'l	NWSS: 100 Int'l		

Option 1: Additions to schools based on growth in catchment area (i.e. add space to existing buildings wherever needed).

Addition of 1,695 seats in 8 schools:

- 1,277 elementary
- 418 middle

Cost: \$15.6 million +

Strengths:

- no reconfiguration or redrawing of catchments
- no site acquisition required
- inexpensive
- reduces capacity utilization from 118% to 98%
- 148 seats available for enrolment fluctuation

Challenges:

- **Qayqayt Elementary, Fraser River Middle and Glenbrook Middle Schools do not have the site size or building design to expand**
- construction disruption impacting 8 sites
- no inventory renewal (new buildings)

	Seats Added	Nominal Capacity Current	Nominal Capacity Approved Capital	Nominal Capacity Option 1
Connaught Heights (K-5)	155	170	170	325
École Qayqayt (K-5)	362	550	550	912
École Lord Tweedsmuir (K-5)		655	655	655
Fraser River Middle (6-8)	258	500	500	758
Lord Kelvin (K-5)	146	460	460	606
École Herbert Spencer (K-5)	124	450	450	574
FW Howay (K-5)		190	190	190
Glenbrook Middle (6-8)	160	575	575	735
Richard McBride (K-5)	175	440	505	680
Queen Elizabeth (K-4)	315	305	305	620
Queensborough Middle (5-8)		375	375	375
New Westminster Secondary (9-12)	0	2025	2100	2100
District Total	1695	6695	6835	8530

	Zone	Enrolment 2018	Enrolment 2026	Enrolment 2041	Growth 2018 to 2041	Zone Growth
Connaught Heights (K-5)	Fraser River	158	190	299	141	
École Qayqayt (K-5)	Fraser River	509	615	803	294	
École Lord Tweedsmuir (K-5)	Fraser River	357	383	422	65	
Fraser River Middle (6-8)	Fraser River	491	561	758	267	
Lord Kelvin (K-5)	Fraser River	455	497	645	190	957
École Herbert Spencer (K-5)	Glenbrook	470	512	584	114	
FW Howay (K-5)	Glenbrook	120	138	150	30	
Glenbrook Middle (6-8)	Glenbrook	639	661	735	96	
Richard McBride (K-5)	Glenbrook	422	526	674	252	492
Queen Elizabeth (K-4)	Queensborough	443	495	558	115	
Queensborough Middle (5-8)	Queensborough	320	390	460	140	255
New Westminster Secondary (9-12) (Incl. International & Alternate)		2024	2081	2294	270	270
District Total		6,408	7,049	8,382	1,974	1,974

	Zone	Capacity Utilization 2018	Capacity Utilization 2026	Capacity Utilization 2041	Available Seats 2041	Available Seats 2041
Connaught Heights (K-5)	Fraser River	93%	112%	92%	26	
École Qayqayt (K-5)	Fraser River	93%	112%	88%	109	
École Lord Tweedsmuir (K-5)	Fraser River	55%	58%	64%	233	
Fraser River Middle (6-8)	Fraser River	98%	112%	100%	0	
Lord Kelvin (K-5)	Fraser River	99%	108%	106%	-39	329
École Herbert Spencer (K-5)	Glenbrook	104%	114%	102%	-10	
FW Howay (K-5)	Glenbrook	63%	73%	79%	40	
Glenbrook Middle (6-8)	Glenbrook	111%	115%	100%	0	
Richard McBride (K-5)	Glenbrook	96%	104%	99%	6	36
Queen Elizabeth (K-4)	Queensborough	145%	162%	90%	62	
Queensborough Middle (5-8)	Queensborough	85%	104%	123%	-85	-23
New Westminster Secondary (9-12) (Incl. International & Alternate)		100%	99%	109%	-194	-194
District Total		96%	103%	98%	148	148
		NWSS: 44 Alt	NWSS: 44 Alt	NWSS: 44 Alt	NWSS: 44 Alt	
		NWSS: 285 Int'l	NWSS: 160 Int'l	NWSS: 100 Int'l	NWSS: 100 Int'l	

Option 2: Addition to Queensborough Middle School + 3 new schools (1 Middle and 1 Elementary and 1 configuration to be determined).

Addition of 1,465 seats in 4 schools:

- 500 elementary
- 965 middle

Cost: \$79 million +, not including land acquisition

Assumes 285 seat Queen Elizabeth expansion project is complete (pending MOE approval in capital plan)

Assumes 3rd new school is a middle school

Strengths:

- minimal construction disruption: 1 addition to existing
- maintains established grade configuration
- renews inventory (new schools)
- **no site or expansion constraints (“fits” on site)**
- reduces capacity utilization from 118% to 98%
- 203 seats available for enrolment fluctuation

Challenges:

- expensive
- requires site acquisition

	Seats Added	Nominal Capacity Current	Nominal Capacity Approved Capital	Nominal Capacity Option 2
Connaught Heights (K-5)		170	170	170
École Qayqayt (K-5)		550	550	550
École Lord Tweedsmuir (K-5)	250 Added in 18/19 Seismic Upgrade	655	655	655
Fraser River Middle (6-8)		500	500	500
Lord Kelvin (K-5)		460	460	460
NEW: Elementary #1 (K-5)	500	0	0	500
NEW : Middle School (6-8)	415	0	0	415
École Herbert Spencer (K-5)		450	450	450
FW Howay (K-5)		190	190	190
Glenbrook Middle (6-8)		575	575	575
Richard McBride (K-5)		440	505	505
NEW: Elem or Middle School	500	0	0	500
Queen Elizabeth (K-4)	Assumes 285 seats already added	305	305	590
Queensborough Middle (5-8)	50	375	375	425
New Westminster Secondary (9-12)		2025	2100	2100
District Total	1465	6695	6835	8585

	Zone	Suggested Enrolment Changes 2041	Enrolment 2018	Enrolment 2026	Enrolment 2041	Growth 2018 to 2041	Zone Growth
Connaught Heights (K-5)	Fraser River	-129	158	190	170	12	
École Qayqayt (K-5)	Fraser River	-253	509	615	550	41	
École Lord Tweedsmuir (K-5)	Fraser River	0	357	383	422	65	
Fraser River Middle (6-8)	Fraser River	-258	491	561	500	9	
Lord Kelvin (K-5)	Fraser River	-185	455	497	460	5	
NEW: Elementary #1 (K-5)	Fraser River	455	0	0	455	455	
NEW: Middle School (K-8)	Fraser River	370	0	0	370	370	957
École Herbert Spencer (K-5)	Glenbrook	-134	470	512	450	-20	
FW Howay (K-5)	Glenbrook		120	138	150	30	
Glenbrook Middle (6-8)	Glenbrook	-160	639	661	575	-64	
Richard McBride (K-5)	Glenbrook	-169	422	526	505	83	
NEW: Middle School (K-8)	Glenbrook	463	0	0	463	463	492
Queen Elizabeth (K-4)	Queensborough		443	495	558	115	
Queensborough Middle (5-8)	Queensborough		320	390	460	140	255
New Westminster Secondary (9-12) (Incl. International & Alternate)			2024	2091	2294	270	270
District Total		0	6408	7059	8382	1974	1974

	Zone	Capacity Utilization 2018	Capacity Utilization 2026	Capacity Utilization 2041	Available Seats 2041	Available Seats 2041	
Connaught Heights (K-5)	Fraser River	93%	112%	100%	0		
École Qayqayt (K-5)	Fraser River	93%	112%	100%	0		
École Lord Tweedsmuir (K-5)	Fraser River	55%	58%	64%	233		
Fraser River Middle (6-8)	Fraser River	98%	112%	100%	0		
Lord Kelvin (K-5)	Fraser River	99%	108%	100%	0		
NEW: Elementary #1 (K-5)	Fraser River	0%	0%	91%	45		
NEW: Middle School (6-8)	Fraser River	0%	0%	89%	45	323	10%
École Herbert Spencer (K-5)	Glenbrook	104%	114%	100%	0		
FW Howay (K-5)	Glenbrook	63%	73%	79%	40		
Glenbrook Middle (6-8)	Glenbrook	111%	115%	100%	0		
Richard McBride (K-5)	Glenbrook	96%	104%	100%	0		
NEW: Middle School (6-8)	Glenbrook	0%	0%	93%	37	77	3%
Queen Elizabeth (K-4)	Queensborough	145%	162%	95%	32		
Queensborough Middle (5-8)	Queensborough	85%	104%	108%	-35	-3	0%
New Westminster Secondary (9-12) (Incl. International & Alternate)		100%	100%	109%	-194	-194	
District Total		96%	103%	98%	203	203	2%

Option 3: Co-location of K-5 and 6-8 on same site within Queensborough, Fraser River and Glenbrook zones

Addition of 1,275 seats in 8 schools:

- 1,025 elementary
- 250 middle

Cost: \$27.7 million

Strengths:

- mid-range cost
- no site acquisition required
- reduced capacity utilization from 118% to 100%

Challenges:

- only 13 seats available for enrolment fluctuation
- **undesirable grade reconfigurations in 10 schools**
- prioritizes space utilization over educational programming

Zone		Current	Proposed
QUEENSBOROUGH	Queen Elizabeth Elementary	K-4	K-3
	Queensborough Middle	5-8	4-8
FRASER RIVER	Connaught Elementary	K-5	K-5
	Lord Tweedsmuir Elementary	K-5	K-8
	Lord Kelvin Elementary	K-5	K-8
	Qayqayt	K-5	K-8
	Fraser River Middle School	6-8	K-8
GLENBROOK	Herbert Spencer Elementary	K-5	K-8
	FW Howay Elementary	K-5	K-8
	Richard McBride Elementary	K-5	K-8
	Glenbrook Middle	6-8	K-8

	Seats Added	Nominal Capacity Current	Nominal Capacity Approved Capital	Nominal Capacity Option 3
Connaught Heights (K-5)	200	170	170	370
École Qayqayt (K-5)	125	550	550	675
École Lord Tweedsmuir (K-5)	250 Added in 18/19 Seismic Upgrade	655	655	655
Fraser River Middle (6-8)	125	500	500	625
Lord Kelvin (K-5)	250	460	460	710
École Herbert Spencer (K-5)	100	450	450	550
FW Howay (K-5)	250	190	190	440
Glenbrook Middle (6-8)		575	575	575
Richard McBride (K-5)	100	440	505	605
Queen Elizabeth (K-4)	Assumes 285 seats already added	305	305	590
Queensborough Middle (5-8)	125	375	375	500
New Westminster Secondary (9-12)		2025	2100	2100
District Total	1275	6695	6835	8395

	Zone	Enrolment 2018	Enrolment 2026	Enrolment 2041	Growth 2018 to 2041	Zone Growth
Connaught Heights (K-5)	Fraser River	158	190	299	141	
École Qayqayt (K-5)	Fraser River	509	615	803	294	
École Lord Tweedsmuir (K-5)	Fraser River	357	383	422	65	
Fraser River Middle (6-8)	Fraser River	491	561	758	267	
Lord Kelvin (K-5)	Fraser River	455	497	645	190	957
École Herbert Spencer (K-5)	Glenbrook	470	512	584	114	
FW Howay (K-5)	Glenbrook	120	138	150	30	
Glenbrook Middle (6-8)	Glenbrook	639	661	735	96	
Richard McBride (K-5)	Glenbrook	422	526	674	252	492
Queen Elizabeth (K-4)	Queensborough	443	495	558	115	
Queensborough Middle (5-8)	Queensborough	320	390	460	140	255
New Westminster Secondary (9-12) (Incl. International & Alternate)		2024	2081	2294	270	270
District Total		6,408	7,049	8,382	1,974	1,974

	Zone	Capacity Utilization 2018	Capacity Utilization 2026	Capacity Utilization 2041	Available Seats 2041	Available Seats 2041
Connaught Heights (K-5)	Fraser River	93%	112%	81%	71	
École Qayqayt (K-5)	Fraser River	93%	112%	119%	-128	
École Lord Tweedsmuir (K-	Fraser River	55%	58%	64%	233	
Fraser River Middle (6-8)	Fraser River	98%	112%	121%	-133	
Lord Kelvin (K-5)	Fraser River	99%	108%	91%	65	108
École Herbert Spencer (K-5)	Glenbrook	104%	114%	106%	-34	
FW Howay (K-5)	Glenbrook	63%	73%	34%	290	
Glenbrook Middle (6-8)	Glenbrook	111%	115%	128%	-160	
Richard McBride (K-5)	Glenbrook	96%	104%	111%	-69	27
Queen Elizabeth (K-4)	Queensborough	145%	162%	95%	32	
Queensborough Middle (5-8)	Queensborough	85%	104%	92%	40	72
New Westminster Secondary (9-12) (Incl. International & Alternate)		100%	99%	109%	-194	-194
District Total		96%	103%	100%	13	13
		NWSS: 44 Alt	NWSS: 44 Alt	NWSS: 44 Alt	NWSS: 44 Alt	
		NWSS: 285 Int'l	NWSS: 160 Int'l	NWSS: 100 Int'l	NWSS: 100 Int'l	

Option 4: Eliminate middle school model and reconfigure all elementary and middle schools Grades K-7 (except Connaught Grades K-4), and the secondary school Grades 8-12

Addition of 1,315 seats in 7 schools:

- 875 elementary/middle
- 440 secondary

Cost: \$45 million +

Strengths:

- no site acquisition required
- reduces capitalization utilization from 118% to 99%

Challenges:

- expensive
- significant construction disruption: 8 additions to existing
- **secondary school does not have the site size or building design to expand (doesn't "fit")**
- significant grade reconfiguration
- only 53 available seats for enrolment fluctuation
- may create have and have not schools where K-7 in purpose built middle schools may have more quality programming (exploratory space: foods, tech ed. labs etc.) than a purpose built K-7

	Zone	Reconfigure K-7/8-12	Enrolment 2018	Enrolment 2026	Enrolment 2041	Growth 2018 to 2041	Zone Growth
Connaught Heights (K-5)	Fraser River		158	190	299	141	
École Qayqayt (K-5)	Fraser River		509	615	803	294	
École Lord Tweedsmuir (K-5)	Fraser River		357	383	422	65	
Fraser River Middle (6-8)	Fraser River	-172	491	561	586	95	
Lord Kelvin (K-5)	Fraser River		455	497	645	190	785
École Herbert Spencer (K-5)	Glenbrook		470	512	584	114	
FW Howay (K-5)	Glenbrook		120	138	150	30	
Glenbrook Middle (6-8)	Glenbrook	-185	639	661	550	-89	
Richard McBride (K-5)	Glenbrook		422	526	674	252	307
Queen Elizabeth (K-4)	Queensborough		443	495	558	115	
Queensborough Middle (5-8)	Queensborough	-83	320	390	377	57	172
New Westminster Secondary (9-12) (Incl. International & Alternate)		440	2024	2081	2734	710	710
District Total		0	6,408	7,049	8,382	1,974	1,974

	Seats Added	Nominal Capacity Current	Nominal Capacity Approved Capital	Nominal Capacity Option 4
Connaught Heights (K-5)	150	170	170	320
École Qayqayt (K-5)	100	550	550	650
École Lord Tweedsmuir (K-5)	250 Added in 18/19 Seismic Upgrade	655	655	655
Fraser River Middle (6-8)	100	500	500	600
Lord Kelvin (K-5)	200	460	460	660
École Herbert Spencer (K-5)		450	450	450
FW Howay (K-5)	225	190	190	415
Glenbrook Middle (6-8)		575	575	575
Richard McBride (K-5)		440	505	505
Queen Elizabeth (K-4)	Assumes 285 seats already added	305	305	590
Queensborough Middle (5-8)	100	375	375	475
New Westminster Secondary (9-12)	440	2025	2100	2540
District Total	1315	6695	6835	8435

	Zone	Capacity Utilization 2018	Capacity Utilization 2026	Capacity Utilization 2041	Available Seats 2041	Available Seats 2041
Connaught Heights (K-5)	Fraser River	93%	112%	93%	21	
École Qayqayt (K-5)	Fraser River	93%	112%	124%	-153	
École Lord Tweedsmuir (K-5)	Fraser River	55%	58%	64%	233	
Fraser River Middle (6-8)	Fraser River	98%	112%	98%	14	
Lord Kelvin (K-5)	Fraser River	99%	108%	98%	15	130
École Herbert Spencer (K-5)	Glenbrook	104%	114%	130%	-134	
FW Howay (K-5)	Glenbrook	63%	73%	36%	265	
Glenbrook Middle (6-8)	Glenbrook	111%	115%	96%	25	
Richard McBride (K-5)	Glenbrook	96%	104%	133%	-169	-13
Queen Elizabeth (K-4)	Queensborough	145%	162%	95%	32	
Queensborough Middle (5-8)	Queensborough	85%	104%	79%	98	130
New Westminster Secondary (9-12) (Incl. International & Alternate)		100%	99%	108%	-194	-194
District Total		96%	103%	99%	53	53
		NWSS: 44 Alt	NWSS: 44 Alt	NWSS: 44 Alt	NWSS: 44 Alt	
		NWSS: 285 Int'l	NWSS: 160 Int'l	NWSS: 100 Int'l	NWSS: 100 Int'l	

Option 5: Reconfigure middle school model (K-5, 6-8, 9-12) and create junior secondary school model (K-6, 7-9, 10-12) using additions to existing buildings only

Addition of 1800 seats in 10 schools:

- 1,350 elementary
- 450 secondary

Cost: \$30.6 million +

Strengths:

- no site acquisition required
- mid-range cost

Challenges:

- significant construction disruption: 10 additions to existing
- **Qayqayt Elementary, Fraser River Middle and Glenbrook Middle Schools do not have the site size or building design to expand**
- significant grade reconfiguration
- 84% capacity at NWSS with 343 empty seats (built for 4 grade configuration; reconfigured to 3 grades). International student loss of 185 could be added back to NWSS and increase capacity to 92% but still under-utilized for a secondary school.

	Zone	Enrolment 2018	Enrolment 2026	Enrolment 2041	Growth 2018 to 2041	Zone Growth
Connaught Heights (K-6)	Fraser River	174	206	323	149	
École Qayqayt (K-6)	Fraser River	583	700	913	330	
École Lord Tweedsmuir (K-6)	Fraser River	416	443	486	70	
Fraser River Middle (7-9)	Fraser River	488	562	737	249	
Lord Kelvin (K-6)	Fraser River	510	553	716	206	1,003
École Herbert Spencer (K-6)	Glenbrook	550	595	677	127	
FW Howay (K-6)	Glenbrook	149	168	181	32	
Glenbrook Middle (7-9)	Glenbrook	636	661	714	78	
Richard McBride (K-6)	Glenbrook	492	609	779	287	523
Queen Elizabeth (K-5)	Queensborough	531	589	662	131	
Queensborough Middle (6-9)	Queensborough	317	389	438	121	253
New Westminster Secondary (10-12)		1562	1,572	1,757	195	195
District Total		6,408	7,049	8,382	1,974	1,974

	Assumptions by 2041	Seats Added	Nominal Capacity Current	Nominal Capacity Approved Capital	Nominal Capacity Pending Capital Approval
Connaught Heights (K-6)		150	320	320	320
École Qayqayt (K-6)		375	925	925	925
École Lord Tweedsmuir (K-6)	250 Added in 18/19 Seismic Upgrade		655	655	655
Fraser River Middle (7-9)		225	725	725	725
Lord Kelvin (K-6)		250	710	710	710
École Herbert Spencer (K-6)		225	675	675	675
FW Howay (K-6)			190	190	190
Glenbrook Middle (7-9)		150	725	725	725
Richard McBride (K-6)		275	715	780	780
Queen Elizabeth (K-5)	Assumes 285 seats already added	75	380	380	665
Queensborough Middle (6-9)		75	450	450	450
New Westminster Secondary (10-12)			2025	2100	2100
District Total		1800	8495	8635	8920

	Zone	Capacity Utilization 2018	Capacity Utilization 2026	Capacity Utilization 2041	Available Seats 2041	Available Seats 2041
Connaught Heights (K-6)	Fraser River	54%	64%	101%	-3	
École Qayqayt (K-6)	Fraser River	63%	76%	99%	12	
École Lord Tweedsmuir (K-6)	Fraser River	64%	68%	74%	169	
Fraser River Middle (7-9)	Fraser River	67%	77%	102%	-12	
Lord Kelvin (K-6)	Fraser River	72%	78%	101%	-6	161
École Herbert Spencer (K-6)	Glenbrook	81%	88%	100%	-2	
FW Howay (K-6)	Glenbrook	78%	89%	95%	9	
Glenbrook Middle (7-9)	Glenbrook	88%	91%	98%	11	
Richard McBride (K-6)	Glenbrook	69%	78%	100%	1	20
Queen Elizabeth (K-5)	Queensborough	140%	155%	100%	3	
Queensborough Middle (6-9)	Queensborough	70%	87%	97%	12	14
New Westminster Secondary (10-12)		77%	75%	84%	343	343
District Total		75%	82%	94%	538	538
		NWSS: 44 Alt	NWSS: 44 Alt	NWSS: 44 Alt	NWSS: 44 Alt	
		NWSS: 285 Int'l	NWSS: 160 Int'l	NWSS: 100 Int'l	NWSS: 100 Int'l	

Option 6: Reconfigure middle school model (K-5, 6-8, 9-12) and create junior secondary school model (K-6, 7-9, 10-12) using combination 4 new builds (1 elementary and 1 junior secondary in Fraser River zone, 1 elementary and 1 junior secondary in Glenbrook zone) and 2 additions (Queen Elizabeth Elementary and Queensborough Middle)

Addition of 1800 seats in 6 schools:

- 1,375 elementary
- 475 secondary

Cost: \$88 million +

Strengths:

- nil

Challenges:

- expensive
- site acquisition
- **significant grade reconfiguration**
- new Fraser River elementary school is very large (800 capacity); both new junior high schools are very small (150 capacity and 250 capacity)
- catchments across zones would be required to right size school size (even-out the very large elementary and the two very small junior secondaries)
- 84% capacity at NWSS with 343 empty seats (built for 4 grade configuration; reconfigured to 3 grades). International student loss of 185 could be added back to NWSS and increase capacity to 92% but still under-utilized for a secondary school.
- prioritizes capacity utilization over educational programming

	Zone	Enrolment 2018	Enrolment 2026	Enrolment 2041	Growth 2018 to 2041	Zone Growth
Connaught Heights (K-6)	Fraser River	174	206	170	-4	
École Qayqayt (K-6)	Fraser River	583	700	550	-33	
École Lord Tweedsmuir (K-6)	Fraser River	416	443	486	70	
Fraser River Middle (7-9)	Fraser River	488	562	500	12	
Lord Kelvin (K-6)	Fraser River	510	553	460	-50	
NEW: Elementary #1 (K-6)	Fraser River	0	0	772	772	
NEW: Jr Secondary (7-9)	Fraser River	0	0	237	237	1,003
École Herbert Spencer (K-6)	Glenbrook	550	595	452	-98	
FW Howay (K-6)	Glenbrook	149	168	181	32	
Glenbrook Middle (7-9)	Glenbrook	636	661	564	-72	
Richard McBride (K-6)	Glenbrook	492	609	504	12	
NEW: Elementary (K-6)	Glenbrook	0	0	500	500	
NEW: Jr Secondary (7-9)	Glenbrook			150	150	523
Queen Elizabeth (K-5)	Queensborough	531	589	662	131	
Queensborough Middle (6-9)	Queensborough	317	389	438	121	253
New Westminster Secondary (10-12)		1562	1,572	1,757	195	195
District Total		6,408	7,049	8,382	1,974	1,974

	Assumptions by 2041	Seats Added	Nominal Capacity Current	Nominal Capacity Approved Capital	Nominal Capacity Pending Capital Approval
Connaught Heights (K-6)		0	170	170	170
École Qayqayt (K-6)		0	550	550	550
École Lord Tweedsmuir (K-6)	250 Added in 18/19 Seismic Upgrade		655	655	655
Fraser River Middle (7-9)		0	500	500	500
Lord Kelvin (K-6)		0	460	460	460
NEW: Elementary #1 (K-6)		800	0	0	800
NEW: Jr Secondary School (7-9)		250	0	0	250
École Herbert Spencer (K-6)		0	450	450	450
FW Howay (K-6)			190	190	190
Glenbrook Middle (7-9)		0	575	575	575
Richard McBride (K-6)		0	440	505	505
NEW: Elementary (K-6)		500	0	0	500
NEW: Junior Secondary (7-9)		150	0	0	150
Queen Elizabeth (K-5)	Assumes 285 seats already added	75	305	305	665
Queensborough Middle (6-9)		75	375	375	450
New Westminster Secondary (10-12)			2025	2100	2100
District Total		1850	6695	6835	8970

	Zone	Capacity Utilization 2018	Capacity Utilization 2026	Capacity Utilization 2041	Available Seats 2041	Available Seats 2041	
Connaught Heights (K-6)	Fraser River	102%	121%	100%	0		
École Qayqayt (K-6)	Fraser River	106%	127%	100%	0		
École Lord Tweedsmuir (K-6)	Fraser River	64%	68%	74%	169		
Fraser River Middle (7-9)	Fraser River	98%	112%	100%	0		
Lord Kelvin (K-6)	Fraser River	111%	120%	100%	0		
NEW: Elementary #1 (K-6)	Fraser River	0%	0%	97%	28		
NEW: Jr Secondary (7-9)	Fraser River	0%	0%	95%	13	211	6%
École Herbert Spencer (K-6)	Glenbrook	122%	132%	100%	-2		
FW Howay (K-6)	Glenbrook	78%	89%	95%	9		
Glenbrook Middle (7-9)	Glenbrook	111%	115%	98%	11		
Richard McBride (K-6)	Glenbrook	112%	121%	100%	1		
NEW: Elementary (K-6)	Glenbrook	0%	0%	100%	0		
NEW: Jr Secondary (7-9)	Glenbrook	0%	0%	100%	0	20	1%
Queen Elizabeth (K-5)	Queensborough	174%	193%	100%	3		
Queensborough Middle (6-9)	Queensborough	85%	104%	97%	12	14	-5%
New Westminster Secondary (10-12)		77%	75%	84%	343	343	
District Total		96%	103%	93%	588	588	7%

Option Summary

	Seats	Cost	Strengths	Challenges
Option 1: Maintain configuration; additions to 8 sites	1,695	15.6 m	no reconfiguration no redrawing catchments no site acquisition required inexpensive 118% capacity utilization reduction to 98% 148 seats available	Qayqayt, FRMS and GMS do not fit (site/existing building design) disruption due to construction impacting 9 sites no inventory renewal
Option 2: Maintain configuration; additions to 1 site + 1 NEW elementary, 1 NEW middle & 1 NEW Elementary or Middle TBD	1,465	79+ m	minimal construction disruption: 2 additions to existing maintains established grade configuration renews inventory (new schools) no site or expansion constraints ("fits" on site) 118% capacity utilization reduction to 98% 203 seats available	requires site acquisition expensive
Option 3: Co-location of K-5 and 6-8 on same site within zones	1,275	32 m	mid-range cost no site acquisition required 118% capacity utilization to 100%	undesirable grade reconfigurations in 10 schools prioritizes space utilization over educational programming 13 seats available
Option 4: Eliminate middle school model and reconfigure all elementary and middle schools K-7 and the secondary school 8-12	1,315	45 m	no site acquisition required 118% capacity utilization reduction to 99%	expensive disruption due to construction impacting 9 sites NWSS does not fit (site/existing building design) significant grade reconfiguration 53 seats available may create have and have not schools where K-7 in purpose built middle schools may have more quality programming (exploratory space: foods, tech ed labs etc) than a purpose built K-7
Option 5: Reconfigure middle school model (K-5, 6-8, 9-12) and create junior secondary school model (K-6, 7-9, 10-12) using additions to existing schools	1,800	30.6 m	no site acquisition required mid-range cost	disruption due to construction impacting 10 sites Qayqayt, FRMS and GMS do not fit (site/existing building design) significant grade reconfiguration 353 empty seats at secondary prioritizes space utilization over educational programming
Option 6: Reconfigure middle school model (K-5, 6-8, 9-12) and create junior secondary school model (K-6, 7-9, 10-12) using combination 2 additions and 4 new builds	1,800	88+ m	Nil	expensive site acquisition significant grade reconfiguration very large new elementary and 2 very small junior secondaries 353 empty seats at secondary prioritizes space utilization over educational programming

Preferred Option Recommendation

Option 2: Addition to Queensborough Middle School + 3 new schools (1 Middle and 1 Elementary and 1 configuration to be determined).

Because:

- Options 1, 4, 5 do not fit (site and building design constraint)
- Option 3 creates undesirable grade reconfigurations in 10 schools and prioritizes space utilization over educational programming
- Option 6 is the most expensive and prioritizes space utilization over educational programming

Family of School (Zone) Considerations – Preferred Option

Fraser River Zone – Long-Range Priority #1

Enrolment Growth between 2018 and 2041: 957
Capacity Utilization by 2041: 125%

Assumes McBride and NWSS are constructed.

Priority on Annual 5-Year Capital Plan: Priority #2 & 3

SITE ACQUISITION & NEW: Elementary School (500 students) by 2026

SITE ACQUISITION & NEW: Middle School (415 Students) by 2041 (yet to appear on capital plan)

Result: portables eliminated, 90% capacity by 2041 and 323 available seats

	Seats Added	Nominal Capacity Current	Nominal Capacity Approved Capital	Nominal Capacity Option 2
Connaught Heights (K-5)		170	170	170
École Qayqayt (K-5)		550	550	550
École Lord Tweedsmuir (K-5)	250 Added in 18/19 Seismic Upgrade	655	655	655
Fraser River Middle (6-8)		500	500	500
Lord Kelvin (K-5)		460	460	460
NEW: Elementary #1 (K-5)	500	0	0	500
NEW : Middle School (6-8)	415	0	0	415

	Zone	Suggested Enrolment Changes 2041	Enrolment 2018	Enrolment 2026	Enrolment 2041	Growth 2018 to 2041	Zone Growth
Connaught Heights (K-5)	Fraser River	-129	158	190	170	12	
École Qayqayt (K-5)	Fraser River	-253	509	615	550	41	
École Lord Tweedsmuir (K-5)	Fraser River	0	357	383	422	65	
Fraser River Middle (6-8)	Fraser River	-258	491	561	500	9	
Lord Kelvin (K-5)	Fraser River	-185	455	497	460	5	
NEW: Elementary #1 (K-5)	Fraser River	455	0	0	455	455	
NEW: Middle School (K-8)	Fraser River	370	0	0	370	370	957

	Zone	Capacity Utilization 2018	Capacity Utilization 2026	Capacity Utilization 2041	Available Seats 2041	Available Seats 2041	
Connaught Heights (K-5)	Fraser River	93%	112%	100%	0		
École Qayqayt (K-5)	Fraser River	93%	112%	100%	0		
École Lord Tweedsmuir (K-5)	Fraser River	55%	58%	64%	233		
Fraser River Middle (6-8)	Fraser River	98%	112%	100%	0		
Lord Kelvin (K-5)	Fraser River	99%	108%	100%	0		
NEW: Elementary #1 (K-5)	Fraser River	0%	0%	91%	45		
NEW: Middle School (6-8)	Fraser River	0%	0%	89%	45	323	10%

Glenbrook Zone – Long-Range Priority #2

Enrolment Growth between 2018 and 2041: 492
Capacity Utilization by 2041: 125%

Assumes McBride and NWSS are constructed.

Priority on Annual 5-Year Capital Plan: Priority #4
NEW: Middle School (500 students)

Result: portables eliminated, 97% capacity by 2041 and 77 available seats

	Seats Added	Nominal Capacity Current	Nominal Capacity Approved Capital	Nominal Capacity Option 2
École Herbert Spencer (K-5)		450	450	450
FW Howay (K-5)		190	190	190
Glenbrook Middle (6-8)		575	575	575
Richard McBride (K-5)		440	505	505
NEW: Elem or Middle School	500	0	0	500

	Zone	Suggested Enrolment Changes 2041	Enrolment 2018	Enrolment 2026	Enrolment 2041	Growth 2018 to 2041	Zone Growth
École Herbert Spencer (K-5)	Glenbrook	-134	470	512	450	-20	
FW Howay (K-5)	Glenbrook		120	138	150	30	
Glenbrook Middle (6-8)	Glenbrook	-160	639	661	575	-64	
Richard McBride (K-5)	Glenbrook	-169	422	526	505	83	
NEW: Middle School (K-8)	Glenbrook	463	0	0	463	463	492

	Zone	Capacity Utilization 2018	Capacity Utilization 2026	Capacity Utilization 2041	Available Seats 2041	Available Seats 2041	
École Herbert Spencer (K-5)	Glenbrook	104%	114%	100%	0		
FW Howay (K-5)	Glenbrook	63%	73%	79%	40		
Glenbrook Middle (6-8)	Glenbrook	111%	115%	100%	0		
Richard McBride (K-5)	Glenbrook	96%	104%	100%	0		
NEW: Middle School (6-8)	Glenbrook	0%	0%	93%	37	77	3%

Queensborough Zone – Long-Range Priority #3

Enrolment Growth between 2018 and 2041: 255
Capacity Utilization by 2041: 105%

Assumes Queen Elizabeth expansion approved and constructed.

Priority on Annual 5-Year Capital Plan: #1

Queen Elizabeth: 12-classroom and 1 gym addition to replace 10 portables

Queensborough: 50 seat addition (not yet on capital plan)

Result: portables eliminated, 100% capacity by 2041

	Seats Added	Nominal Capacity Current	Nominal Capacity Approved Capital	Nominal Capacity Option 2
Queen Elizabeth (K-4)	Assumes 285 seats already added	305	305	590
Queensborough Middle (5-8)	50	375	375	425

	Zone	Suggested Enrolment Changes 2041	Enrolment 2018	Enrolment 2026	Enrolment 2041	Growth 2018 to 2041	Zone Growth
Queen Elizabeth (K-4)	Queensborough		443	495	558	115	
Queensborough Middle (5-8)	Queensborough		320	390	460	140	255

	Zone	Capacity Utilization 2018	Capacity Utilization 2026	Capacity Utilization 2041	Available Seats 2041	Available Seats 2041	
Queen Elizabeth (K-4)	Queensborough	145%	162%	95%	32		
Queensborough Middle (5-8)	Queensborough	85%	104%	108%	-35	-3	0%

District at a Glance

Assumes approved capital projects are constructed (NWSS & McBride).

Assumes pending capital projects are constructed (Queen Elizabeth).

Assumes new elementary school in the Fraser River Zone.

Assumes new middle schools in the Glenbrook and Fraser River Zones.

Result: elimination of portables, 98% capacity, 203 available seats by 2041.

	Seats Added	Nominal Capacity Current	Nominal Capacity Approved Capital	Nominal Capacity Option 2
Connaught Heights (K-5)		170	170	170
École Qayqayt (K-5)		550	550	550
École Lord Tweedsmuir (K-5)	250 Added in 18/19 Seismic Upgrade	655	655	655
Fraser River Middle (6-8)		500	500	500
Lord Kelvin (K-5)		460	460	460
NEW: Elementary #1 (K-5)	500	0	0	500
NEW : Middle School (6-8)	415	0	0	415
École Herbert Spencer (K-5)		450	450	450
FW Howay (K-5)		190	190	190
Glenbrook Middle (6-8)		575	575	575
Richard McBride (K-5)		440	505	505
NEW: Elem or Middle School	500	0	0	500
Queen Elizabeth (K-4)	Assumes 285 seats already added	305	305	590
Queensborough Middle (5-8)	50	375	375	425
New Westminster Secondary (9-12)		2025	2100	2100
District Total	1465	6695	6835	8585

	Zone	Suggested Enrolment Changes 2041	Enrolment 2018	Enrolment 2026	Enrolment 2041	Growth 2018 to 2041	Zone Growth
Connaught Heights (K-5)	Fraser River	-129	158	190	170	12	
École Qayqayt (K-5)	Fraser River	-253	509	615	550	41	
École Lord Tweedsmuir (K-5)	Fraser River	0	357	383	422	65	
Fraser River Middle (6-8)	Fraser River	-258	491	561	500	9	
Lord Kelvin (K-5)	Fraser River	-185	455	497	460	5	
NEW: Elementary #1 (K-5)	Fraser River	455	0	0	455	455	
NEW: Middle School (K-8)	Fraser River	370	0	0	370	370	957
École Herbert Spencer (K-5)	Glenbrook	-134	470	512	450	-20	
FW Howay (K-5)	Glenbrook		120	138	150	30	
Glenbrook Middle (6-8)	Glenbrook	-160	639	661	575	-64	
Richard McBride (K-5)	Glenbrook	-169	422	526	505	83	
NEW: Middle School (K-8)	Glenbrook	463	0	0	463	463	492
Queen Elizabeth (K-4)	Queensborough		443	495	558	115	
Queensborough Middle (5-8)	Queensborough		320	390	460	140	255
New Westminster Secondary (9-12) (Incl. International & Alternate)			2024	2091	2294	270	270
District Total		0	6408	7059	8382	1974	1974

	Zone	Capacity Utilization 2018	Capacity Utilization 2026	Capacity Utilization 2041	Available Seats 2041	Available Seats 2041	
Connaught Heights (K-5)	Fraser River	93%	112%	100%	0		
École Qayqayt (K-5)	Fraser River	93%	112%	100%	0		
École Lord Tweedsmuir (K-5)	Fraser River	55%	58%	64%	233		
Fraser River Middle (6-8)	Fraser River	98%	112%	100%	0		
Lord Kelvin (K-5)	Fraser River	99%	108%	100%	0		
NEW: Elementary #1 (K-5)	Fraser River	0%	0%	91%	45		
NEW: Middle School (6-8)	Fraser River	0%	0%	89%	45	323	10%
École Herbert Spencer (K-5)	Glenbrook	104%	114%	100%	0		
FW Howay (K-5)	Glenbrook	63%	73%	79%	40		
Glenbrook Middle (6-8)	Glenbrook	111%	115%	100%	0		
Richard McBride (K-5)	Glenbrook	96%	104%	100%	0		
NEW: Middle School (6-8)	Glenbrook	0%	0%	93%	37	77	3%
Queen Elizabeth (K-4)	Queensborough	145%	162%	95%	32		
Queensborough Middle (5-8)	Queensborough	85%	104%	108%	-35	-3	0%
New Westminster Secondary (9-12) (Incl. International & Alternate)		100%	100%	109%	-194	-194	
District Total		96%	103%	98%	203	203	2%
		NWSS: 44 Alt	NWSS: 44 Alt	NWSS: 44 Alt	NWSS: 44 Alt		
		NWSS: 285 Int'l	NWSS: 160 Int'l	NWSS: 100 Int'l	NWSS: 100 Int'l		

Summary

Standard K-12 Facilities

Additions to Queensborough Middle School and the construction of 3 new schools (Option 2) in New Westminster Schools:

- improves the capacity utilization in the district from 118% capacity to 98% capacity
- provides asset renewal
- aims to eliminate portables/modulars
- provides 200+ available seats for enrolment fluctuation
- keeps children in their preferred catchments/zones and
- maintains sound educational programming

Alternative Programming and Distributed Learning

The relocation of the Continuing Education/Adult Education daytime program currently housed in six modulars/portables on the New Westminster Secondary School site is necessary. Due to the location of the new build and the memorialization of the old building site land, there will be no space to house the program on the New Westminster Secondary site.

Options:

- additional leased space
- utilize modular/portables on an existing SD40 site
- co-locate with Royal City Alternate in five portables on Fraser River site (24 students currently attend in five portables) and add modular/portables to accommodate?
- land acquisition on new site to accommodate modular/portables

District and School staff at Pearson Adult Learning Centre are currently undergoing a visioning activity. What could/should distributed learning programming look like in 2019? 2026? 2041? What physical space is required to provide quality programming? Can the space be stand-alone or should it be connected to a school?

With the recent purchase of 522 Fader Street in the Glenbrook Zone, and the intended construction of a middle school in the land parcel encompassing current Hume Park Elementary School (closed as an elementary school), the distributed learning Hume Park Home Learner Program, will be potentially displaced and may require a new location.

Options:

- additional leased space
- utilize modular/portables on an existing SD40 site
- co-locate in a school with under-capacity utilization at the time of construction (e.g. Tweedsmuir)
- incorporate program space into new middle school construction

In the meantime, Hume Park Home Learner Program should continue to be housed in the closed Hume Park Elementary site, given that the middle school approval and construction is potentially years away.

Royal City Alternate program should remain in its current location adjacent to Fraser River Middle School. However, with a small number of students attending in a large space, it may be prudent to consolidate this space and co-locate with another district program on the Royal City Alternate site.

Power Alternate Program and On-Line Access School should remain in leased space at Columbia Square until expiry. Upon expiration, options should be considered such as lease renewal, new leased space, co-location and new incorporation into new capital builds as mentioned above.

Next Steps

The Board seeks feedback relative to Options 1-4 for Standard K-12 schools and considerations for alternate and distributed learning programs, in the facilities review between April 4 and April 30, 2019.

Questions to ask: Has the District correctly considered Options 1, 2, 3 and 4? Is there another option the District should consider? Have options for alternate and distributed learning been fully explored?

Feedback can be provided by April 30, 2019 using one or all of the tools below:

Filling out the questionnaire attached to this review (Appendix B)

Click on the [survey link](#)

Email the Board at: facilitiesreview@sd40.bc.ca

Beginning May 1, the Board will take into the account the feedback it has received from the public, to consider any adjustments to the recommendations found in this review.

By May 31, 2019, the Board intends to approve a Long-Range Facilities Plan so that Annual 5-Year Capital plans can be prepared, and so that district families, staff and Operations/Capital departments have clear communication and expectation for the future of New Westminster Schools.

Appendices

Appendix A: 2018 Technical Report, Cascade Facilities Management Consultants



LONG-RANGE FACILITIES PLAN

PREPARED BY

Cascade Facilities Management Consultants Ltd.

206-20641 Logan Ave, Langley, BC V3A 7R5 Tel: 604-657-6361 www.cascade-cslts.com

AND EDITED BY

School District No. 40 (New Westminster)

29 JUNE 2018

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EXECUTIVE SUMMARY

INTRODUCTION

Cascade Facilities Management Ltd. was contracted in December 2017 by School District No. 40 (New Westminster) to undertake a Long Range Facilities Plan to:

- examine a longer timeframe beyond the 10-year required by the Ministry, to 2041 to coincide with the longer term planning horizon of the recently adopted New Westminster Official Community Plan;
- estimate the number of additional students from the new housing to be determined from the OCP, and to provide enrolment projections for the schools;
- propose options to accommodate future enrolment increases;
- prepare a further detailed study for the next 10 years based on the option preferred by the School Board.

The scope of this study is limited to the number of students enrolled and receiving classroom instruction at the 12 schools in the District. The enrolment projection estimates do not include students enrolled in the following programs offered by the District and funded by the Ministry:

- Royal City Alternate Program (RCAP)
- POWER Alternate Secondary School
- Home Learners Program
- Island Discovery Learning Community
- Pearson Adult Learning Centre
- Virtual School BC Online Learning

THE SCHOOL DISTRICT

The School District has a total enrolment of 5,974 in eight elementary schools, three middle schools and one secondary school in addition to twenty-four portables used as classrooms.

The VFA Condition Report indicates that six of the schools, with a Facility Condition Index (FCI) score of 0.01 and 0.40, are above the provincial average and the others below, with a score of 0.49 to 1.00.

All schools in the high-risk category have been seismically upgraded or replaced, or supported for seismic upgrade or replacement. Two schools remain in the medium risk category and one in the low risk.

COMMUNITY DEMOGRAPHICS

Census data from Statistics Canada indicate that the City of New Westminster grew from a population of 54,655 in 2001 to 70,995 in 2016. According to BCStats, the population is expected to reach 105,474 by 2041.

Based on the New Westminster Official Community Plan, there will be an addition of more than 15,000 new housing units.

ENROLMENT PROJECTION

The enrolment projection as prepared by Cascade Facilities Management Ltd. indicates an increase in enrolment from 5,974 in 2017 to 8,238 by 2041.

The new housing developments will be yielding a student age population of close to 2,800, and based on an assumed participation rate for the District, approximately 80% will be attending SD40 schools.

The Capacity Utilization of the District will be reaching 100% by 2019, and without additional new spaces, will be operating at 111.6% in 2017 and 132.5% in 2041.

OPTIONS

Four options for new spaces are proposed:

- Addition to schools based on growth in catchment areas - Scenario A
- Addition plus new school sites - Scenario B
- K-5/6-8 co-location on site – Scenario C
- K-7 grade re-configuration – Scenario D

PREFERRED OPTION

The preferred option selected by the School Board was Scenario B. The recommendations for implementation for the next 10-year timeframe include:

- Addition to Queen Elizabeth Elementary
- Use of modularity at elementary schools in Fraser River and Glenbrook Zones where they are to remain beyond 2041
- Portables to be used at elementary schools in Fraser River and Glenbrook Zones, and relocated upon completion of new elementary school
- Portables to be used at Fraser River and Glenbrook, and relocated upon completion of new middle school
- Status quo at New Westminster Secondary School upon completion of new build
- Submit Project Request Fact Sheet to Ministry for land acquisition of new school sites

1. INTRODUCTION

1.1 MINISTRY REQUIREMENTS

The Ministry of Education in its Capital Plan Instructions requires school districts to develop and maintain a comprehensive Long Range Facilities Plan (LRFP) or be in the planning, development or finalized phase of a LRFP that:

- forms the basis for school districts' capital investment decisions and aligns with best practices in asset management as a key component for district-wide capital planning, and a framework for other local programming and operational decisions;
- uses a ten-year planning horizon with consideration for the longer term;
- may vary in scope and emphasis depending on the specific circumstances and priorities of each school district; and
- is to be made available upon request of the Ministry.

The LRFP takes into consideration education program requirements and trends, capacity utilization, seismic vulnerability and risk factor of school buildings, and current condition of existing facilities, in addition to current land use and anticipated changes, future housing developments, student yield rates, community demographics, local community and economic development strategies, and other long-term planning considerations.

The LRFP supports the Five-Year Capital Plan to be submitted to the Ministry by providing a comprehensive rationale for specific capital projects that are proposed. In addition, the LRFP provides a district-wide framework for other key local decisions such as analysis of capacity utilization of surrounding schools, location of district programs and maintenance priorities.

The District's LRFP is to outline concrete plans for a ten-year horizon for planning to 2028/2029 to meet Ministry requirements, with a more general consideration for the longer term to 2041, to align with City of New Westminster OCP.

1.2 SCHOOL DISTRICT OBJECTIVES

The objectives the School District wishes to achieve through the LRFP, include the following:

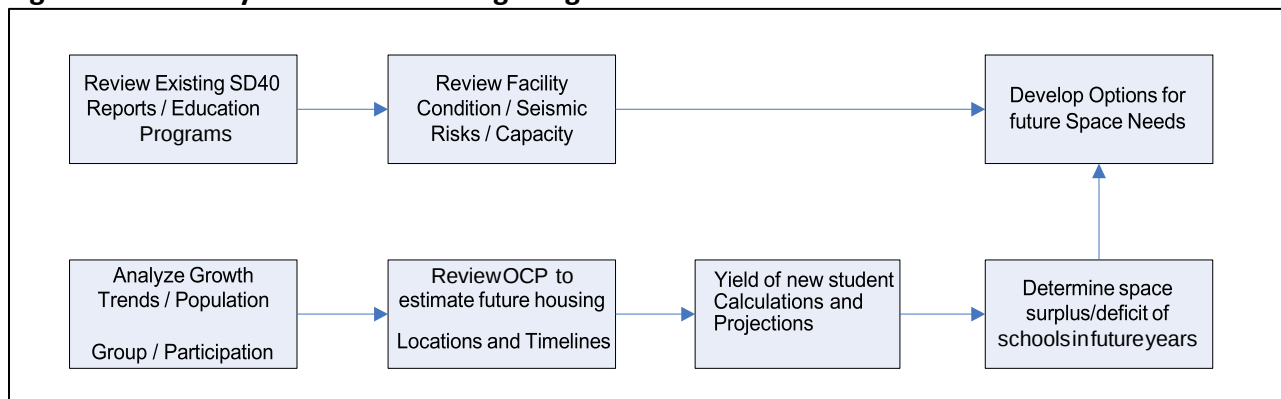
- To guide the District and the Ministry in facilities decisions over the long term to ensure cost-effective operations of existing facilities and capital investments for new schools, additions, renovations/upgrades and replacements;
- To provide a major update to the 2007 Strategic Facilities Plan to coincide with the longer term planning horizon of the recently adopted New Westminster Official Community Plan;
- To develop options to meet the anticipated increase in enrolment;
- To consider the challenges of each option and to select a preferred one for further detailed study.

1.3 PROCESS

The steps taken to complete the LRFP include:

- Review of the District's education programs, existing planning and facilities reports, including Facility Condition Index and Seismic Risk Ranking;
- Confirmation of operating capacity of each school;
- Analysis of growth trends from census data from Statistics Canada, and review of population data and projections from BC Stats;
- Review of New Westminster Official Community Plan and meeting with City Planners to confirm type, unit count, timeline and location of estimated new housing developments;
- Calculation of student yield expected from new housing developments;
- Preparation of enrolment projections;
- Calculation of space surplus/deficit for each school to develop options to address increasing/decreasing enrolments.

Fig 1.3A: Summary of Process for Long Range Facilities Plan



The scope of this plan is limited to the students enrolled at the 12 schools in the New Westminster School District, and who receive classroom instruction in the regular, Montessori, Early and Late French Immersion programs. The enrolment projection estimates do not include students enrolled in these programs offered by the District and funded by the Ministry:

- Royal City Alternate Program
- POWER Alternate Secondary School
- The Home Learners Program
- Island Discovery Learning Community
- Pearson Adult Learning Centre
- Virtual School BC Online Learning

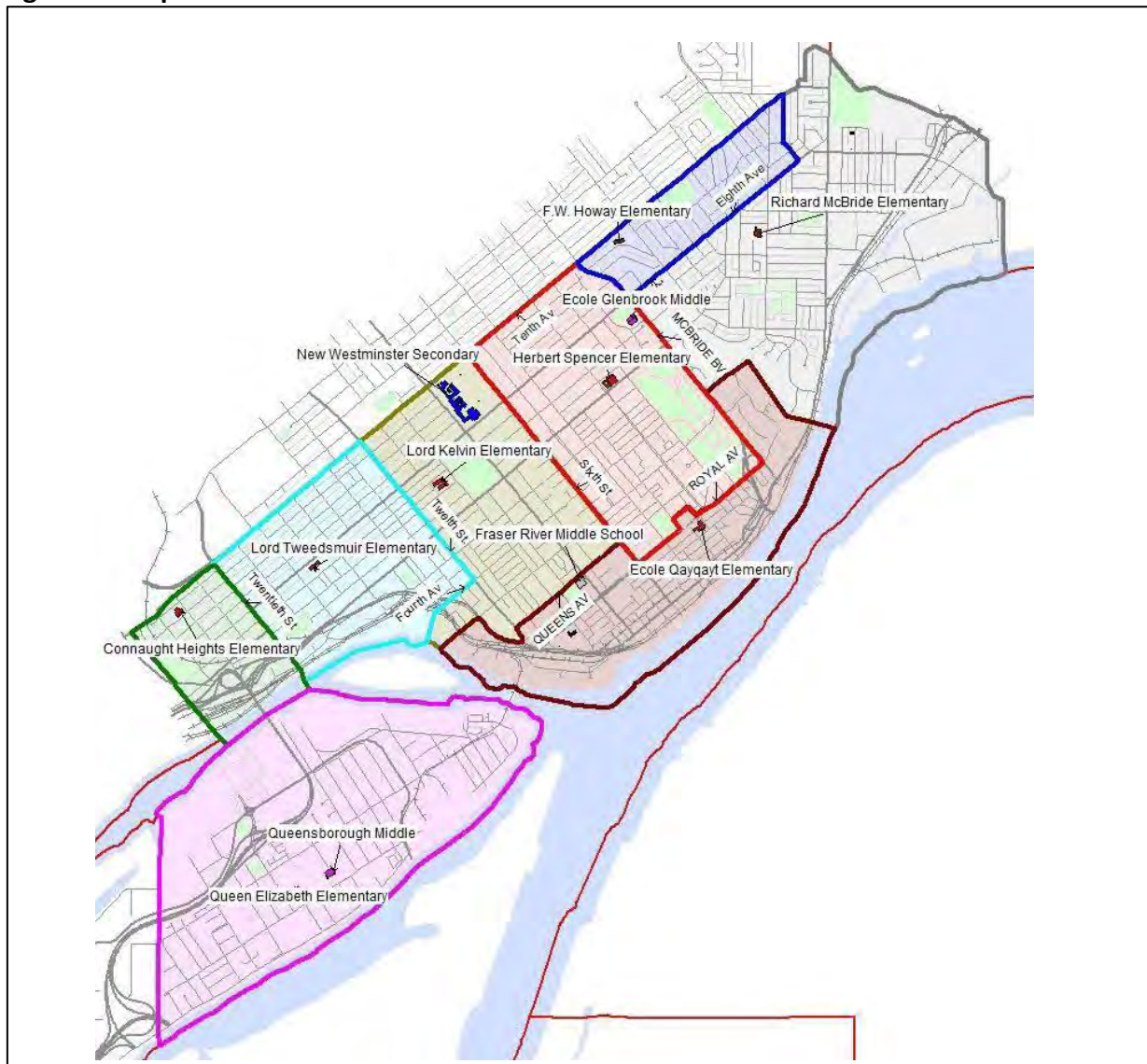
2. THE SCHOOL DISTRICT

2.1 OVERVIEW

The New Westminster School District serves the geographical area comprising the City of New Westminster. The District has been providing public education to its residents since the 1920's. It offers classroom instruction from Kindergarten to Grade 12 students from a broad mix of ethnic and socio-economic groups. ▀

Within the District, there are 12 schools: eight elementary, three middle, and one secondary.

Fig 2.1A: Map of New Westminster Schools



The School District can generally be organized into three zones as defined by the middle school catchments.

Fig 2.1B: New Westminster Schools Configuration

Elementary	Middle	Secondary
Connaught Heights (K-5)	Fraser River (6-8)	New Westminster (9-12)
Lord Kelvin (K-5)		
École Lord Tweedsmuir (K-5)		
École Qayqayt (K-5)		
École Herbert Spencer (K-5)	École Glenbrook (6-8)	
FW Howay (K-5)		
Richard McBride (K-5)		
Queen Elizabeth (K-4)	Queensborough (5-8)	

2.2 PROGRAMS

French Immersion programming at the elementary school level is provided at the following schools for both in-catchment and students from neighbouring catchments:

École Lord Tweedsmuir: Queen Elizabeth, Connaught Heights, Lord Tweedsmuir and Lord Kelvin;
 Qayqayt: south portion of École Herbert Spencer and École Qayqayt;
 Herbert Spencer: Richard McBride, FW Howay and north portion of Herbert Spencer.

Other programs are offered at these locations:

Montessori at Connaught Heights and Richard McBride

Strong Start at Connaught Heights, Richard McBride and Queensborough

SIGMA Alternate Program at New Westminster Secondary School

Royal City Alternate Program, in portables at 850 Queens Avenue

POWER Alternate Secondary School in leased space at #200 – 1065 Columbia Street

The Home Learners Program at 521 Fader Street

Island Discovery Learning Community on Bowen Island

Adult Learning (Pearson), at 835 8th Street

Online Learning (Virtual School BC), in leased space at #200 – 1065 Columbia Street

2.3 PORTABLES AND MODULAR BUILDINGS

The District has 30 thirty portables and nine modular buildings. The modular buildings were provided for use as full-day kindergarten classrooms, and are included in the capacity calculation of the Design Aid Sheets, whereas the portables are not.

Fig 2.3: Inventory of Portables and Modular Buildings**Modulars**

Location	#	Condition	Use
FW Howay	1	good	classroom & washroom
École Herbert Spencer	3	good	classroom & washroom
Lord Kelvin	1	good	classroom & washroom
École Lord Tweedsmuir	2	good	classroom & washroom
Queen Elizabeth	2	good	classroom & washroom

TOTAL MODULARS 9**Portables**

Location	#	Condition	Use
Board Office	1	good	office
Connaught Heights	1	fair	classroom
	1	fair	daycare & washroom
	2	good	classroom
Glenbrook	2	good	classroom
Hume Park	1	fair	classroom
	1	fair	daycare
Lord Kelvin	1	fair	daycare & washroom
	2	good	classroom
Lord Tweedsmuir	5	good	classroom
	1	good	wash cart
	1	good	itinerants
New West Secondary	1	fair	staffroom & washroom
	5	fair	adult learning
	2	fair	apprentice program
	2	fair	maint, tech office & washroom
Queen Elizabeth	2	good	classroom
	4	fair	classroom
	1	fair	classroom with wash cart
Queensborough	1	fair	wash cart
	1	fair	daycare
	1	fair	Strongstart
	1	fair	daycare
RCAP	4	good	classroom & washroom
	1	good	classroom
Richard McBride	1	fair	Strongstart & washroom
	2	fair	classroom
Qayqayt	1	good	classroom

TOTAL PORTABLES 49

2.4 FACILITY CONDITION

As part of the Ministry of Education Capital Asset Management Services (CAMS) initiative VFA Canada conducted facility condition assessments for School District No. 40 in 2013. The purpose of these assessments is to determine the condition of each school facility, including their building systems, in order to determine the amount of capital funding resources required to renew it. An overall Facility Condition Index (FCI) is developed for each school facility, which provides a comparative indicator of the condition of facility relative to other facilities in the District. The Facility Condition Index (FCI) is expressed as:

$$\text{Facility Condition Index} = \frac{\text{Cost to remedy maintenance deficiencies}}{\text{Replacement Value of Facility}}$$

The annual and total costs to renew each and all the facilities can be derived from the data obtained from the Facility Condition Index. It is intended that when a project is submitted for renovation or building systems upgrade in the Capital Plan, the Facility Condition Assessment report for the facility be included for review by the Ministry.

The relative measure of the condition of the facilities, based on 5 years of deferred maintenance, is categorized either “Above Provincial Average” or “Below Provincial Average”.

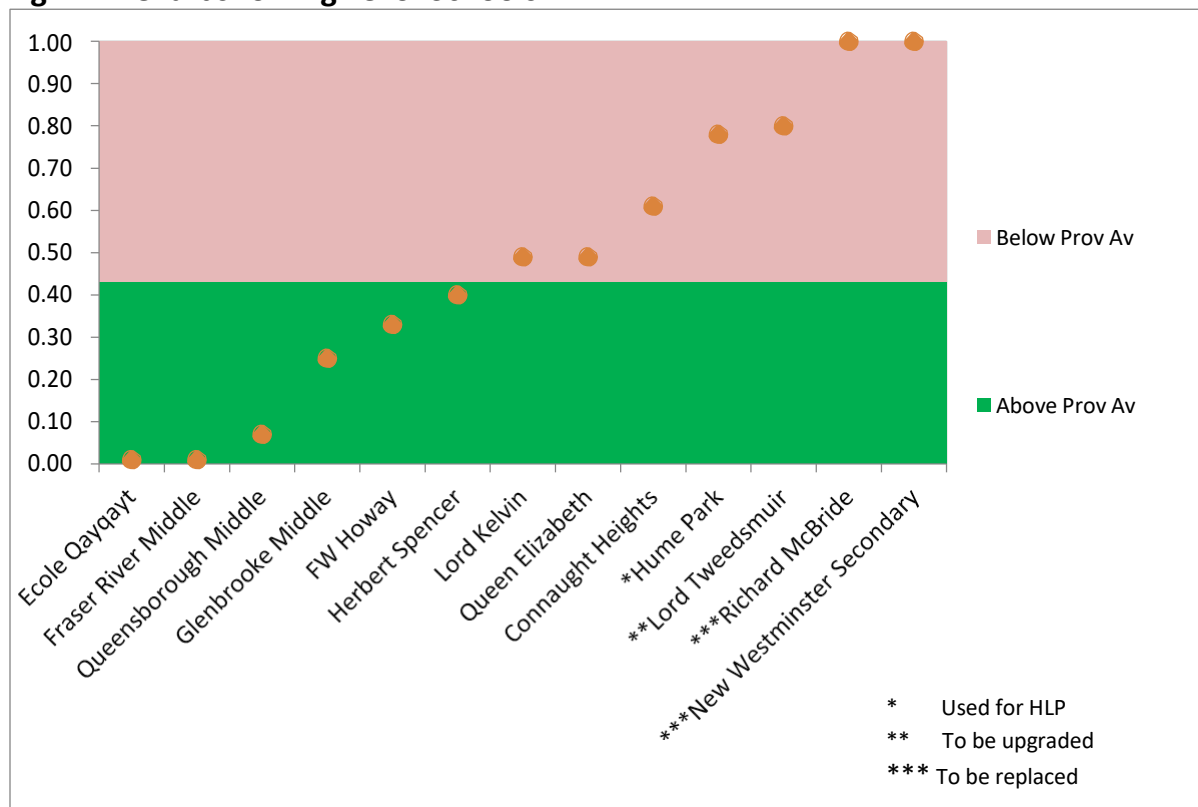
Fig 2.4A: Table showing FCI of Schools

School Name	FCI	Condition
École Qayqayt	0.01	Above Prov Average
Fraser River Middle	0.01	
Queensborough Middle	0.07	
Glenbrook Middle	0.25	
FW Howay	0.33	
École Herbert Spencer	0.40	
Lord Kelvin	0.49	Below Provincial Average
Queen Elizabeth	0.49	
Connaught Heights	0.61	
*Hume Park	0.78	
** École Lord Tweedsmuir	0.86	
***Richard McBride	1.00	
***New Westminster Secondary	1.00	

* Used for Home Learners Program

** To be upgraded

*** To be replaced

Fig 2.4B: Chart showing FCI of Schools

2.5 SEISMIC CONDITION

In 2004, the Ministry of Education engaged consultants to undertake Rapid Visual Seismic Assessments on “all schools in those school districts where significant seismic activity can be expected”. These seismic assessments were undertaken by structural engineers for 16 schools/sites in the School District.

The seismic resistance of various elements such as roof diaphragm, lateral load resisting system, floor diaphragm, foundations, etc. of each block in the schools was analyzed and evaluated using site observation, drawing review and calculation. This was then expressed as a percentage of the estimated resistance compared to the requirements in Part 4 of the 2005 National Building Code. The elements of each block were assigned seismic risk labels from Low, through Low-Moderate, Moderate-High to High and based on the cumulative element labels.

New guidelines and assessment tools to conduct a comprehensive reassessment leading to a more accurate picture of seismic safety risks in B.C. schools were developed in 2011. New risk categories have been established to determine the various levels of seismic risks in schools as follows:

High 1 (H1)

Most vulnerable structure. At highest risk of widespread damage or structural failure, not repairable after a large seismic event. Structural and non-structural seismic upgrades required.

High 2 (H2)

Vulnerable structure, at high risk of widespread damage or structural failure, likely not repairable after a large seismic event. Structural and non-structural seismic upgrades required.

High 3 (H3)

Isolated failure of building elements such as walls are expected, building not likely repairable after a large seismic event. Structural and non-structural seismic upgrades required.

Medium (M)

Isolated damage to building elements is expected, non-structural elements (such as bookshelves, lighting) are at risk of failure. Non-structural upgrades required.

Building to be upgraded or replaced within the Capital Plan when it has reached the end of its useful life.

Low (L)

Least vulnerable structure. Would experience isolated damage and would probably be repairable after a seismic event. Non-structural upgrades may be required.

Fig 2.5A: Table showing Seismic Risk Ratings of Schools by Block (April 2016)

Facility Name	Block #	Block Name	Current Risk	Status	School Risk
CONNAUGHT HTS	1	single-storey classroom	Medium	Non Structural Upgrade Req	Medium
CONNAUGHT HTS	2	gymnasium	Medium	Non Structural Upgrade Req	Medium
CONNAUGHT HTS	3	multipurpose	Medium	Non Structural Upgrade Req	Medium
FW HOWAY	1	1973 2-Storey Classrooms	High 1	Supported 2013	High 1
FW HOWAY	2	1973 Gymnasium	High 1	Supported 2013	High 2
LORD KELVIN	1	1963 single-storey classroom	Low	Meets Structural Life Safety Req	Medium
LORD KELVIN	2	1963 gymnasium	Medium	Non Structural Upgrade Req	Medium
LORD KELVIN	3	2000 1-storey Classroom Add	Low	Meets Structural Life Safety Req	Medium
LORD TWEEDSMUIR	1	1937 2-Storey Classrooms	High 2	Supported	High 2
LORD TWEEDSMUIR	2	1937 2-Storey Gymnasium	High 2	Supported	High 2
LORD TWEEDSMUIR	3	1-Storey Classrooms	High 2	Supported	High 2
NWSS	1	Two-Storey Classroom	High 1	Supported/Capital Project	High 1
NWSS	2	Small Gymnasium & Cafeteria	High 1	Supported/Capital Project	High 1
NWSS	3	1952 Single-Storey Cafeteria	High 1	Supported/Capital Project	High 1
NWSS	4	1955 Single-Storey Admin	High 1	Supported/Capital Project	High 1
NWSS	5	1972 Single-Storey Auto Shops	High 3	Supported/Capital Project	High 1
NWSS	6	1969 Single-Storey Band Rooms	High 2	Supported/Capital Project	High 1
NWSS	7	N & S Large Gyms and Theatre	High 1	Supported/Capital Project	High 1
NWSS	8	1965 Library & Administration	High 1	Supported/Capital Project	High 1
NWSS	9	1965 Single-Storey Shops	High 1	Supported/Capital Project	High 1
QAYQAYT	1		N/A	Newly Completed	N/A
QAYQAYT	2		N/A	Newly Completed	N/A
QAYQAYT	3		N/A	Newly Completed	N/A
QUEEN ELIZABETH	1	1987 Single-storey Classroom	Low	Meets Structural Life Safety Req	Low
QUEEN ELIZABETH	2	1987 Gymnasium	Low	Meets Structural Life Safety Req	Low
RICHARD MCBRIDE	1	1929 2-Storey Classroom	High 1	Supported 2013	High 1
RICHARD MCBRIDE	2	1929 Gymnasium	High 2	Supported 2013	High 1

Since April 2016, approval has been given by the Ministry to proceed with the seismic upgrade at Lord Tweedsmuir, and the replacement of Richard McBride to a slightly higher capacity.

2.6 CAPITAL PROJECTS

In addition to the funding approval for the replacement of Richard McBride and the seismic upgrade of Lord Tweedsmuir, currently, the other major capital project is the replacement of the New Westminster Secondary School.

New schools and additions since 2000, include:

Lord Kelvin Elementary – Increase capacity from 80K/250 to 80K/400 (2001)

Queensborough Middle – New school (2002)

École Qayqayt Elementary – Replacement of John Robson (2014)

Fraser River Middle – New school on John Robson site (2016)

2.7 SCHOOL CLOSURE

Hume Park Elementary at 521 Fader Street, was closed in 2013/14 due to declining enrolment. It has been re-opened, and is currently housing for the Home Learners Program.

2.8 POTENTIAL NEW SCHOOL SITES

There are no new or vacant sites reserved for future expansion.

2.9 SCHOOL NOMINAL AND OPERATING CAPACITIES

The Ministry of Education provides Area Standards, which establish allowable areas for schools based on *nominal capacity*. The *nominal capacity* represents the student capacity of a school based on the following capacities per instructional space:

- Kindergarten 20 students per classroom
- Elementary 25 students per classroom
- Middle & Secondary 25 students per classroom

To accommodate capacity adjustments for grade structure and classroom student capacity based on class size limits prescribed by the Ministry of Education, the *nominal capacity* is adjusted to an *operating capacity*. The operating capacity is based on the following capacities per instructional space:

- Kindergarten 19 students per classroom
- Elementary (Grades 1-3) 21 students per classroom
- Elementary (Grades 4-7) 25 students per classroom
- Middle & Secondary 25 students per classroom

For the purpose of calculating the operating capacity of Queen Elizabeth, an average of 22.0 is used for Grade 1 to 4 classrooms, and 19 for Kindergarten classrooms; for the other K-5 school, 22.6 is used for Grade 1 to 5 classrooms, and 19 for Kindergarten classrooms.

An inventory of the schools in the District showing the Nominal Capacity and Operating Capacity is shown in the table below:

Fig 2.9A: Table showing Nominal and Operating Capacities of Schools

	Nominal Capacity	Operating Capacity
Connaught Heights (K-5)	170	155
FW Howay (K-5)	165	151
École Herbert Spencer (K-5)	505	460
Lord Kelvin (K-5)	460	419
École Lord Tweedsmuir (K-5)	440	400
École Qayqayt (K-5)	550	502
Queen Elizabeth (K-4)	325	293
Richard McBride (K-5)	*535	487
Fraser River Middle (6-8)	500	500
Glenbrook Middle (6-8)	575	575
Queensborough Middle (5-8)	375	375
New Westminster Secondary (9-12)	1900	1900
District Total	6500	6217

A classroom space used by a Strong Start program is not included in the capacity calculation. The above table has been adjusted for schools with Strong Start programs.

2.10 SCHOOL SITE CAPACITY

	Zoning	Site Area	Existing Floor Space	Add Floor Space Allow	Site Area Remaining
Queen Elizabeth	P-1	17,510	2,692	7809	10,506
Queensborough	P-2	15,935	4,058	11872	9,561
École Qayqayt	P-2	12,999	4,761	8238	7,799
Connaught Heights	P-1	8,912	1,558	3788	5,347
École Lord Tweedsmuir	P-1	20,032	4,186	7833	12,019
Lord Kelvin	P-1	13,079	3,202	4645	7,847
Fraser River	P-2	13,407	5,446	7961	8,044
École Herbert Spencer	P-1	12,165	3,925	3374	7,299
F W Howay	P-1	16,928	1848	8309	10,157
Richard McBride	P-1	18,744	4,134	7112	11,246
Glenbrook Middle	P-1	5,760	5,560	200	3,456
Hume Park Site*	P-1	2835		2835	1,700
New Westminster	P-2	110,626			

* includes additional site at 522 Fader and assuming FSR of 1.0

Most of the school sites, except for Glenbrook, have adequate expansion capacity.

3. COMMUNITY DEMOGRAPHICS

3.1 OVERVIEW

New Westminister is one of 21 member municipalities of the Greater Vancouver Regional District, now known as Metro Vancouver. It is located on the north bank of the Fraser River, almost at the center of the lower mainland. It includes the neighbourhood of Queensborough, across the northern arm of the Fraser River estuary, on the eastern tip of Lulu Island next to Richmond. Other neighbouring municipalities include Coquitlam to the northwest, Burnaby to the north and northeast, and Surrey across the Fraser River.

With a population of about 71,000 in 2016, and a land area of 15.6 sq km (6.0 sq miles), it has a population density of over 4,500 people per sq km, making it the 5th most densely populated municipality in the country.

Figure 3.1A: Map of Metro Vancouver



The population of New Westminister is well diversified. The immigrant population increased by over 40% between 2001 and 2011, significantly higher than the 23.7% increase for Metro Vancouver.

Based on the latest census data available, in 2011, First Nations people made up 4.10% of the population of New Westminister, and immigrants 35.0%. Neighbourhoods with the larger than average immigrant population included: Queensborough (47%) and Downtown (40%) and Uptown (35%).

The Median Age continues to increase from 38.8 in 2001 to 41.5 in 2016, reflecting the growing Age 65+ population group, a trend typical of the Canadian population.

For the purposes of analysis in this section, data are obtained from these sources:

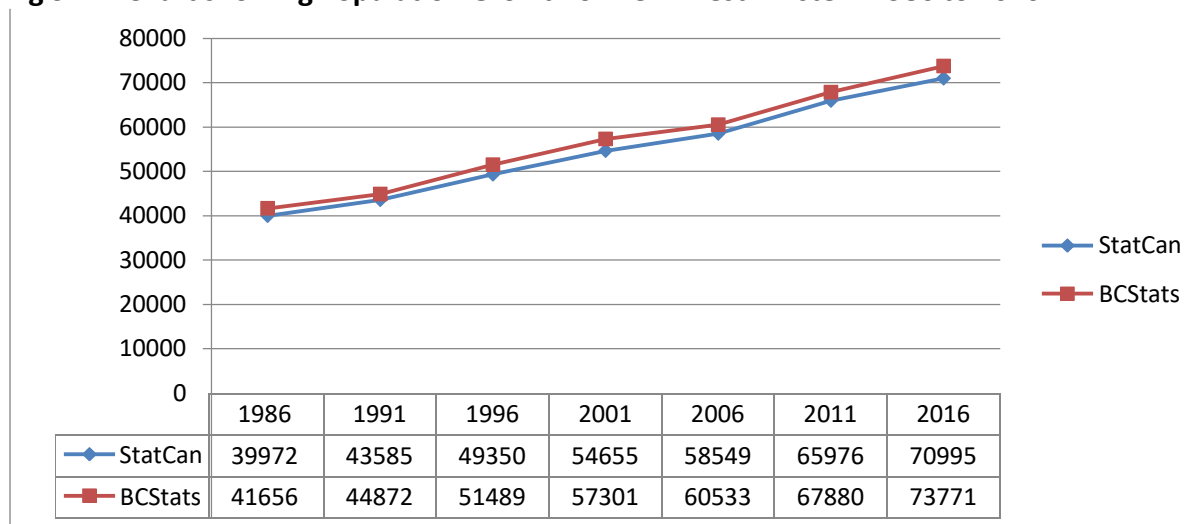
- BC Stats P.E.O.P.L.E. 2016 (Aug 2016)
- Statistics Canada Census, up to the 2016 Census: Population and Dwelling Counts (released February 2017) based on the municipal census boundaries
- Reports and Demographics Data from the City of New Westminster
- The Metro Vancouver Regional Growth Strategy Population Forecast – 2001 to 2041

3.2 HISTORICAL POPULATION GROWTH

The population of New Westminster has been growing steadily over the last three decades. From 1986 to 2001, there has been an increase of about 36.7% from 39,972 to 51,813, and, almost 30% to 76,995 from 2001 to 2016. In both periods, the average population growth rate for New Westminster has been higher than that for Metro Vancouver and the national average.

Neighbourhoods experiencing large growth from 2001 to 2011, include: Queensborough (56.8%), Sapperton (44.3%) and Downtown (30.9%).

Fig 3.2A: Chart showing Population Growth of New Westminster - 1986 to 2016



The slightly higher estimates provided by BCStats, are due to the adjustments made for differences in methodology used by Statistics Canada from one census year to another, undercounting and other errors in the Census data.

Age 5-17 Population

The age 5-17 population increased by 1,100, from 6,378 in 2001 to 7,478 in 2016. This represents an increase of 17.25%, and a slight decrease as a percentage of the total population, from 11.67% to 10.53%,

Fig 3.2B: Table showing Age 5-17 and Age 65+ increases for New Westminster

	2001	2006	2011	2016
Age 5-17 Population	6378	7297	7304	7478
Rate of Increase		14.41%	0.10%	2.38%
% of Total Pop	11.67%	12.46%	11.07%	10.53%

3.3 ENROLMENT PARTICIPATION RATE

The student participation rate is the ratio of enrolled students in the School District to the age 5-17 school-age population of the City of New Westminster. This is typically lower than 1.00 as some may be attending:

- programs offered by the School District at other facilities
- enrolled at independent schools;
- home-schooled; or
- neighbouring school districts.

The participation rate is a useful measure to estimate the future student enrolment from the population projections provide by BCStats. It can be further refined to obtain the rates for elementary, middle and secondary age groups to calculate the number of students that will be enrolled at these levels from the future new housing.

Fig 3.3A: Chart showing Student Participation Rates – 2001 to 2016

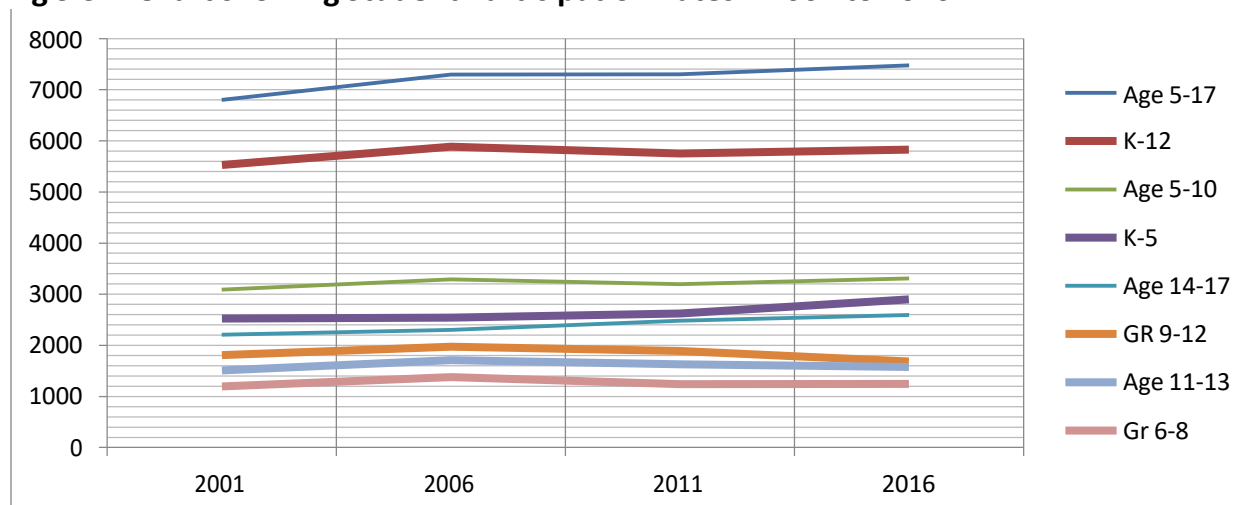


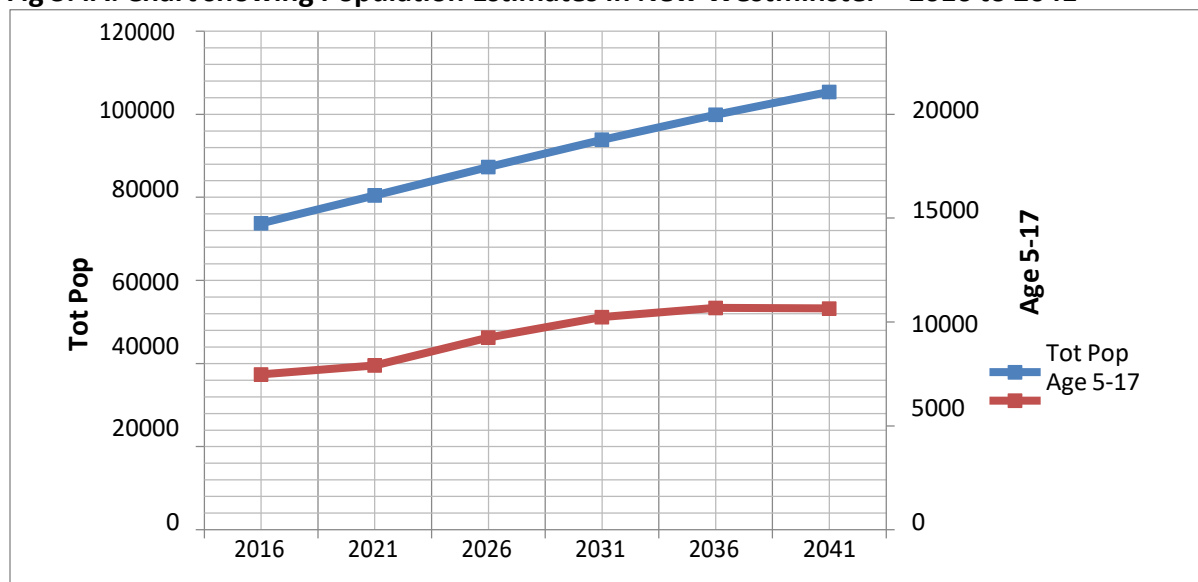
Fig 3.3B: Table showing Student Participation Rates – 2001 to 2016

	2001	2006	2011	2016
K-5 Participation Rate	81.72%	77.25%	82.10%	87.60%
G 6-8 Participation Rate	79.24%	80.53%	76.10%	79.05%
G 9-12 Participation Rate	82.09%	85.63%	76.09%	64.84%
K-12 Participation Rate	81.29%	80.66%	78.72%	77.90%

3.4 POPULATION GROWTH TO 2041

The projection for the future population in the School District relied on a review of estimates from BC Stats and BC Ministry of Citizens' Services, using a model known as P.E.O.P.L.E. (Population Extrapolation for Organization Planning with Less Error) released in August 2016.

As a cursory check, the additional population estimates can be compared with the total number of new residents estimated from additional housing to be developed in New Westminster by multiplying the number of new units by the average household size.

Fig 3.4A: Chart showing Population Estimates in New Westminster – 2016 to 2041**Fig 3.4B: Table showing Population Estimates in New Westminster – 2016 to 2041**

	2016	2021	2026	2031	2036	2041
Total Pop	73771	80467	87314	93872	99900	105374
Age 5-17	7478	7911	9252	10236	10680	10649
% of Total pop	10.14%	9.83%	10.60%	10.90%	10.69%	10.11%

Source: (BC Stats P.E.O.P.L.E. 2016)

According to BCStats, the total population is expected to grow from 73,771 in 2016 to over 105,374 by 2041, an increase of 42.8%. The age 5-17 population is expected to grow by more than 3,100 to over 10,600 by 2041.

Some of the past trends that are useful in developing assumptions to be used for estimating the enrolment projections will include:

- age 5-17 population as a percentage of the total population, and
- participation rates of student at the elementary, middle and secondary school levels.

4. ENROLMENT PROJECTION

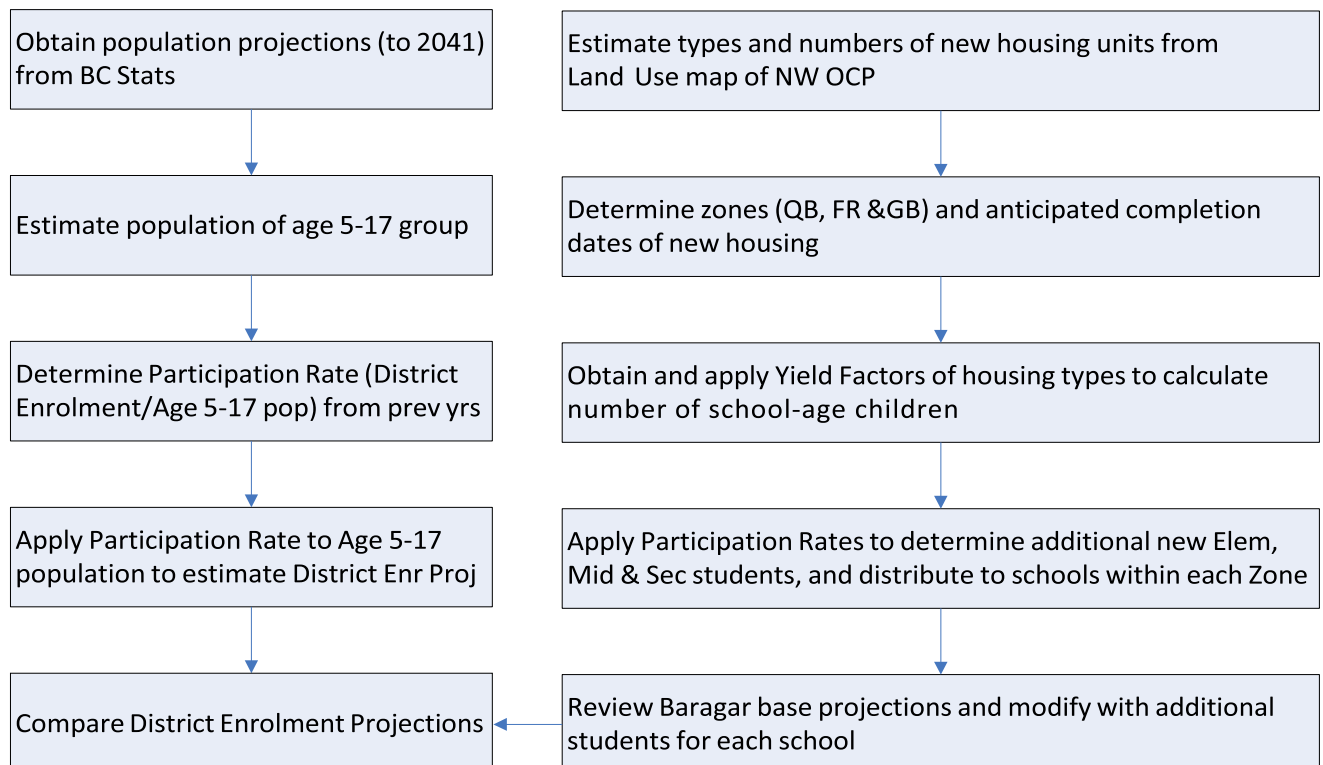
4.1 ENROLMENT PROJECTION METHODOLOGY

The total enrolment projections for the District can be obtained from BCStats data by applying an assumed Participation Rate to the estimated age 5-17 population projections. The enrolment projections by school are impacted by new housing developments, their locations by catchment area, types and yield of students, and anticipated dates for occupancy.

The process for development of the enrolment projections is summarized below:

- Estimate age 5-17 population from BCStats data
- Apply Participation Rate (assumed from trend of previous years) to obtain total the enrolment projections for the District
- Estimate types and numbers of new housing units from Land Use map of NW OCP
- Determine their locations (catchments) and anticipated completion dates
- Obtain and apply Yield Factors of housing types to calculate number of age 5-17
- Apply Participation Rates to obtain number of additional students attending elementary, middle and secondary schools, and distribute to schools within each Zone
- Review Baragar base projections and modify with additional students for each school

Fig 4.1A: Process for Development of Enrolment Projection



4.2 NEW HOUSING UNITS FOR POPULATION GROWTH

A quick method to calculate the number of new housing units required for the additional population in 2041 is to divide the increased population number by the average household size:

Locations and types of new housing units can generally be obtained from a review of the OCP and the Land Use Designation map. The number of units from each development can be calculated by an estimate of the density, and dividing the allowable floor space by the average unit type area.

Occupancy dates of new housing developments were estimated by the application status of current major projects, major projects from future planning studies and policies, or averaged out over the next 25 years. Major projects included:

- Downtown, various residential projects
- Brewery District
- 100 Braid Street
- Sapperton Green
- 22nd St Skytrain Station FTDA
- Lower 12th Street

The number of units sorted by types and zones are provided in the following table:

Fig 4.2A: Table showing New Housing Units sorted by Zone

		Queensborough	Fraser River	Glenbrook
2016-2021	Ground-Oriented	355	78	87
	Apartment	265	1610	1100
	Secondary Suite	95	30	60
2021-2026	Ground-Oriented	260	68	82
	Apartment	195	1615	350
	Secondary Suite	65	24	50
2026-2031	Ground-Oriented	260	68	122
	Apartment	195	1615	700
	Secondary Suite	65	24	50
2031-2036	Ground-Oriented	165	57	118
	Apartment	125	1525	700
	Secondary Suite	65	24	50
2036-2041	Ground-Oriented	165	57	118
	Apartment	125	1525	700
	Secondary Suite	65	24	50
2016-2041	Ground-Oriented	1205	328	527
	Apartment	905	7890	3550
	Secondary Suite	355	126	260

4.3 STUDENTS FROM NEW HOUSING DEVELOPMENTS

The number of students that are expected to be generated by new residential developments relies on the Yield Rates of the housing type. This is calculated by dividing the number of age 5-17 population residing in a new housing development by the number of units. Yield Rates of ground-oriented units, apartments and secondary suites were thus calculated for elementary, middle and secondary students.

Fig 4.3A: Table showing average Yield Rates

Housing Type	Queensborough			Fraser River & Glenbrook		
	Age 5-9	Age 10-13	Age 14-17	Age 5-10	Age 11-13	Age 14-17
Ground-Oriented	0.17	0.12	0.15	0.204	0.090	0.150
Apartment	0.053	0.030	0.020	0.064	0.023	0.020
Secondary Suite	0.053	0.030	0.020	0.064	0.023	0.020

Ground-oriented units include single-detached dwellings, duplexes and townhomes.

Apartments include both low-rises under four storeys and high-rises more than four storeys.

Secondary suites include self-contained accessory units in single-detached homes and separate infill dwelling units in single-family dwelling zone, where allowable.

These rates were applied to the number of housing units by type to estimate the additional student age population at the elementary, middle and secondary levels for each zone.

Participation Rate

As described in Section 3, student participation rate is the ratio of students enrolled in schools to the age 5-17 population. Participation rates were calculated for the elementary, middle and secondary levels for previous census years, and assumptions made for future years as follows:

- Elementary: 0.90
- Middle: 0.825
- Secondary: 0.725

These rates were then applied to the additional elementary, middle and secondary school age population to arrive at the actual number of additional students from each zone.

Fig 4.3B: Students from New Housing Developments sorted by Zone

	2017-2021			2022-2026			2027-2031			2032-2036			2037-2041		
	E	M	S	E	M	S	E	M	S	E	M	S	E	M	S
QB	70	43	44	51	31	33	51	31	34	34	20	21	34	20	21
FR	105	45	32	129	54	38	149	62	46	162	67	49	162	67	49
GB	84	35	20	37	16	15	65	27	20	64	26	20	64	26	20

Elementary students were distributed to their respective catchment areas based on location and size of new housing developments.

Fig 4.3C: Students from New Housing Developments sorted by School Catchment

	2017-2021	2022-2026	2017-2031	2032-2036	2037-2041
Queen Elizabeth	70	51	51	34	34
Queensborough	43	31	31	20	20
École Qayqayt	74	73	73	67	67
Connaught Heights	5	17	26	34	34
École Lord Tweedsmuir	9	9	9	9	9
Lord Kelvin	18	30	41	52	52
Fraser River	45	54	62	67	67
École Herbert Spencer	10	9	15	14	14
FW Howay	3	2	4	4	4
Richard McBride	71	26	46	46	46
Glenbrook	35	16	27	26	26
New Westminster	96	86	100	90	90

These numbers were then adjusted for attendance at Montessori and French Immersion programs, as well as average cross-boundary percentages from previous years, and the phasing out of the enrolment of out-of-district students.

4.4 ENROLMENT PROJECTIONS TO 2041

Enrolment projections provide the estimated number of students at each school for future years, assuming no change in grade configuration and similar level of cross-boundary mobility. By comparison with the capacity of the school, a shortfall or surplus of spaces is determined.

The enrolment projections reflect the “headcount” of students receiving classroom instructions in the 12 schools of the District. As previously stated, they do not include students enrolled in the following programs offered by the District and funded by the Ministry:

- Royal City Alternate Program
- POWER Alternate Secondary School
- The Home Learners Program
- Island Discovery Learning Community
- Pearson Adult Learning Centre
- Virtual School BC Online Learning

Enrolment projections are useful to both the District and the Ministry to develop:

- A strategic plan for the expansion of school facilities to meet additional spaces required
- Budgetary requirements for capital project funding applications to the Ministry
- District Growth Plan for required additional staff resources

The methodology of enrolment projections took account of the historical retention rates and other trends and data gleaned from the Baragar Systems, and developed for each school by incorporating the additional students estimated from the future housing developments.

Fig 4.4A: Enrolment Projections to 2041

	2017	2021	2026	2031	2036	2041
Queen Elizabeth	418	459	495	523	541	558
Queensborough	282	340	390	425	443	460
École Qayqayt	493	545	615	685	745	803
Connaught Heights	164	180	190	226	260	299
École Lord Tweedsmuir	347	370	383	396	409	422
Lord Kelvin	419	447	497	547	597	645
Fraser River	472	506	561	618	688	758
École Herbert Spencer	463	491	512	536	560	584
FW Howay	127	133	138	142	146	150
Richard McBride	433	499	526	576	625	674
Glenbrook	619	645	661	686	711	735
New Westminster	1737	1797	1877	1967	2055	2150
DISTRICT	5974	6412	6845	7327	7780	8238

District enrolment is expected to grow from 5,974 in 2017 to 8,238 by 2041, a growth of about 37.94%. The largest growth will be in the Fraser River zone, which will see many large residential developments in the Downtown area, and other medium size projects at the 22nd Street Station and the Lower 12th Street area.

Glenbrook zone will also see some large residential developments at 100 Braid, the Brewery District and Sapperton Green. Queensborough, without any major projects, will be seeing fast steady growth to 2031, and slowing down thereafter.

Fig 4.4B: Enrolment Projections of Elementary and Middle Students by Zones

	2017	2021	2026	2031	2036	2041
Queensborough	700	799	885	948	984	1018
Fraser River	1895	2048	2246	2472	2699	2927
Glenbrook	1642	1768	1837	1940	2042	2143

Fig 4.4C: Increase of Elementary and Middle Students by Zones

	2017-2021	2022-2026	2027-2031	2032-2036	2037-2041	2017-2041
Queensborough	99	86	63	36	34	318
Fraser River	153	198	226	227	228	1032
Glenbrook	126	69	103	102	101	501

5. CAPACITY UTILIZATION & SPACE NEEDS

5.1 OVERVIEW

The Ministry published in the 2016/17 Capital Plan Instructions, guidelines for Optimal Space Utilization to minimize the costs of construction, operation and maintenance from inefficient facility use based on District Utilization. The District Utilization is an assessment of how efficiently capital assets are used by the school district. It is calculated as follows:

$$\frac{\text{District Enrolment}}{\text{Operating Capacity}} \times 100\% = \text{District Utilization}$$

In addition, for projects to be considered for capital funding, each school district has to demonstrate optimization of space within the school district and/or the family of schools within reasonable proximity.

5.2 DISTRICT AVERAGE CAPACITY UTILIZATION

From Section 2, the Operating Capacity for the schools was established as follows:

Fig 5.2A: Table showing Operating Capacity of Schools

	Operating Capacity
Connaught Heights (K-5)	155
FW Howay (K-5)	151
École Herbert Spencer (K-5)	460
Lord Kelvin (K-5)	419
École Lord Tweedsmuir (K-5)	400
École Qayqayt (K-5)	502
Queen Elizabeth (K-4)	293
*Richard McBride (K-5)	*487
Fraser River Middle (6-8)	500
Glenbrook Middle (6-8)	575
Queensborough Middle (5-8)	375
New Westminster Secondary (9-12)	*1900
District Total	6217

* New replacement operating capacity

Based on the operating capacities and the enrolment projections, the Capacity Utilization rates for 2016 to 2041 in 5-year intervals are calculated as follows:

Fig 5.2B: Table showing Capacity Utilization of District

		2016	2021	2026	2031	2036	2041
Elem (Op Cap 2867)	Enr	2840	3124	3356	3631	3883	4135
	Cap Util	99.1%	109.0%	117.1%	126.5%	135.4%	144.2%
Middle (Op Cap 1450)	Enr	1306	1491	1612	1729	1842	1953
	Cap Util	90.1%	102.8%	111.2%	119.2%	127.0%	134.7%
Sec (Op Cap 1900)	Enr	1707	1797	1877	1967	2055	2150
	Cap Util	89.8%	94.6%	98.8%	103.5%	108.2%	113.2%
District (Op Cap 6217)	Enr	5853	6412	6845	7327	7780	8238
	Cap Util	94.1%	103.1%	110.1%	117.9%	125.1%	132.5%

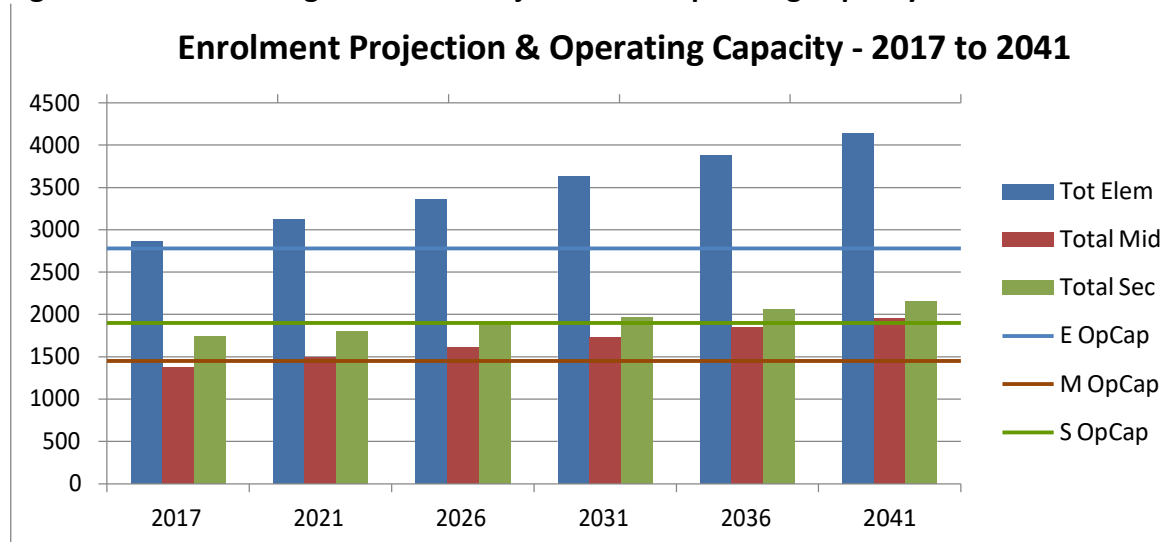
The School District will be reaching 100% capacity utilization by 2019, and without any new expansion, will be reaching 110.1% by 2026 and 132.5% by 2041, equivalent to a shortfall of 2,021 spaces.

5.3 SPACE SHORTFALL

Fig 5.3B: Table showing Shortfall of Spaces – District by Elementary/Middle/Secondary

	2017	2021	2026	2031	2036	2041
Elementary	-3	257	489	764	1016	1268
Middle	-77	41	162	279	392	503
Secondary	-163	-103	-23	67	155	250
DISTRICT	-243	195	628	1110	1563	2021

Fig 5.3C: Chart showing Enrolment Projection and Operating Capacity – District



Space Shortfall within District

- Total enrolment in schools expected to increase from 5,974 in 2017 to 8,238 by 2041, an increase of 2,264 students and a shortfall of 2,021 spaces, based on an total operating capacity of 6,217 for the District
- District-wide, elementary schools have already reached capacity; middle schools will reach capacity by 2020 and the secondary school by 2027
- Some schools are already over capacity while others are under

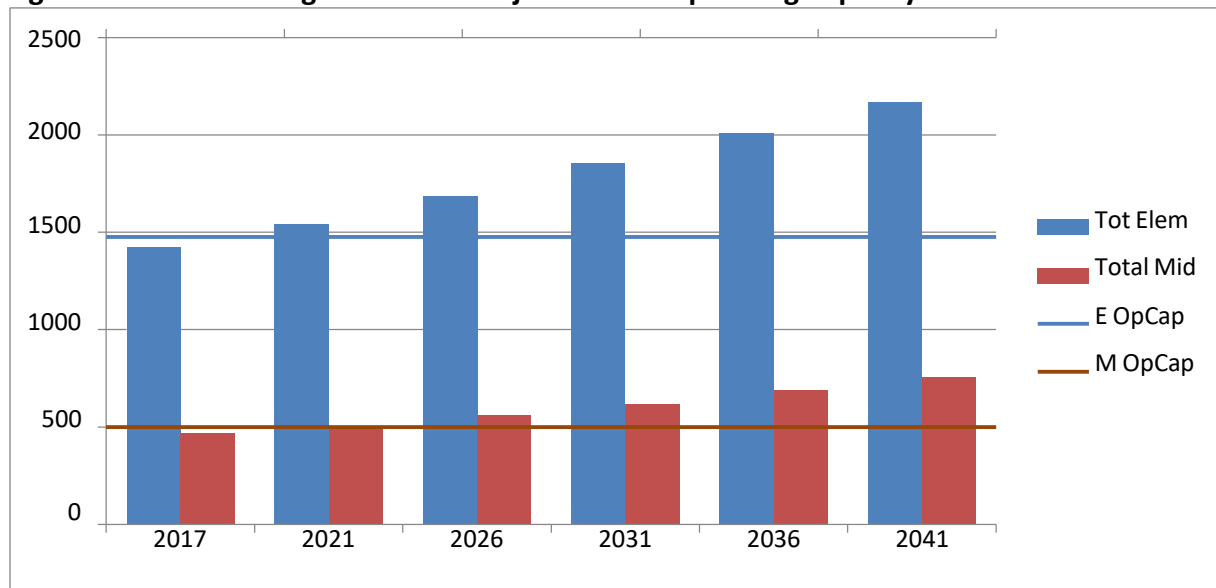
Space Shortfall by Zone

Fig 5.3D: Chart showing Enrolment Projection and Operating Capacity– Queensborough Zone



Fig 5.3E: Table showing Enrolment Projection and Capacity Utilization – Queensborough Zone

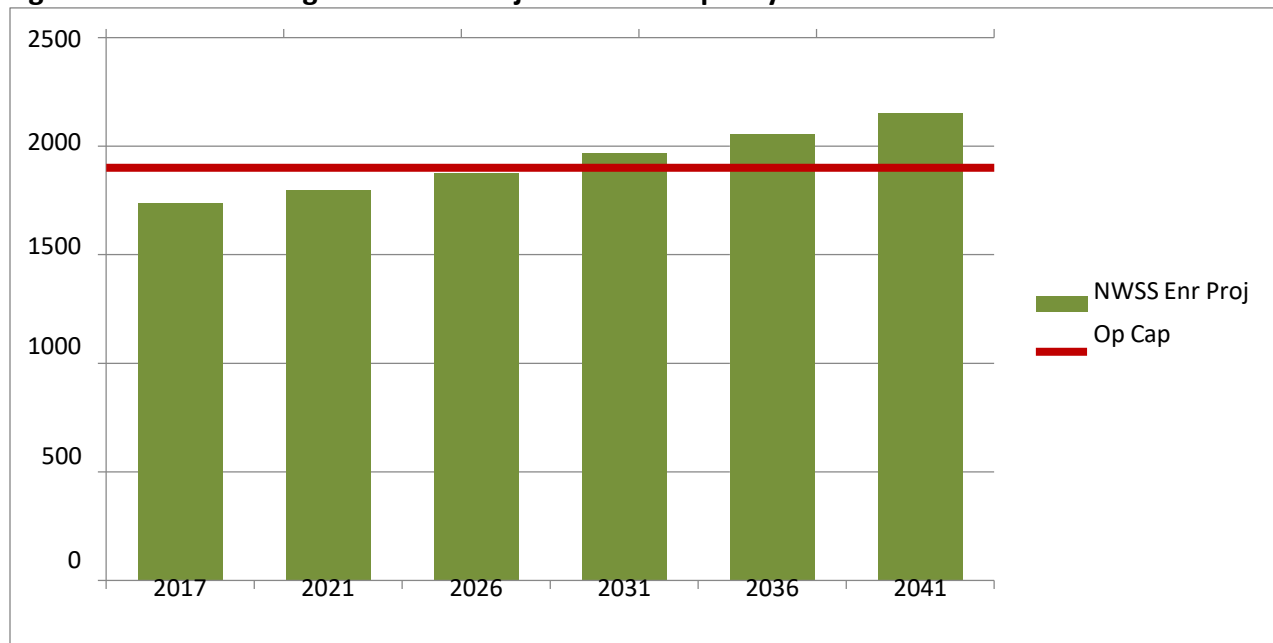
	2017	2021	2026	2031	2036	2041
QE Enr Proj	418	459	495	523	541	558
<i>Surplus/Shortfall</i>	125	166	202	230	248	265
<i>Capacity Utilization</i>	142.7%	156.7%	168.9%	178.5%	184.6%	190.4%
QB Enr Proj	282	340	390	425	443	460
<i>Surplus/Shortfall</i>	-93	-35	15	50	68	85
<i>Capacity Utilization</i>	75.2%	90.7%	104.0%	113.3%	118.1%	122.7%
QB Zone Enr Proj	700	799	885	948	984	1018
<i>Surplus/Shortfall</i>	12	111	197	260	296	330
<i>Capacity Utilization</i>	101.7%	116.1%	128.6%	137.8%	143.0%	148.0%

Fig 5.3F: Chart showing Enrolment Projection and Operating Capacity – Fraser River Zone**Fig 5.3G: Table showing Enrolment Projection and Capacity Utilization – Fraser River Zone**

	2017	2021	2026	2031	2036	2041
QQ Enr Proj	493	545	615	685	745	803
Surplus/Shortfall	-9	43	113	183	243	301
Capacity Utilization	98.2%	108.6%	122.5%	136.5%	148.4%	160.0%
CH Enr Proj	164	180	190	226	260	299
Surplus/Shortfall	9	25	35	71	105	144
Capacity Utilization	105.8%	116.1%	122.6%	145.8%	167.7%	192.9%
LT Enr Proj	347	370	383	396	409	422
Surplus/Shortfall	-53	-30	-17	-4	9	22
Capacity Utilization	86.8%	92.5%	95.8%	99.0%	102.3%	105.5%
LK Enr Proj	419	447	497	547	597	645
Surplus/Shortfall	0	28	78	128	178	226
Capacity Utilization	100.0%	106.7%	118.6%	130.5%	142.5%	153.9%
Tot Elem	1423	1542	1685	1854	2011	2169
Surplus/Shortfall	-53	66	209	378	535	693
Capacity Utilization	96.4%	104.5%	114.2%	125.6%	136.2%	147.0%
FR Enr Proj	472	506	561	618	688	758
Surplus/Shortfall	-28	6	61	118	188	258
Capacity Utilization	94.4%	101.2%	112.2%	123.6%	137.6%	151.6%
FR Zone Enr Proj	1895	2048	2246	2472	2699	2927
Surplus/Shortfall	-81	72	270	496	723	951
Capacity Utilization	95.9%	103.6%	113.7%	125.1%	136.6%	148.1%

Fig 5.3H: Chart showing Enrolment Projection and Operating Capacity– Glenbrook Zone**Fig 5.3J: Table showing Enrolment Projection and Capacity Utilization – Glenbrook Zone**

	2017	2021	2026	2031	2036	2041
HS Enr Proj	463	491	512	536	560	584
<i>Surplus/Shortfall</i>	3	31	52	76	100	124
<i>Capacity Utilization</i>	100.7%	106.7%	111.3%	116.5%	121.7%	127.0%
FWH Enr Proj	127	133	138	142	146	150
<i>Surplus/Shortfall</i>	-24	-18	-13	-9	-5	-1
<i>Capacity Utilization</i>	84.1%	88.1%	91.4%	94.0%	96.7%	99.3%
RM Enr Proj	433	499	526	576	625	674
<i>Surplus/Shortfall</i>	-54	12	39	89	138	187
<i>Capacity Utilization</i>	88.9%	102.5%	108.0%	118.3%	128.3%	138.4%
Tot Elem Enr Proj	1023	1123	1176	1254	1331	1408
<i>Surplus/Shortfall</i>	-75	25	78	156	233	310
<i>Capacity Utilization</i>	93.2%	102.3%	107.1%	114.2%	121.2%	128.2%
GB Enr Proj	619	645	661	686	711	735
<i>Surplus/Shortfall</i>	44	70	86	111	136	160
<i>Capacity Utilization</i>	107.7%	112.2%	115.0%	119.3%	123.7%	127.8%
GB Zone Enr Proj	1642	1768	1837	1940	2042	2143
<i>Surplus/Shortfall</i>	-31	95	164	267	369	470
<i>Capacity Utilization</i>	98.1%	105.7%	109.8%	116.0%	122.1%	128.1%

Fig 5.3K: Chart showing Enrolment Projection and Capacity Utilization – NWSS**Fig 5.3L: Table showing Enrolment Projection and Operating Capacity – NWSS**

	2017	2021	2026	2031	2036	2041
NWSS (G9-12) Enr Proj	1737	1797	1877	1967	2055	2150
<i>Surplus/Shortfall</i>	-163	-103	-23	67	155	250
<i>Capacity Utilization</i>	91.4%	94.6%	98.8%	103.5%	108.2%	113.2%

6. OPTIONS & ISSUES

6.1 OPTIONS FOR ELEMENTARY AND MIDDLE SCHOOLS

Options for expansion included:

- Addition to schools based on growth in catchment areas - Scenario A
- Addition to QE and QB; small modular additions and new school sites - Scenario B
- K-5/6-8 co-location on site – Scenario C
- K-7 grade re-configuration – Scenario D

SCENARIO A:

- Existing grade configuration to be maintained
- Addition of varying size at schools where required

Fig 6.1A: Chart showing additional spaces required at each school

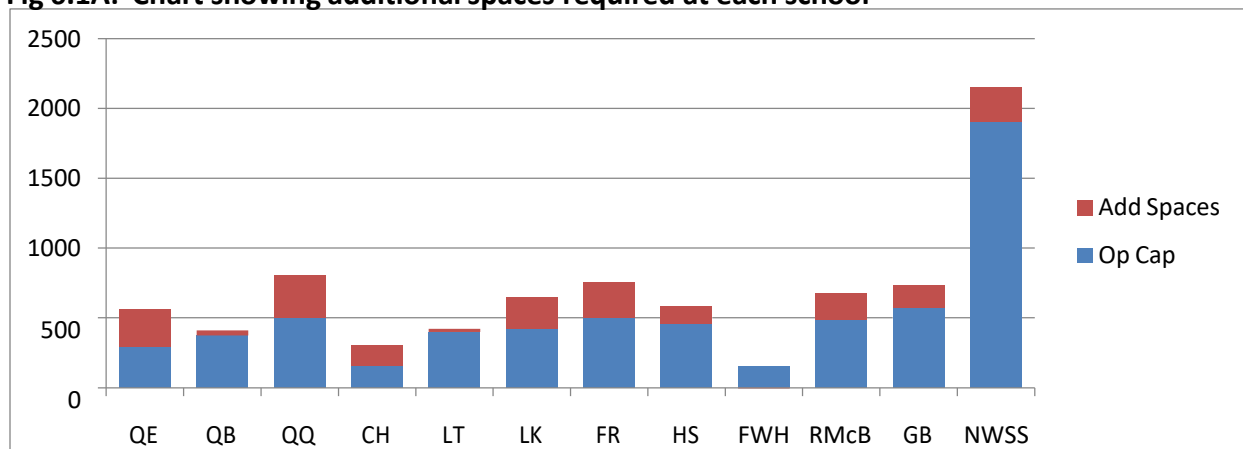
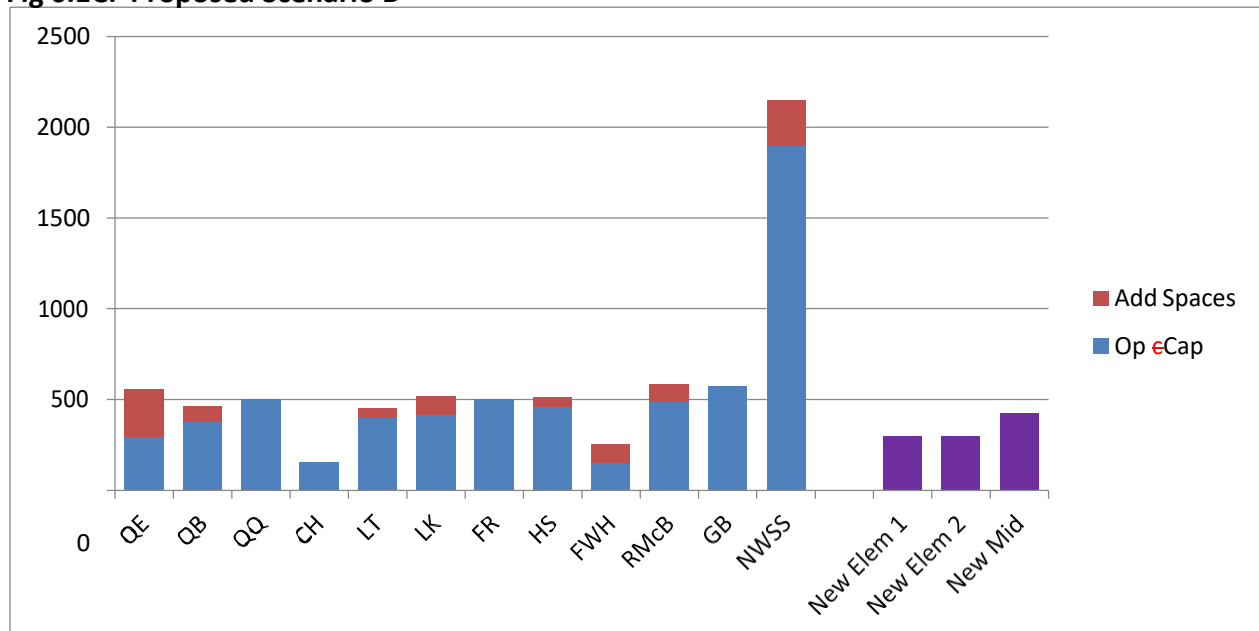


Fig 6.1B: Table showing additional students and spaces required at each school

	Operating Capacity	Enr Proj - 2017	Enr Proj - 2041	Additional Enrolment	Additional Spaces
Queen Elizabeth	293	418	558	148	265
Queensborough	375	282	460	202	85
École Qayqayt	502	493	803	320	301
Connaught Heights	155	164	299	123	144
École Lord Tweedsmuir	400	347	422	57	22
Lord Kelvin	419	419	645	288	226
Fraser River	500	472	758	317	258
École Herbert Spencer	460	463	584	99	124
F.W. Howay	151	127	150	17	-1
Richard McBride	487	433	674	243	187
Glenbrook	575	619	735	128	160
New Westminster	1900	1737	2150	443	250
District Total	6217	5974	8238	2385	2021

SCENARIO B:

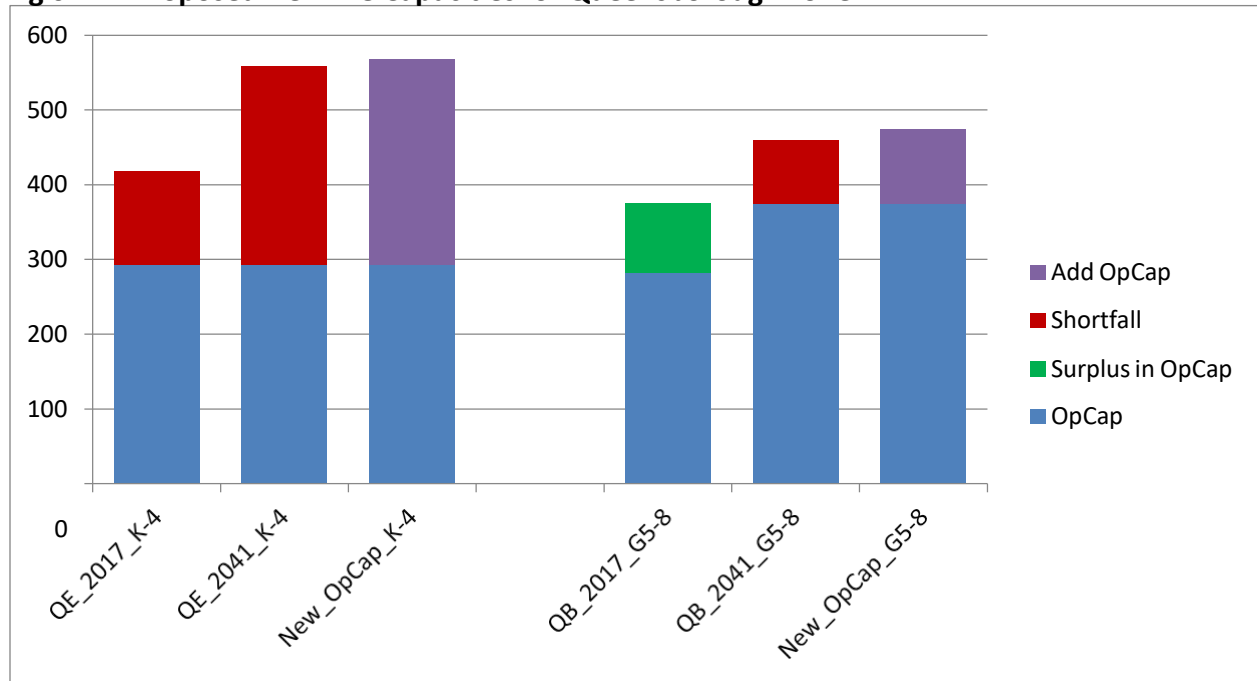
- Existing grade configuration to be maintained
- Addition at Queen Elizabeth and Queensborough; small addition with modulars to other elementary and middle schools where adequate open space can be maintained
- New sites for up to two new elementary schools and one new middle school
- Addition of 250 secondary school spaces dependent on review of future land use at the secondary school site

Fig 6.1C: Proposed Scenario B**Proposed Implementation:**

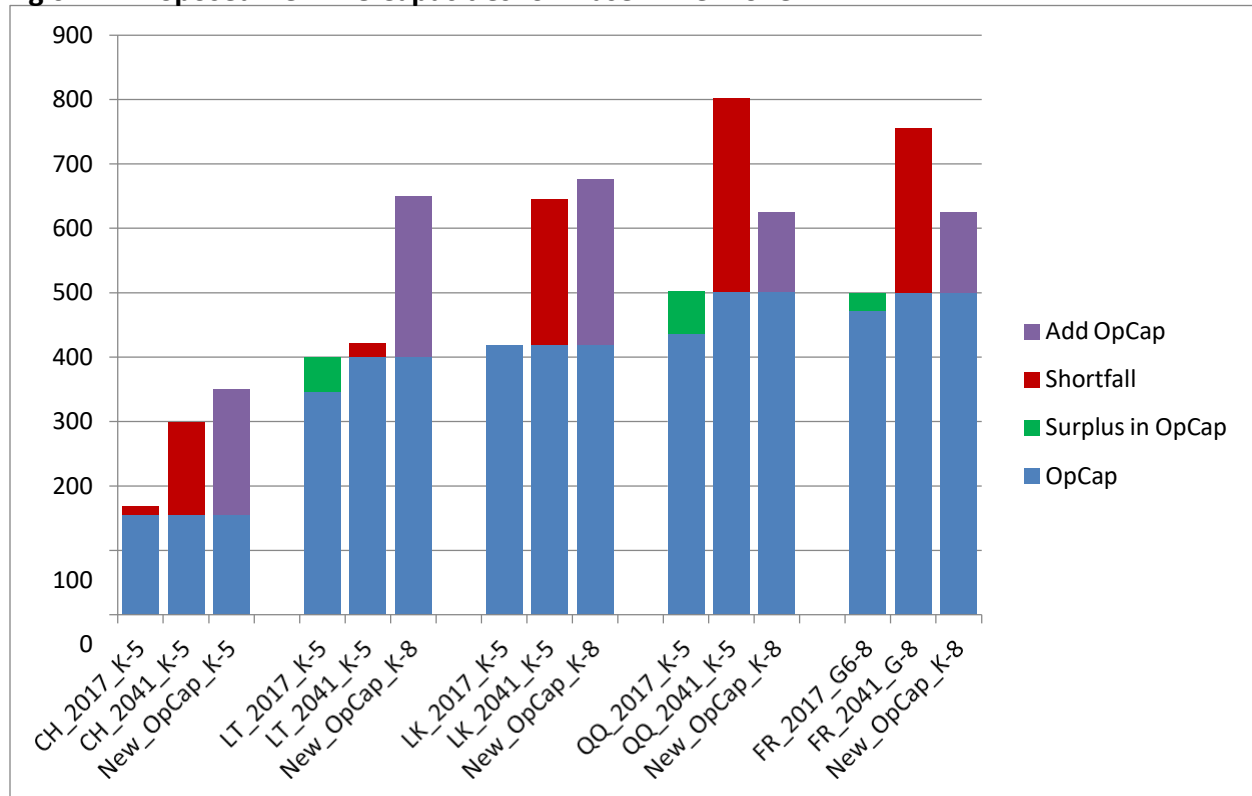
- Addition of minimum 265 spaces to Queen Elizabeth and 85 spaces to Queensborough
- Remaining 1,003 elementary students to be accommodated with addition of modulars and up to two new elementary schools on two new sites
- Remaining 418 middle school students to be accommodated at new middle school at 3rd new site
- Redistricting to provide catchments for new elementary schools and new zone for new middle school
- Addition of 250 secondary school spaces dependent on review of future land use at the secondary school site

SCENARIO C:

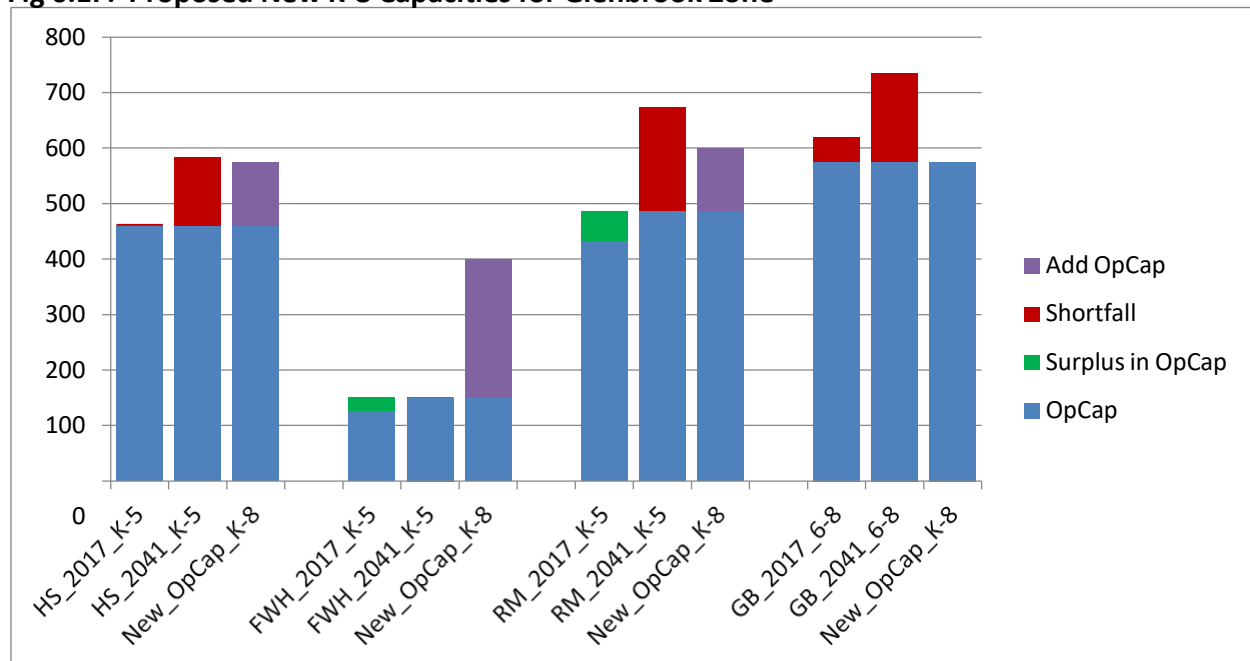
- Co-location of K-5/6-8 on same site
- No additional site required

Fig 6.1D: Proposed New K-8 Capacities for Queensborough Zone**Proposed Implementation:**

- Up to 350 additional elementary and middle school spaces required by 2041
- Queen Elizabeth and Queensborough considered one site
- Capacity of Queen Elizabeth increased to 550-575
- Capacity Queensborough increased to 450-475
- Reorganization of Queen Elizabeth to K-3 and Queensborough to G4-8; then capacity of Queensborough can be increased to 450- 475, and Queensborough to 550-575

Fig 6.1E: Proposed New K-8 Capacities for Fraser River Zone**Proposed Implementation:**

- 950 additional spaces required by 2041
- Connaught Heights increased to 350 (increase of students from future developments near 22nd St Station)
- Connaught Heights maintained as K-5 (G6-8 students from Connaught Heights catchment to attend LT)
- Capacity of Lord Tweedsmuir increased to 650
- Capacity of Lord Kelvin increased to 675 (increase of students from Lower 12th Ave)
- Capacity of Qayqayt increased to 625 (increase of students from Downtown)
- Capacity of Fraser River increased to 625 (increase of students from Downtown)
- Catchment area for Qayqayt increased
- Catchment boundaries between Lord Kelvin and Lord Tweedsmuir adjusted

Fig 6.1F: Proposed New K-8 Capacities for Glenbrook Zone

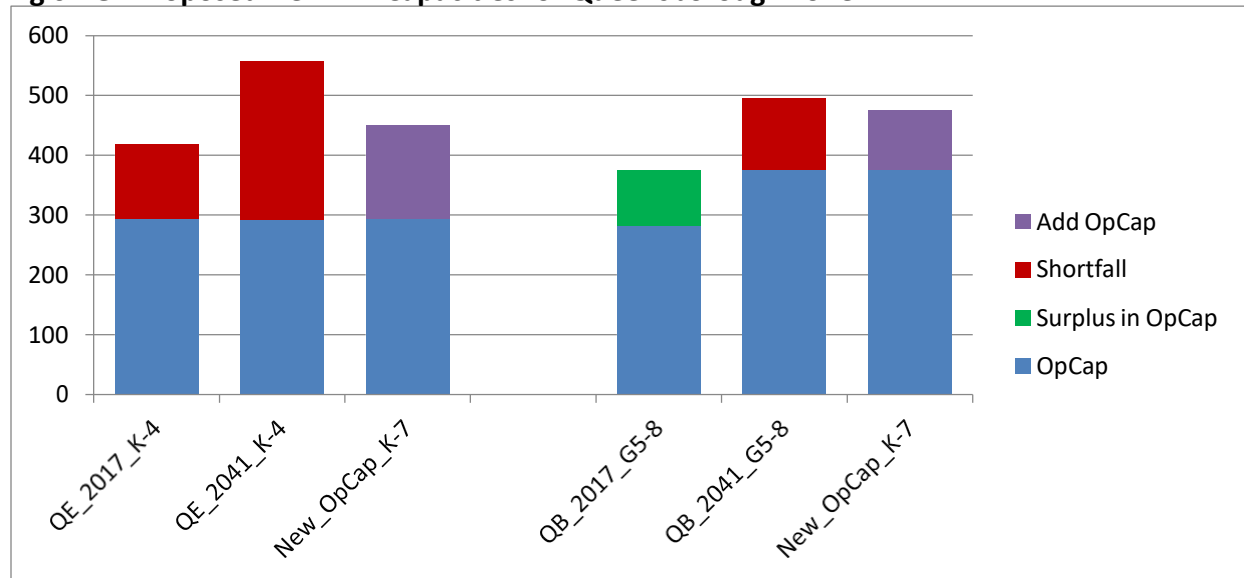
* new operating capacity used for RM

Proposed Implementation:

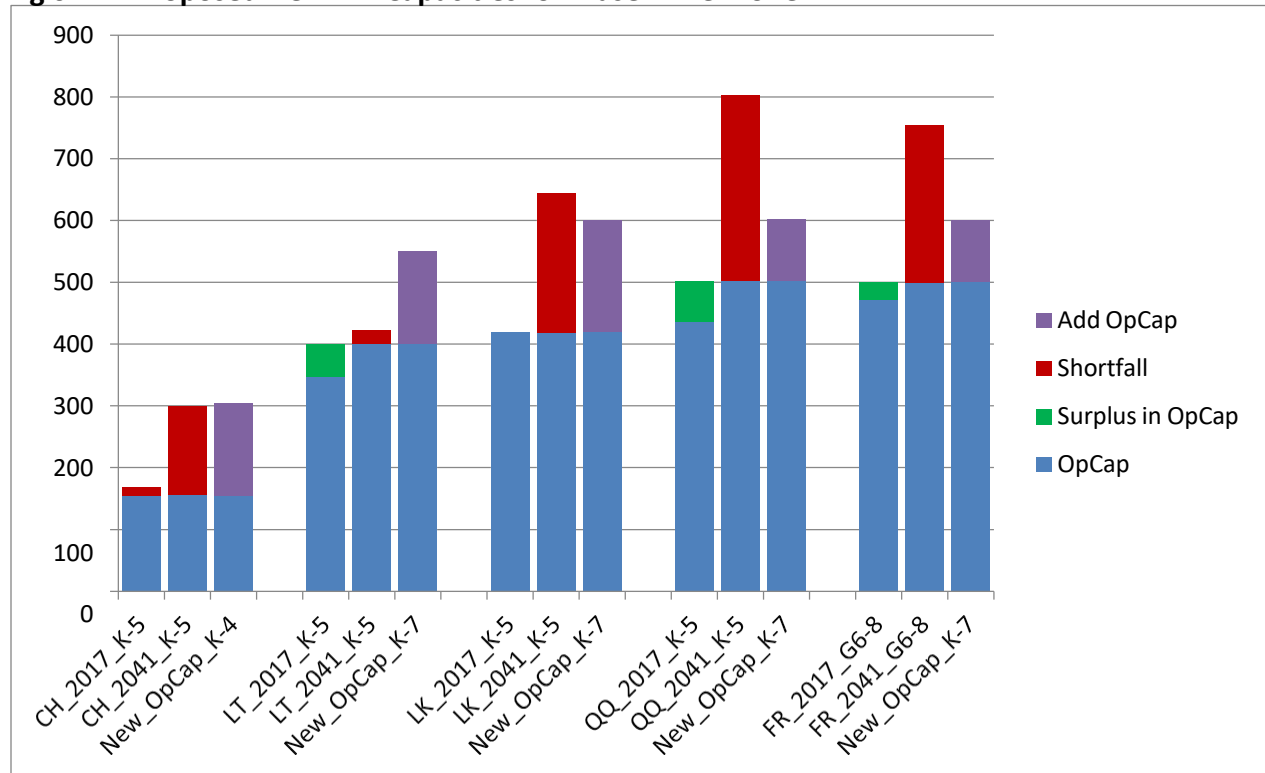
- 475 additional spaces required by 2041
- Capacity of Herbert Spencer can be increased to 575
- Capacity of FW Howay can be increased to 400
- Catchment area of FW Howay enlarged
- Catchment areas of Herbert Spencer and Richard McBride can be reduced
- Capacity of Richard McBride can be increased to 600, due to large increase of students from Brewery District, 100 Braid and Sapperton Green
- Glenbrook maintained at same capacity, as there is no allowable additional floor space
- Potential annex of capacity 200 at Hume Park site, with acquisition of neighbouring site

SCENARIO D:

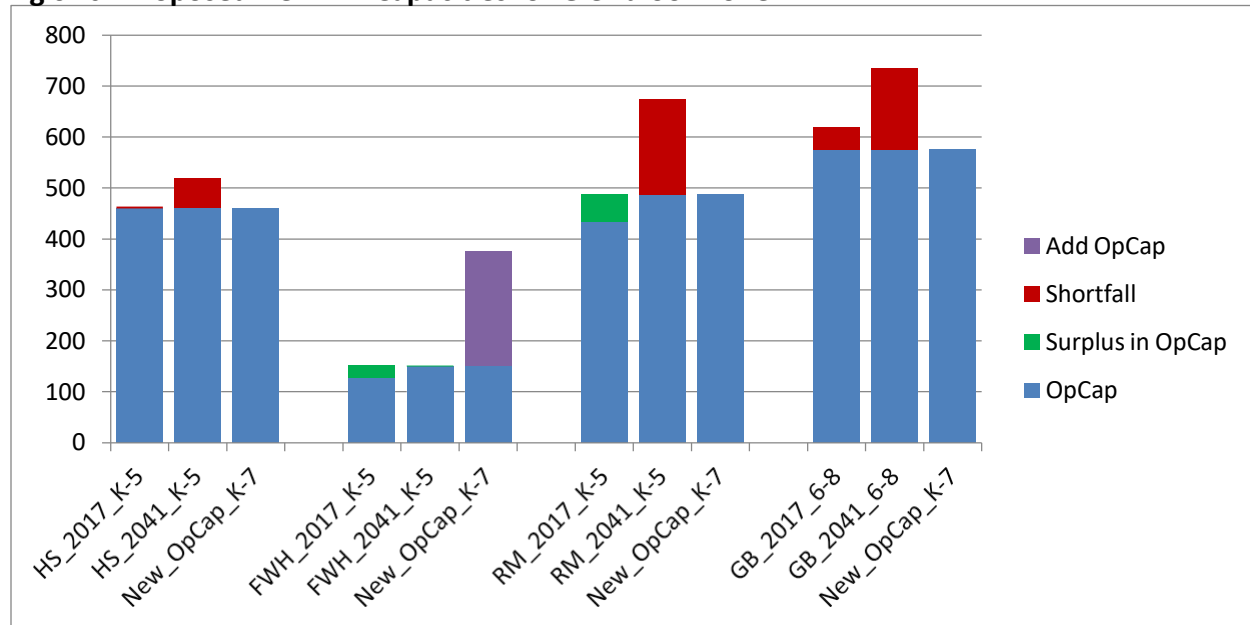
- Reconfigure elementary and middle schools to K-7 and the secondary school to Grade 8-12
- No additional site required
- Approximately 600 less spaces required for Grade 8 students, who are to be part of Grade 8-12 secondary school

Fig 6.1G: Proposed New K-7 Capacities for Queensborough Zone**Proposed Implementation:**

- 250 additional spaces required by 2041
- Queen Elizabeth expanded to 450 capacity for K-7
- Queensborough expanded to 475 capacity for K-7

Fig 6.1H: Proposed New K-7 Capacities for Fraser River Zone**Proposed Implementation:**

- 700 additional spaces required by 2041
- Connaught Heights increased to 300 as K-4 annex (Grade 5-7 students from Connaught Heights catchment to attend LT)
- Increase in capacity of Lord Tweedsmuir to 550
- Increase in capacity of Lord Kelvin to 600 (increase of students from Lower 12th Ave)
- Increase in capacity of Qayqayt to 600 (increase of students from Downtown)
- Increase in capacity of Fraser River to 600 (increase of students from Downtown)
- Minor adjustment of catchment boundaries between Lord Kelvin and Lord Tweedsmuir

Fig 6.1J: Proposed New K-7 Capacities for Glenbrook Zone

* new operating capacity used for RM

Proposed Implementation:

- 225 additional spaces required by 2041
- No change in capacity at Herbert Spencer
- Capacity of FW Howay increased to 375
- Catchment area of FW Howay enlarged
- Catchment areas of Herbert Spencer and Richard McBride reduced
- No change in capacity at Richard McBride
- Glenbrook maintained at same capacity (no allowable additional floor space)
- Potential annex of capacity 200 at Hume Park site, with acquisition of neighbouring site

6.2 OPTIONS FOR EXPANSION OF SECONDARY SCHOOL

G9-12 Option - addition of 250:

- On-site at NWSS; dependent on review of future land use at the secondary school site;
- “Satellite urban” program in commercial podium of new Downtown residential development.

G8-12 Option - addition of 850:

- On-site at NWSS; dependent on review of future land use at the secondary school site;
- New site for separate small secondary school of capacity 850.

6.3 MAJOR ISSUES

The School District will be growing in enrolment from 5,974 in 2016 to 8,238 in 2041, an increase of 2,264 students, reaching a capacity utilization of 132.5%. The number of additional new spaces required to bring it to maintain 100% capacity utilization is 2,021, (2041 Enrolment minus Operating Capacity).

The major issues emerging from the Options for expansion of schools to accommodate growth of student enrolment of over 2,385 from 2016 to 2041 include:

1. Maximum capacity of schools / Grade reconfiguration
 - Pros and cons of large schools affecting educational quality
 - Reduction of available open space on site
 - Potential traffic congestion in neighbourhood
2. New Sites for Schools
 - Lack of adequate large sites in residential areas for schools
 - Feasibility of further development potential at NWSS site
 - Feasibility of compact sites in urban settings for schools through density bonusing of residential developments, and co-located with residential developments
 - SSAC, financing and timeframe
3. Options for Secondary School Expansion
 - On-site
 - New site
4. Early development of a Building Program for the strategic implementation of expansion to relieve pressure of additional students at schools with minimal use of portables at schools

It is highly recommended that the School District work in close co-ordination and co-operation with the Planning Department of the City of New Westminster to:

- share information on planning enquiries, applications and permit approvals for new housing to form an accurate basis for the following year's enrolment projection,
- identify potential new school sites and protocols for their acquisition, and
- initiate submission of PRFS to Ministry for land acquisition of new school sites, if required.

As market conditions such as affordability, level of interest rates, absorption rate (number of units sold over number of units on market), have a great impact on the timeframe for development, the number of units, location and type, Yield Factors and Participation Rates could be updated with the availability of new Census data to reflect the actual pace of housing development and population growth.

In order to relieve the pressure of additional students at schools with the minimal use of portables, it is also highly recommended that a Building Program be developed early for the timely delivery of new projects, taking account of the duration of time required from project request to approval of capital funds.

7. PREFERRED OPTION

Subsequent to the review by the School Board of the different scenarios proposed to meet the challenges of the increasing enrolment to 2041, members decided on Scenario B as the preferred option.

Scenario B maintains the existing grade configuration of the elementary, middle and secondary schools. It proposes:

- additions to both Queen Elizabeth Elementary and Queensborough Middle;
- small addition of modular buildings to school sites where availability of open space is not compromised;
- requirement of new elementary and middle schools.

7.1 ENROLMENT, CAPACITY UTILIZATION AND SPACE SURPLUS/SHORTFALL TO 2027

The enrolment projection for the next 10 years to 2027 is provided below.

Fig 7A: Enrolment Projections to 2027

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Queen Elizabeth	418	428	439	449	459	468	476	483	490	495	500
Queensborough	282	299	314	327	340	353	363	373	382	390	397
École Qayqayt	493	505	517	531	545	559	573	587	591	615	629
Connaught Heights	164	167	171	175	180	183	186	192	194	200	197
École Lord Tweedsmuir	347	352	358	365	370	372	374	377	380	383	386
Lord Kelvin	419	425	431	437	447	457	467	477	487	497	507
Fraser River	472	488	495	500	506	517	528	539	550	561	572
École Herbert Spencer	463	470	477	484	491	495	499	503	507	512	517
FW Howay	127	128	130	131	133	134	135	136	137	138	139
Richard McBride	433	454	475	487	499	504	509	514	520	526	534
Glenbrook	619	627	635	640	645	658	651	654	657	661	667
New Westminster	1737	1752	1767	1782	1797	1813	1829	1845	1861	1877	1895
DISTRICT	5974	6095	6209	6308	6412	6513	6590	6680	6756	6855	6940

The enrolment for the District is expected to grow by 539 or 9.0% from 5,974 in 2017 to 6,513 by 2022 (Year 5), and by 966, or 16.2% to 6,940 by 2027 (Year 10), broken down as below:

	2022	2027
Elem	308	548
Mid	155	263
Sec	76	158

The Capacity Utilization and space surplus/shortfall is calculated for Year 5 and Year 10 in the tables below.

Fig 7B: Cap Util & Space +/- in Year 5 and Year 10 – Queensborough and Fraser River Zones

		Year 0	Year 5	Year 10
		2017	2022	2027
Queen Elizabeth	<i>enr</i>	418	468	500
	<i>cap util</i>	142.7%	159.7%	170.6%
	<i>space +/-</i>	125	175	207
Queensborough	<i>enr</i>	282	353	397
	<i>cap util</i>	75.2%	94.1%	105.9%
	<i>space +/-</i>	-93	-22	22

École Qayqayt	<i>enr</i>	493	559	629
	<i>cap util</i>	98.2%	111.4%	125.3%
	<i>space +/-</i>	-9	57	127
Connaught Heights	<i>enr</i>	164	183	197
	<i>cap util</i>	105.8%	118.1%	127.1%
	<i>space +/-</i>	9	28	42
École Lord Tweedsmuir	<i>enr</i>	347	372	386
	<i>cap util</i>	86.8%	93.0%	96.5%
	<i>space +/-</i>	-53	-28	-14
Lord Kelvin	<i>enr</i>	419	457	507
	<i>cap util</i>	100.0%	109.1%	121.0%
	<i>space +/-</i>	0	38	88

Elem Sch - Fraser River Zone	<i>enr</i>	1423	1571	1719
	<i>cap util</i>	96.4%	106.4%	116.5%
	<i>space +/-</i>	-53	95	243

Fraser River Middle	<i>enr</i>	472	517	572
	<i>cap util</i>	94.4%	103.4%	114.4%
	<i>space +/-</i>	-28	17	72

Fig 7C: Cap Util & Space +/- in Year 5 and Year 10 – Glenbrook Zone & NWSS

		Year 0	Year 5	Year 10
		2017	2022	2027
École Herbert Spencer	<i>enr</i>	463	495	517
	<i>cap util</i>	100.7%	107.6%	112.4%
	<i>space +/-</i>	3	35	57
FW Howay	<i>enr</i>	127	134	139
	<i>cap util</i>	84.1%	88.7%	92.1%
	<i>space +/-</i>	-24	-17	-12
Richard McBride	<i>enr</i>	433	504	534
	<i>cap util</i>	88.9%	103.5%	109.7%
	<i>space +/-</i>	-54	17	47
Elem Sch - Glenbrook Zone	<i>enr</i>	1023	1133	1190
	<i>cap util</i>	93.2%	103.2%	108.4%
	<i>space +/-</i>	-75	35	92
Glenbrook	<i>enr</i>	619	658	667
	<i>cap util</i>	107.7%	114.4%	116.0%
	<i>space +/-</i>	44	83	92
New Westminster	<i>enr</i>	1737	1813	1895
	<i>cap util</i>	91.4%	95.4%	99.7%
	<i>space +/-</i>	-163	-87	-5
DISTRICT	<i>enr</i>	5974	6513	6940
	<i>cap util</i>	96.1%	104.8%	111.6%
	<i>space +/-</i>	-243	296	723

According to the above calculations, the District in 2017 has not reached 100% capacity utilization. That is expected when the enrolment is expected to reach the full operating capacity of 6,217 by 2019. There will an expected shortfall 296 spaces by 2022, and 723 by 2027.

7.2 RECOMMENDATION FOR IMPLEMENTATION OPTIONS

Queensborough Zone:

- Full addition to Queen Elizabeth Elementary to increase capacity required by 2041 should be considered
- Addition to Queensborough Middle can be considered at a later stage
- No action is required for NWSS as it will still be under full capacity

Fraser River Zone:

- Modularity and portables can be used at the elementary schools which are over capacity as requirements are small, varying from 2-3 at Connaught Heights to 5 at Qayqayt
- Modularity should be used where they are to remain past 2041; otherwise portables should be used until no longer required upon completion of new elementary school
- Portables should be used at the Fraser River Middle until no longer required upon completion of new middle school
- No action is required for NWSS as it will still be under full capacity
- Submit PRFS to Ministry for land acquisition of new school site

Glenbrook Zone:

- Modularity and portables can be used at the elementary schools which are over capacity as requirements are small, varying from 2-3 at Richard McBride and Herbert Spencer
- Modularity should be used where they are to remain past 2041; otherwise portables should be used until no longer required upon completion of new elementary school
- Portables should be used at the Glenbrook Middle until no longer required upon completion of new middle school
- No action is required for NWSS as it will still be under full capacity
- Submit PRFS to Ministry for land acquisition of new school site

Appendix B: Feedback Questionnaire

Long-Range Facilities Review, New Westminster Schools-April 4, 2019

- 1. After analyzing the enrolment, capacity, utilization and condition data, what priorities began to emerge for you?**

- 2. Is there a scenario that was not presented in the review, that should be considered?**

- 3. Do you have any questions about the options presented in the review document or in Cascade's technical document?**



4. What physical space is required to provide quality programming in an alternate or distributed learning setting?

5. Is there anything else you would like the Board of Education to consider before it approves a final Long-Range Facilities Plan?

6. How often should the Board update the community on the data and/or the progress in the Plan?

Supplement to: **OPERATIONS POLICY & PLANNING COMMITTEE**

Date: May 14, 2019

Submitted by: Mark Gifford, Chair

Item: **Requiring Action** Yes ☒ No ☐ **For Information** ☐

Subject: Living Wage for Families and New Westminster Schools

Background:

In New Westminster Schools, we see the impact of poverty on physical, social, emotional, and cognitive development of children, and its relationship to learning. This is why we have taken leadership to do what we can to adopt policy and programs that address inequality and reduce stigma in our schools, such as through our School Nourishment Program, Sanctuary Schools Policy, or Menstrual Initiative. We can take pride in these efforts, and see the difference they make in creating conditions for inclusion and success of all students and families.

A living wage helps an employer do its part to ensure that the work it pays people to do does not keep them in poverty. A living wage is the hourly amount a family needs to cover basic expenses, including food, rent, clothing, child care, transportation and a small savings. In British Columbia, this amount is reviewed and recalibrated each year. In 2019, the Living Wage in Metro Vancouver is \$19.50.

A Living Wage policy could help ensure New Westminster Schools walk the talk of equity, inclusion, and fairness. It has been a tangible statement by employers to put their values into action, and in our case, one that strengthens learning outcomes for students in our District.

As a first step, the New Westminster Board of Education can work with staff to take time to learn more about the benefits and considerations of becoming a Certified Living Wage Employer, and how best to move forward as a District.

Recommendation:

THAT the Operations Policy and Planning Committee recommend to the Board of Education of School District No. 40 (New Westminster) to instruct staff to prepare a report, on or before the November 19, 2019 Operations Policy and Planning Committee Meeting, that provides an analysis of the costs and benefits of New Westminster Schools becoming a Living Wage Employer.

School District No. 40 (New Westminster)

Audit Planning Report for the year
ended June 30, 2019

KPMG LLP

For presentation on May 14, 2019

kpmg.ca/audit



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The contacts at KPMG in connection with this report are:

Tim Holloway, CPA, CA

Engagement Partner

Tel: (604) 854-2282

tholloway@kpmg.ca

Andrew Bordignon, CPA, CA

Senior Manager

Tel: (604) 455-4017

andrewbordignon@kpmg.ca

At KPMG, we are **passionate** about earning your **trust**. We take deep **personal accountability**, individually and as a team, to deliver **exceptional service and value** in all our dealings with you.

At the end of the day, we measure our success from the **only perspective that matters – yours**.

This Audit Findings Report should not be used for any other purpose or by anyone other than those charged with governance. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Findings 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.

Executive summary



Purpose of this report

This report is for the Operations Policy & Planning Committee's (the "Board") information with respect to the planning of the annual audit of School District No. 40 (New Westminster) (the "District").

We are pleased to provide, as a requirement of our audit planning and reporting, the enclosed information relating to the planned scope and timing of the audit of the financial statements of the District for the year ended June 30, 2019.



Audit materiality

We determine materiality in order to plan and perform the audit and to evaluate the effects of identified misstatements on the audit and of any uncorrected misstatements on the financial statements. For the current year, materiality of \$1,600,000 has been determined.

See page 2 for more details.



Areas of audit focus

Our audit is risk-focused. In planning our audit we have taken into account key areas of focus for financial reporting. These include:

- Non-capital deferred contributions
- Tangible capital assets and deferred capital contributions
- School generated funds
- Employee future benefits and salaries
- Auditors' Opinion – Compliance Framework

See page 3-5 for more details.



Independence

We are independent and have extensive quality control and conflict checking processes in place. We provide complete transparency on all services and follow Board approved protocols.



Materiality

Materiality determination	Comments	Amount
Benchmark	Based on prior year's total expenses. This benchmark is consistent with other public sector entities and with the prior year.	\$76.8 million
Materiality	Determined to plan and perform the audit and to evaluate the effects of identified misstatements on the audit and of any uncorrected misstatements on the financial statements. The corresponding amount for the prior year's audit was \$1,200,000.	\$1,600,000
% of Benchmark	The industry standard percentage for the audit is between 0.5% and 3.0%. The corresponding amount for the prior year's audit was 1.7%.	2.1%
Audit Misstatement Posting Threshold ("AMPT")	Threshold used to accumulate misstatements identified during the audit. The corresponding amount for the prior year's audit was \$60,000.	\$80,000

Materiality represents the level at which we think misstatements will reasonably influence users of the financial statements. It considers both quantitative and qualitative factors.

To respond to aggregation risk, we design our procedures to detect misstatements at a lower level of materiality.

We will report to the Board:



Corrected audit misstatements



Uncorrected audit misstatements



Areas of audit focus

Area of focus	Why are we focusing here?	Our audit approach
Non-capital deferred contributions	The District receives restricted contributions. These amounts are received for specific purposes and are deferred until the associated stipulations have been fulfilled.	– Obtain an understanding of the activities with respect to contributions received to ensure that revenues are appropriately deferred in accordance with their stipulations. – Substantive testing, including a review of all significant funding agreements and correspondence received from funding parties. – Substantive testing of expenditures to ensure they are consistent with the terms of the funding.
Tangible capital assets and deferred capital contributions	The District has various capital projects ongoing throughout the year. The District defers restricted contributions received for the acquisition of capital assets. Once spent, the contributions are amortized into revenue over the life of the asset acquired.	– Obtain an understanding of the process over contributions received, the acquisitions made or construction of related tangible capital assets and amortization of the assets and deferred capital contributions. – Vouch a sample of asset additions to determine appropriate treatment as capital, and perform test of details over contributions received to ensure that contributions are appropriately deferred in accordance with the stated accounting policy. – Review the reasonableness of amortization expense and amortization of deferred capital revenue to ensure amortization is being recognized on the same basis as the amortization of the related tangible capital asset. – Review agreements for contractual commitments and related disclosure requirements.
School generated funds	There is a substantial amount of money that flows through the elementary, middle and secondary schools, which is accounted for and reported by the administrative staff at each school.	– Obtain an understanding of the cash handling and processing procedures. – Substantive testing, including a review of reconciliations and internal audit reviews performed at the schools during the year.

Areas of audit focus (continued)

Area of focus	Why are we focusing here?	Our audit approach
Employee future benefits and salaries	Employee future benefits and salaries are a significant portion of the District's operations.	– Obtain an understanding of the activities over the initiation, authorization, and recording of the payroll process. – Perform substantive analytical procedures over salaries and benefits and review significant fluctuations from prior year. – Review the external actuary report and key actuarial assumptions for reasonableness and compliance with Public Sector Accounting Standards. – Test the accuracy of employee data sent to the actuary for the computation of employee future benefits.
Auditors' Opinion - Compliance Framework	Financial statements are prepared in accordance with appropriate financial statement framework.	– The financial statements are prepared under Canadian Public Sector Accounting ("PSA") standards, supplemented by the requirements of Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. – These regulations direct the District to apply PSA, except in regard to accounting for restricted contributions. Under the regulations, capital contributions are to be 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 PSA. – As a result, the 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. – The Office of the Auditor General ("OAG") has requested additional reporting, under the Group Auditor requirements, in order to perform the consolidation of the Provincial Accounts under the PSA standards.



Audit risks

Professional requirements

Fraud risk from management override of controls.

Why is it significant?

This is a presumed fraud risk. We have not identified any specific additional risks of management override relating to this audit.

Our audit approach

As the risk 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 and evaluating the business rationale of significant unusual transactions.

Annual inquiries

Professional standards require that during the planning of our audit we obtain your views on risk of fraud and other matters. We make similar inquiries to management as part of our planning process; responses to these will assist us in planning our overall audit strategy and audit approach. Accordingly, we would like you to consider the following questions:

- Are you aware of any significant fraud risks facing the District?
- How do you exercise effective oversight of management's process for identifying and responding to the risk of fraud and the internal controls that management has established to mitigate these fraud risks?
- Are you aware of or have you identified any instances of actual, suspected or alleged non-compliance with laws and regulations or fraud, including misconduct or unethical behaviour related to financial reporting or misappropriation of assets? If so, have the instances been appropriately addressed and how have they been addressed?
- Are you aware of the District entering into any significant unusual activities?

If you have any matters that you would like to bring to our attention on the above questions, please contact us.

Other Matters – Ministry Funding Model Review

In February 2018, an Independent Funding Model Review Panel was enlisted to review and provide recommendation to the way funding is allocated in the K-12 public education sector in British Columbia. The Panel issued 22 recommendation for the Minister of Education that are intended to improve the K-12 public education system for students. The recommendations were provided in the following themes: Theme 1: Equity of Education Opportunity; Theme 2: Accountability; Theme 3: Financial Management.

Four working groups have been established with subject matters representatives; the engagement and input from the working groups will help inform the transformation of a new funding model, with an overarching focus on equity of education opportunity for all students in the province.

Working groups are responsible for fostering shared awareness of how the current model affects their workstream, identifying implications (operational, educational, other) related to the assigned recommendations, developing strategies to mitigate those implications, and identifying key indicators through which success can be measured.

The following is a summary of the recommendations from Theme 3: Financial Management:

- Recommendation 18: The Ministry should identify net cost pressures and new program expenditures and, as part of the annual provincial budgeting process, bring them forward to Treasury Board for consideration when the total quantum of public education funding is being set.
- Recommendation 19: To support multi-year financial planning: Government should issue three-year operating funding to Boards of Education, based on available funding and projected student enrolment; and school districts should be required to develop three-year financial plans.
- Recommendation 20: The Ministry should establish clear provincial policies on reserves to ensure consistent and transparent reporting, while maintaining school districts' ability to establish reserves. Specifically, the Ministry should: set clear provincial policies on what school districts may save for, directly related to their strategic plans; establish an acceptable provincial range for unrestricted reserves, encompassing accumulated operating surpluses and local capital, which should be monitored and reported on (if required); ensure that school districts have specific plans attached to each item or initiative when setting reserves, and provide clear reporting on how the funds were spent; and work with school districts to transfer any overages beyond the approved threshold into a fund at the school district level, to be accessed only with Ministry approval.
- Recommendation 21: There should be no change in the way that locally-generated revenues are treated by the Ministry when calculating operating funding for school districts.
- Recommendation 22: In the current absence of dedicated funding for some capital expenditures, the Ministry should either: provide capital funding for expenditures that are currently not reflected in the capital program; or clarify which items are ineligible for capital program funding and ensure that school districts are permitted to establish appropriate reserves that allow them to save for these purchases on their own (i.e. accumulated operating surplus, local capital).

Key deliverables and milestones



The 2019 Auditors' Report



In response to stakeholders demanding more than a binary pass/fail opinion from the auditors' report, the new and revised auditor reporting standards have introduced significant changes to the traditional auditors' report we provide.

In April 2017, the Auditing and Assurance Standards Board ("AASB") in Canada approved the new and revised auditor reporting standards as Canadian Auditing Standards (CASs).

Highlights of changes to your 2019 auditors' report

Re-ordering of the auditors' report including moving opinion to the first section.

Separate section on "Material Uncertainty Related to Going Concern" if a material uncertainty is identified.

Separate section on "Other Information" (e.g. MD&A).

Expanded descriptions of management's responsibility, including those related to assessing the Entity's ability to continue as a going concern.

New description of responsibilities of those charged with governance.

Expanded descriptions of management's, those charged with governance and auditors' responsibilities.

Key audit matter reporting

Communicating the key audit matters (KAMs) applies for audits performed in accordance with the Canadian Audit Standards.

KAMs are those matters communicated to those charged with governance that required significant auditor attention in performing the audit, and in the auditor's professional judgment, were of most significance in the audit of the financial statements of the current period.

Currently, the reporting of KAMs in the auditors' report is only applicable when required by law or regulation or when the auditor is engaged to do so.



Impact to the 2018 auditors' report

Accordingly, your 2019 auditors' report will not include the communication of any KAMs as we have not yet been engaged to communicate them and there is no law or regulation that requires such communication.

Appendices



Appendix 1: Audit quality and risk management



Appendix 2: Required communications



Appendix 3: Engagement letter



Appendix 4: Current developments



Appendix 5: Draft Auditors' report



Appendix 1: Audit quality and risk management



KPMG maintains a system of quality control designed to reflect our drive and determination to deliver independent, unbiased advice and opinions, and also meet the requirements of Canadian professional standards.

Quality control is fundamental to our business and is the responsibility of every partner and employee. The following diagram summarizes the six key elements of our quality control system.

Visit our [Audit Quality Resources page](#) for more information including access to our most recent [Audit Quality Report](#).

Other controls include:

- Before the firm issues its audit report, the Engagement Quality Reviewer reviews the appropriateness of key elements.
- Technical department and specialist resources provide real-time support to audit teams in the field.

We conduct regular reviews of engagements and partners. Review teams are independent and the work of every audit partner is reviewed at least once every three years.

We have policies and guidance to ensure that work performed by engagement personnel meets applicable professional standards, regulatory requirements and the firm's standards of quality.

We do not offer services that would impair our independence.



All KPMG partners and staff are required to act with integrity and objectivity and comply with applicable laws, regulations and professional standards at all times.

The processes we employ to help retain and develop people include:

- Assignment based on skills and experience;
- Performance evaluation;
- Development and training; and
- Appropriate supervision and coaching

We have policies and procedures for deciding whether to accept or continue a client relationship or to perform a specific engagement for that client.

Existing audit relationships are reviewed annually and evaluated to identify instances where we should discontinue our professional association with the client.

Appendix 2: Required communications



In accordance with professional standards, there are a number of communications that are required during the course of and upon completion of our audit. These include:



Engagement letter

The objectives of the audit, our responsibilities in carrying out our audit, as well as management's responsibilities, are set out in the engagement letter and any subsequent amendment letters. See Appendix 3.



Management representation letter

We will obtain from management certain representations at the completion of the annual audit. In accordance with professional standards, copies of the representation letter will be provided to the Board.



Audit planning report

As attached.



Audit findings report

At the completion of our audit, we will provide our audit findings to the Board.



Required inquiries

Professional standards require that during the planning of our audit we obtain your views on risk of fraud and other matters. We make similar inquiries of management as part of our planning process; responses to these will assist us in planning our overall audit strategy and audit approach accordingly.

Appendix 3: Engagement letter





KPMG Enterprise™
Metrotower I
4710 Kingsway, Suite 2400
Burnaby, BC V5H 4M2
Canada
Telephone (604) 527-3600
Fax (604) 527-3636

ENGAGEMENT LETTER

PRIVATE & CONFIDENTIAL

Ms. Kim Morris
Secretary-Treasurer
School District No. 40 (New Westminster)
811 Ontario Street
New Westminster, BC V3M 0J7

July 4, 2018

Dear Madam:

The purpose of this letter is to outline the terms of our engagement to audit the annual financial statements ("financial statements") of School District No. 40 (New Westminster) ("the Entity"), commencing for the year ending June 30, 2018.

This letter supersedes our previous letter to the Entity dated May 19, 2015. The terms of the engagement outlined in this letter will continue in effect from period to period, unless amended or terminated in writing. The attached Terms and Conditions and any exhibits, attachments and appendices hereto and subsequent amendments form an integral part of the terms of this engagement and are incorporated herein by reference (collectively the "Engagement Letter").

Financial Reporting Framework for the Financial Statements

The annual financial statements will be prepared and presented in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board (hereinafter referred to as the "financial reporting framework").

The annual financial statements will include an adequate description of the financial reporting framework.

Management's Responsibilities

Management responsibilities are described in Appendix – Management's Responsibilities.

An audit does not relieve management or those charged with governance of their responsibilities.

Auditor's Responsibilities

Our responsibilities are described in Appendix – Auditor's Responsibilities.

If management does not fulfill the responsibilities above, we cannot complete our audit.



School District No. 40 (New Westminster)
July 4, 2018

Auditor's Deliverables

The expected form and content of our report(s) is provided in Appendix – Expected Form of Report. However, there may be circumstances in which a report may differ from its expected form and content.

In addition, if we become aware of information that relates to the financial statements after we have issued our audit report, but which was not known to us at the date of our audit report, and which is of such a nature and from such a source that we would have investigated that information had it come to our attention during the course of our audit, we will, as soon as practicable: (1) communicate such an occurrence to those charged with governance; and (2) undertake an investigation to determine whether the information is reliable and whether the facts existed at the date of our audit report. Further, management agrees that in conducting that investigation, we will have the full cooperation of the Entity's personnel. If the subsequently discovered information is found to be of such a nature that: (a) our audit report would have been affected if the information had been known as of the date of our audit report; and (b) we believe that the audit report is currently being relied upon or is likely to be relied upon by someone who would attach importance to the information, appropriate steps will be taken by KPMG, and appropriate steps will also be taken by the Entity, to prevent further reliance on our audit report. Such steps include, but may not be limited to, appropriate disclosures by the Entity to the users of the financial statements and audit report thereon of the newly discovered facts and the impact to the financial statements.

Income tax compliance and advisory services

Our deliverables regarding income tax compliance and advisory services are described in Appendix – Income Tax Compliance and Advisory Services.

Fees

Appendix – Fees for Professional Services to this letter lists our fees for professional services to be performed under this Engagement Letter.

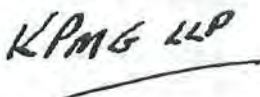


School District No. 40 (New Westminster)
July 4, 2018

We are available to provide a wide range of services beyond those outlined above. Additional services are subject to separate terms and arrangements.

We are proud to provide you with the services outlined above and we appreciate your confidence in our work. We shall be pleased to discuss this letter with you at any time. If the arrangements and terms are acceptable, please sign the duplicate of this letter in the space provided and return it to us.

Yours very truly,

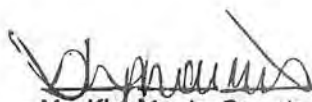


Tim Holloway, CPA, CA

Partner responsible for the engagement and its performance, and for the report that is issued on behalf of KPMG LLP, and who, where required, has the appropriate authority from a professional, legal or regulatory body.
604-854-2282

Enclosure

The terms of the engagement set out are as agreed:



Ms. Kim Morris, Secretary-Treasurer

04/07/2018.

Date (dd/mm/yy)

Appendix – Management's Responsibilities

Management acknowledges and understands that they are responsible for:

- (a) the preparation and fair presentation of the financial statements in accordance with the financial reporting framework referred to above.
- (b) providing us with all information of which management is aware that is relevant to the preparation of the financial statements 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 to be included in such summaries.
- (c) providing us with unrestricted access to such relevant information.
- (d) providing us with complete responses to all enquiries made by us during our engagement.
- (e) providing us with additional information that we may request from management for the purpose of the engagement.
- (f) providing us with unrestricted access to persons within the Entity from whom we determine it necessary to obtain evidence.
- (g) such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Management also acknowledges and understands that they are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
- (h) ensuring that all transactions have been recorded and are reflected in the financial statements.
- (i) ensuring that internal auditors providing direct assistance to us, if any, will be instructed to follow our instructions and that management, and others within the entity, will not intervene in the work the internal auditors perform for us.
- (j) providing us with written representations required to be obtained under professional standards and written representations that we determine are necessary. Management also acknowledges and understands that, as required by professional standards, we may disclaim an audit opinion when management does not provide certain written representations required.

Appendix – Auditor's Responsibilities

Our function as auditors of the Entity is:

- to express an opinion on whether the Entity's annual financial statements, prepared by management with the oversight of those charged with governance, are, in all material respects, in accordance with the financial reporting framework referred to above
- to report on the annual financial statements

We will conduct the audit of the Entity's annual financial statements in accordance with Canadian generally accepted auditing standards and relevant ethical requirements, including those pertaining to independence (hereinafter referred to as applicable "professional standards").

We will plan and perform the audit to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error. Accordingly, we will, among other things:

- identify and assess risks of material misstatement, whether due to fraud or error, based on an understanding of the Entity and its environment, including the Entity's internal control. In making those risk assessments, we consider internal control relevant to the Entity's preparation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control
- obtain sufficient appropriate audit evidence about whether material misstatements exist, through designing and implementing appropriate responses to the assessed risks
- form an opinion on the Entity's annual financial statements based on conclusions drawn from the audit evidence obtained
- communicate matters required by professional standards, to the extent that such matters come to our attention, to the appropriate level of management, those charged with governance and/or the board of directors. The form (oral or in writing) and the timing will depend on the importance of the matter and the requirements under professional standards.

Appendix – Expected Form of Report

INDEPENDENT AUDITORS' REPORT

To the Board of Education of the School District No. 40 (New Westminster)

To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of School District No. 40 (New Westminster), which comprise the statement of financial position as at June 30, 201X, the statement of operations, changes in net debt and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of School District No. 40 (New Westminster) as at and for the year ended June 30, 201X are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards.

Chartered Professional Accountants

Date
Burnaby, Canada

Appendix – Income Tax Advisory Services

This letter details the tax compliance and general tax advisory services to be provided to the Entity for the year-ended June 30, 2018 and in the future. If there are tax services to be delivered outside the scope of those described in this letter, we will require a separate engagement letter for those services.

We will perform the following services under the terms of this engagement:

General tax advisory services

Our advice generally falls under one of the following situations:

- 1) On an ongoing basis, we will provide advisory services of a general nature relating to various income, capital, payroll and indirect tax matters as they arise. This type of service generally arises on a periodic basis as a result of preliminary inquiries made by you. In rendering these services, it is important to recognize that the advice provided is dependent on the detail of the information provided and the environment in which it is rendered. When professional judgment suggests written confirmation of the facts and advice is necessary, we will draft the appropriate correspondence to ensure the appropriate standard of care is met by all parties.
- 2) Periodically, you will seek detailed advice from us in connection with a specific transaction or undertaking you are contemplating. In such a situation, our advice will be based on the information provided to us. It is the responsibility of the Entity to ensure we are provided with all the information necessary in order for us to render the advice sought. Our tax advice will most likely be communicated to you, or your designate, in writing.

Our tax advisory services, both written and oral, will be based on the facts and assumptions submitted to us. We will not independently verify this information. Inaccuracy or incompleteness of the information could have a material effect on our conclusions.

Our advice will be limited to the conclusions specifically set forth in our reporting letter and KPMG will not express an opinion with respect to any other federal, provincial or foreign tax or legal aspect of the transactions described therein. It should be noted that the Canada Revenue Agency and/or the relevant provincial tax authority and/or any other governmental tax authority (collectively a Tax or Revenue Authority) could take a different position with respect to these transactions, in which case it may be necessary for you to defend this position on appeal from an assessment or litigate the dispute before the courts, including one or more appellate courts, in order for our conclusions to prevail. If a settlement were reached with a Tax or Revenue Authority or if such appeal and litigation were not, or were not entirely, successful, the result would likely be different from the views we express in our reporting letter. Unless expressly provided for, KPMG's services do not include representing Client in the event of a challenge by a Tax or Revenue Authority or litigation before any court.

To be of greatest assistance to the Entity, we should be advised in advance of any proposed transactions. If such matters exceed the scope of this engagement letter, we will issue additional engagement letters to confirm the particular scope and terms.

Appendix – Fees for Professional Services

Our fees for the services described in this letter will be based on standard hourly rates. The estimated fee for the June 30, 2018 audit is \$25,500.

Our fees above are based on your current operations and will be adjusted if your operations expand greater than current expectations, a change in your structure occurs, or new accounting or auditing standards are established. Any adjustment to our fees will be discussed thoroughly with Management.

The routine technology and support charge as described in the terms and conditions ("Fee Arrangements") shall be 7%.

Goods and Services Tax (GST) will be computed and shown separately on our invoices, together with our firm's GST registration number, so that you will have the information required to claim input tax credits and input tax refunds, if applicable.

Interest on overdue invoices as described in the terms and conditions ("Fee Arrangements") shall be 1% per month, calculated and compounded monthly (effective annual rate of 12.683%).



TERMS AND CONDITIONS FOR ASSURANCE ENGAGEMENTS (PUBLIC SECTOR CLIENTS)

These Terms and Conditions are an integral part of the accompanying engagement letter or proposal from KPMG that identifies the engagement to which they relate (and collectively form the "Engagement Letter"). The Engagement Letter supersedes all written or oral representations on this matter. The term "Entity" used herein has the meaning set out in the accompanying engagement letter or proposal. The term "Management" used herein means the management of Entity.

1. DOCUMENTS AND LICENSES.

- a. All working papers, files and other internal materials created or produced by KPMG in relation to this engagement and all copyright and intellectual property rights therein are the property of KPMG.
- b. Only in connection with the services herein, Entity hereby grants to KPMG a limited, revocable, non-exclusive, non-transferable, paid up and royalty-free license, without right of sublicense, to use all logos, trademarks and service marks of Entity solely for presentations or reports to Entity or for internal KPMG presentations and intranet sites. Further, Entity agrees that KPMG may list Entity as a customer in KPMG's internal and external marketing materials, including KPMG websites and social media, indicating the general services rendered (e.g., "Client is an Audit, Advisory, and/or Tax client of KPMG LLP").

2. ENTITY'S RESPONSIBILITIES.

- a. Entity agrees that all management responsibilities will be performed and all management decisions will be made by Entity, and not by KPMG.
- b. Entity's provision of documents and information to KPMG on a timely basis is an important factor in our ability to issue any reports under this Engagement Letter. KPMG is not responsible for any consequences arising
- c. To the extent that KPMG personnel are on Entity's premises, Entity will take all reasonable precautions for their safety.
- d. Entity understands and acknowledges that KPMG's independence may be impaired if any KPMG partner, employee or contractor accepts any offer of employment from Entity.
- e. Except as required by applicable law or regulation, Entity shall keep confidential the terms of this Engagement Letter, and such confidential information shall not be distributed, published or made available to any other person without KPMG's express written permission.
- f. Management agrees to promptly provide us with a copy of any comment letter or request for information issued by any securities or other regulatory authority in respect of information on which KPMG reported, including without limitation any continuous disclosure filings.

3. FEE AND OTHER ARRANGEMENTS.

- a. KPMG's estimated fee is based in part on the quality of Entity's records, the agreed-upon level of preparation and assistance from Entity's personnel, and adherence by Entity to the agreed-upon timetable. KPMG's estimated fee also assumes that Entity's financial statements and/or other financial information, as applicable, are prepared in accordance with the relevant financial reporting framework or the relevant criteria, as applicable, and that there are no significant changes to the relevant financial reporting framework or the relevant criteria, as applicable; no significant new or changed accounting policies; no significant changes to internal control; and no other significant issues.
- b. Additional time may be incurred for such matters as significant issues, significant unusual and/or complex transactions, informing management about new professional standards, and any related accounting advice. Where these matters arise and require research, consultation and work beyond that included in the estimated fee, Entity and KPMG agree to revise the estimated fee. Our professional fees are also subject to an additional charge to cover information technology infrastructure costs and administrative support of our client service personnel. Disbursements for items such as travel, accommodation and meals will be charged based on KPMG's actual disbursements.
- c. KPMG's invoices are due and payable upon receipt. Amounts overdue are subject to interest. In order to avoid the possible implication that unpaid fees might be viewed as creating a threat to KPMG's independence, it is important that KPMG's bills be paid promptly when rendered. If a situation arises in which it may appear that KPMG's independence is threatened because of significant unpaid bills, KPMG may be prohibited from signing any applicable report and/or consent.

- d. Fees for any other services will be billed separately from the services described in this Engagement Letter and may be subject to written terms and conditions supplemental to those in the Engagement Letter.
- e. Canadian Public Accountability Board ("CPAB") participation fees, when applicable, are charged to Entity based on the annual fees levied by CPAB.

4. USE OF MEMBER FIRMS AND THIRD PARTY SERVICE PROVIDERS; STORAGE AND USE OF INFORMATION.

- a. KPMG is a member firm of the KPMG International Cooperative ("KPMG International"). Entity acknowledges that in connection with the provision of services hereunder, KPMG may use the services of KPMG International member firms, as well as other third party service providers or subcontractors, and KPMG shall be entitled to share with them all documentation and information related to the engagement, including Entity's confidential information and personal information ("information"). KPMG may also: (i) directly, or using such aforementioned KPMG International member firms, third party service providers or subcontractors, perform data analytics in respect of the information (other than personal information); and (ii) retain and disclose to KPMG International member firms the information to share best practices or for knowledge sharing purposes. In all such cases, except as regards personal information, such information may be used, retained, processed, or stored outside of Canada by such KPMG International member firms, other third party service providers or subcontractors, and may be subject to disclosure in accordance with the laws applicable in the jurisdiction in which the information is used, retained, processed or stored, which laws may not provide the same level of protection for such information as will Canadian laws. KPMG shall not disclose any personal information outside of Canada, except as required to comply with applicable law, regulation or professional standards, or as consented to in writing by the Entity. KPMG represents that such KPMG International member firms, other third party service providers or subcontractors have agreed or shall agree to conditions of confidentiality with respect to Entity's confidential information, and that KPMG is responsible to ensure their compliance with those conditions. Any services performed by KPMG International member firms or other third party service providers or subcontractors shall be performed in accordance with the terms of this Engagement Letter, but KPMG remains solely responsible to Entity for the delivery of the services hereunder. Entity agrees that any claims that may arise out of the engagement will be brought solely against KPMG, the contracting party, and not against any other KPMG International member firms or other third party service providers or subcontractors referred to above.

- b. Certain information (including information relating to time, billing and conflicts), other than personal information, collected by KPMG during the course of the engagement may be used, retained, processed and stored outside of Canada by KPMG, KPMG International member firms or third party service providers or subcontractors providing support services to KPMG for administrative, technological and clerical/organizational purposes, including in respect of client engagement acceptance procedures and maintaining engagement profiles; and to comply with applicable law, regulation or professional standards (including for quality performance reviews). Such information may be subject to disclosure in accordance with the laws applicable in the jurisdiction in which the information is used, retained, processed or stored, which laws may not provide the same level of protection for such information as will Canadian laws. KPMG may also share information with its legal advisers and insurers for the purposes of obtaining advice.

- c. Entity acknowledges that KPMG aggregates anonymous information from sources including the Entity for various purposes, including to monitor quality of service, and Entity consents to such use. KPMG may also use Entity's information to offer services that may be of interest to Entity.

5. PERSONAL INFORMATION.

KPMG may be required to collect, use and disclose personal information about individuals during the course of the engagement. Any collection, use or disclosure of personal information is subject to KPMG's Privacy Policy available at www.kpmg.ca. Entity represents and warrants that it will obtain any consents required to allow KPMG to collect, use and disclose personal information in the course of the engagement. KPMG's Privacy Officer noted in KPMG's privacy policy is able to answer any individual's questions about the collection of personal information required for KPMG to deliver services hereunder.



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6. THIRD PARTY DEMANDS FOR DOCUMENTATION AND INFORMATION / LEGAL AND REGULATORY PROCESSES.

- a. Entity on its own behalf hereby acknowledges and agrees to cause its subsidiaries and affiliates to acknowledge that KPMG or a foreign component auditor which has been engaged in connection with an assurance engagement ("component auditor") may from time to time receive demands from a third party (each, a "third party demand"), including without limitation (i) from CPAB or from professional, securities or other regulatory, taxation, judicial or governmental authorities (both in Canada and abroad), to provide them with information and copies of documents in KPMG's or the component auditor's files including (without limitation) working papers and other work-product relating to the affairs of Entity, its subsidiaries and affiliates, and (ii) summons for production of documents or information related to the services provided hereunder; which information and documents may contain confidential information of Entity, its subsidiaries or affiliates. Except where prohibited by law, KPMG or its component auditor, as applicable, will advise Entity or its affiliate or subsidiary of the third party demand. Entity acknowledges, and agrees to cause its subsidiaries and affiliates to acknowledge, that KPMG or its component auditor, as applicable, will produce documents and provide information in response to the third party demand, without further authority from Entity, its subsidiaries or affiliates.
- b. KPMG will use reasonable efforts to withhold from production any documentation or information over which Entity asserts privilege. Entity must identify any such documentation or information at the time of its provision to KPMG by marking it as "privileged". Notwithstanding the foregoing, where disclosure of such privileged documents is required by law, KPMG will disclose such privileged documents. If and only if the authority requires such access to such privileged documents pursuant to the laws of a jurisdiction in which express consent of Entity is required for such disclosure, then Entity hereby provides its consent.
- c. Entity agrees to reimburse KPMG for its professional time and any disbursements, including reasonable legal fees and taxes, in responding to third party demands.
- d. Entity waives and releases KPMG from any and all claims that it may have against KPMG as a result of any disclosure or production by KPMG of documents or information as contemplated herein.
- e. Entity agrees to notify KPMG promptly of any request received by Entity from any third party with respect to the services hereunder, KPMG's confidential information, KPMG's advice or report or any related document.

7. CONNECTING TO THE ENTITY'S IT NETWORK; EMAIL AND ONLINE FILE SHARING AND STORAGE TOOLS.

- a. Entity authorizes KPMG personnel to connect their computers to Entity's IT Network and the Internet via the Network while at the Entity's premises for the purpose of conducting normal business activities.
- b. Entity recognizes and accepts the risks associated with communicating electronically, and using online file sharing, storage, collaboration and other similar online tools to transmit information to or sharing information with KPMG, including (but without limitation) the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. Entity assumes all responsibility or liability in respect of the risk associated with the use of the foregoing, and agrees that KPMG is not responsible for any issues that might arise (including loss of data) as a result of Entity using the foregoing to transmit information to or otherwise share information with KPMG and, in the case of online tools other than email, KPMG's access to and use of the same in connection with obtaining Entity information and documents.

8. LIMITATION ON WARRANTIES.

THIS IS A SERVICES ENGAGEMENT. KPMG WARRANTS THAT IT WILL PERFORM SERVICES HEREUNDER IN GOOD FAITH WITH QUALIFIED PERSONNEL IN A COMPETENT AND WORKMANLIKE MANNER IN ACCORDANCE WITH APPLICABLE INDUSTRY STANDARDS. SUBJECT TO SECTION 14, KPMG DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS OR CONDITIONS, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES, REPRESENTATIONS OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

9. LIMITATION ON LIABILITY AND INDEMNIFICATION.

- a. Subject to Section 14: (i) Entity agrees that KPMG shall not be liable to Entity for any actions, damages, claims, fines, penalties, complaints,

demands, suits, proceedings, liabilities, costs, expenses, or losses (collectively, "Claims") in any way arising out of or relating to the services performed hereunder for an aggregate amount in excess of the lesser of one million dollars (\$1,000,000) or two times the fees paid by Entity to KPMG under the engagement; and (ii) on a multi-phase engagement, KPMG's liability shall be based on the amount actually paid to KPMG for the particular phase that gives rise to the liability.

b. Subject to Section 14, in the event of a Claim by any third party against KPMG that arises out of or relates to the services performed hereunder, Entity will indemnify and hold harmless KPMG from all such Claims, including, without limitation, reasonable legal fees, except to the extent finally determined to have resulted from the intentional, deliberate or fraudulent misconduct of KPMG.

c. Subject to Section 14: (i) in no event shall KPMG be liable for consequential, special, indirect, incidental, punitive or exemplary damages, liabilities, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs); (ii) in any Claim arising out of the engagement, Entity agrees that KPMG's liability will be several and not joint and several; and (iii) Entity may only claim payment from KPMG of KPMG's proportionate share of the total liability based on degree of fault.

d. For purposes of this Section 9, the term KPMG shall include its subsidiaries, its associated and affiliated entities and their respective current and former partners, directors, officers, employees, agents and representatives. The provisions of this Section 9 shall apply regardless of the form of Claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

10. CONSENT TO THE USE OF THE KPMG NAME OR KPMG REPORT.

Except as otherwise specifically agreed in this Engagement Letter, KPMG does not consent to:

- i. the use of our name or our report in connection with information;
- ii. the use of our report in another language, or in connection with information that has been translated into another language;
- iii. the use of our report on the interim financial statements, or other interim financial information nor consent to any statement by the Entity regarding the services that we provided on the interim financial statements or other interim financial information; or
- iv. the use of our report in connection with an offering document or other securities filing.

If the Entity wishes to obtain KPMG's consent regarding the matters above or other matters not otherwise specifically covered by this Engagement Letter, we will be required to perform procedures as required by applicable professional standards, and such procedures would be a separate engagement and subject to a separate engagement letter.

Any communication, report, statement or conclusion on the interim financial statements may not be included in, or otherwise referred to in any public document or public oral statements except when the interim review conclusion contains a modified conclusion, in which case our interim review report will accompany the interim financial statements.

11. ALTERNATIVE DISPUTE RESOLUTION.

Any dispute or claim between the parties arising under or relating to this Engagement Letter or the services provided hereunder (the "Dispute") shall be submitted to non-binding mediation. If mediation is not successful within 90 days after the issuance by a party of a request for mediation, then the Dispute shall be referred to and finally resolved by arbitration under the Arbitration Rules of the ADR Institute of Canada in force at that time. The Seat of Arbitration shall be the province where KPMG's principal office performing this engagement is located. The language of the arbitration shall be English. The Arbitral Tribunal shall be made up of a single Arbitrator. The arbitration award shall be final, conclusive and binding upon the parties, and not subject to appeal.

12. POTENTIAL CONFLICTS OF INTEREST.

a. KPMG is or may be engaged by entities and individuals who have potentially conflicting legal and business interests to Entity. Entity agrees that, without further notice or disclosure to Entity, KPMG may: (i) accept or continue such engagements on matters unrelated to KPMG's engagement for Entity; and (ii) provide advice or services to any other person or entity making a competing bid or proposal to that of Entity whether or not KPMG is providing advice or services to Entity in respect of Entity's competing bid or proposal.

b. In accordance with professional standards, KPMG will not use any confidential information regarding Entity in connection with its engagements



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with other clients, and will establish confidentiality and other safeguards to manage conflicts, which may include, in KPMG's sole discretion, the use of separate engagement teams and data access controls.

c. In no event shall KPMG be liable to Entity, or shall Entity be entitled to a return of fees or disbursements, or any other compensation whatsoever as a result of KPMG accepting or continuing a conflicting engagement in accordance with the terms of this Engagement Letter.

d. Entity agrees that KPMG may, in its sole discretion, disclose the fact and nature of its engagement for Entity to (i) KPMG International member firms to inform conflict searches, and (ii) to the extent reasonably required in order to obtain the consent of another entity or individual in order to permit KPMG to act for such entity or individual, or for Entity, in connection with the engagement or any future engagement.

e. In the event that circumstances arise that place KPMG into a conflict of interest as between Entity and a pre-existing client, which in KPMG's sole opinion cannot be adequately addressed through the use of confidentiality and other safeguards, KPMG shall be entitled to immediately terminate the engagement with Entity, without liability.

f. Other KPMG International member firms are or may be engaged by entities and individuals who have potentially conflicting legal and business interests to Entity. Entity agrees that (i) it will not assert that other KPMG International member firms are precluded from being engaged by those other entities or individuals, and (ii) those engagements of other KPMG International member firms do not conflict with KPMG's engagement for Entity.

13. LOBBYING.

Unless expressly stated in this Engagement Letter, KPMG will not undertake any lobbying activity, as that term is defined in all applicable federal, provincial and municipal lobbyist registration statutes and regulations, in connection with the engagement. In the event that KPMG and Entity agree that KPMG will undertake lobbying activity in connection with the engagement, such agreement shall be set out in an amendment to this Engagement Letter.

14. SEVERABILITY.

The provisions of these Terms and Conditions and the accompanying proposal or engagement letter shall only apply to the extent that they are not prohibited by a mandatory provision of applicable law, regulation or professional standards. If any of the provisions of these Terms and Conditions or the accompanying proposal or engagement letter are determined to be invalid, void or unenforceable, the remaining provisions of these Terms and Conditions or the accompanying proposal or engagement letter, as the case may be, shall not be affected, impaired or invalidated, and each such provision shall remain valid and in effect and be enforceable and binding on the parties to the fullest extent permitted by law.

15. GOVERNING LAW.

This Engagement Letter shall be subject to and governed by the laws of the province where KPMG's principal office performing this engagement is located (without regard to such province's rules on conflicts of law).

16. LLP STATUS.

KPMG is a registered limited liability partnership ("LLP") established under the laws of the Province of Ontario and, where applicable, has been registered extra-provincially under provincial LLP legislation.

17. INDEPENDENT LEGAL ADVICE.

Entity agrees that it been advised to retain independent legal advice at its own expense prior to signing this Engagement Letter (including without limitation with respect to Entity's rights in connection with potential future conflicts) and agrees that any failure on its part to retain such independent legal counsel shall not affect (and it shall not assert that the same affects) the validity of the provisions of this Engagement Letter.

18. SURVIVAL.

All sections hereof other than Section 7(a) shall survive the expiration or termination of the engagement.



TERMS AND CONDITIONS FOR ADVISORY AND TAX SERVICES

1. TERMS AND CONDITIONS.

a. These Terms and Conditions are an integral part of the accompanying Proposal or Engagement Letter from KPMG that identifies the engagement to which they relate.

b. In the event of conflict between the Proposal or Engagement Letter and these Terms and Conditions, these Terms and Conditions shall prevail unless specific reference to a provision of the Terms and Conditions being varied is made in the Proposal or Engagement Letter. Other capitalized words in these Terms and Conditions shall have the meanings given to them in the Proposal or Engagement Letter.

2. SERVICES.

KPMG will use reasonable efforts to complete the performance of the services within any agreed-upon time-frame. It is understood and agreed that KPMG's services may include advice and recommendations, but all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and made by, Client. KPMG will not perform management functions or make management decisions for Client. Nothing in these Terms and Conditions or Engagement Letter (or Proposal) shall be construed as precluding or limiting in any way the right of KPMG to provide services of any kind or nature whatsoever to any person or entity as KPMG in its sole discretion deems appropriate.

3. CLIENT RESPONSIBILITIES.

a. Client agrees to cooperate with KPMG in the performance of the services under the Engagement Letter and shall provide or arrange to provide KPMG with timely access to and use of the personnel, facilities, equipment, data and information necessary for KPMG to perform the services under the Engagement Letter. To the extent that KPMG personnel are on Client premises, Client will take all reasonable precautions for the safety of KPMG partners and employees at Client premises. Client shall be responsible for the performance of its employees and agents and for the accuracy and completeness of all data and information provided to KPMG for purposes of the performance by KPMG of its services hereunder. The Proposal or Engagement Letter may set forth additional responsibilities of Client in connection with the engagement. Client acknowledges that Client's failure to perform these obligations could adversely impact KPMG's ability to perform its services.

b. Client agrees that Client, and not KPMG, shall perform the following functions: (i) make all management decisions and perform all management functions; (ii) designate an individual who possesses suitable skill, knowledge and experience, preferably within senior management, to oversee the performance of the services under the Engagement Letter, and to evaluate the adequacy and results of such services; (iii) accept responsibility for the results of such services; and (iv) establish and maintain internal controls over the processes with which such services are concerned, including, without limitation, monitoring ongoing activities.

c. Client acknowledges and agrees that KPMG will, in performing the services, base its conclusions on the facts and assumptions that Client furnishes and that KPMG may use data, material, and other information furnished by or at the request or direction of Client without any independent investigation or verification and that KPMG shall be entitled to rely upon the accuracy and completeness of such data, material and other information. Inaccuracy or incompleteness of such data, material and other information furnished to KPMG could have a material effect on KPMG's conclusions.

d. Client acknowledges that information made available by it, or by others on Client's behalf, or otherwise known to partners or staff of KPMG who are not engaged in the provision of the services hereunder shall not be deemed to have been made available to the individuals within KPMG who are engaged in the provision of the services hereunder. Client undertakes that, if anything occurs after information is provided by Client to KPMG to render such information untrue, unfair or misleading, Client shall promptly notify KPMG.

4. REPORTING.

a. All oral and written communications by KPMG to Client with respect to the engagement, including, without limitation, drafts and those communications occurring prior to the execution of the Engagement Letter will be subject to the terms and conditions of the Engagement Letter and

these Terms and Conditions. During the performance of the services, KPMG may supply oral, draft or interim advice, reports or presentations but in such circumstances KPMG's written advice or final written report shall take precedence. No reliance should be placed by Client on any oral, draft or interim advice, reports or presentations. Where Client wishes to rely on oral advice or oral presentation, Client shall inform KPMG and KPMG will provide documentary confirmation of the advice concerned.

b. Subsequent to the completion of the engagement, KPMG will not update its advice, recommendations or work product for changes or modification to the law and regulations, or to the judicial and administrative interpretations thereof, or for subsequent events or transactions, unless Client separately engages KPMG to do so in writing after such changes or modifications, interpretations, events or transactions occur.

5. WORKING PAPERS AND USE OF REPORTS; USE OF NAME AND LOGO

a. KPMG retains all rights in all methodologies, know-how, knowledge, applications and software developed by KPMG either prior to or during the engagement. KPMG also retains all rights (including, without limitation, copyright) in all reports, written advice and other working papers and materials developed by KPMG during the engagement. Unless contemplated by the Engagement Letter, all reports and written advice are confidential and intended solely for Client's internal use (or the use of Client's management, as applicable) to assist with this specific matter or transaction, and, where applicable, government taxation authorities, and are not for general use, circulation or publication. Such reports and written advice shall not be edited, referred to, circulated, reproduced, distributed, published, made available, used for any other purpose or relied upon by any other person without KPMG's express written permission and on such terms and conditions as KPMG may require in its sole discretion. If such permission is given, Client shall not publish any extract or excerpt of KPMG's written advice or report or refer to KPMG without providing the entire advice or report at the same time. Notwithstanding the foregoing, Client may disclose in whole any report or written advice given to Client by KPMG hereunder solely to Client's legal and professional advisors for the purposes of Client seeking advice in respect of the transaction or matter to which the engagement relates, provided that when doing so Client informs such advisors that: (i) disclosure by them (except as permitted herein) is not permitted without KPMG's prior written consent; and (ii) KPMG accepts no responsibility or liability to such advisors in connection with such reports or written advice. Subject to the restrictions of Section 6, KPMG is entitled to use or develop the knowledge, experience and skills of general application gained through performing the engagement.

b. Client shall not refer to KPMG or use KPMG's name or logo in any manner or medium without the prior written permission of KPMG in each instance, which permission may be unreasonably withheld by KPMG.

c. The contents of this Section 5 may be reproduced in any report or written advice of KPMG, in whole or in part, at KPMG's sole discretion. Any failure of KPMG to include any such language shall not derogate from the obligations set out in this Section 5.

6. CONFIDENTIALITY.

a. Except as described in Section 5 above, Client will treat in confidence any information provided by KPMG to Client, including but not limited to KPMG methodologies, know-how, knowledge, application or software, and will not use or disclose any such confidential information of KPMG to others.

b. Except as expressly set forth herein, KPMG will treat as confidential all proprietary information and personal information obtained from Client in the course of the engagement.

c. The restrictions in subsections 6 (a) and (b) above shall not apply to any information that: (i) is required by law or professional standards applicable to KPMG to be disclosed; (ii) that is in or hereafter enters the public domain; (iii) that is or hereafter becomes known to Client or KPMG, as the case may be, without breach of any confidentiality obligation; or (iv) that is independently developed by KPMG.

d. KPMG shall be entitled to include a description of the services rendered in the course of the engagement in marketing and research materials and disclose such information to third parties, provided that all such information will be rendered anonymous and not subject to association with Client.



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e. KPMG shall be entitled to share all information with all other member firms of KPMG International Cooperative ("KPMG International"). KPMG may also use such information to offer services that may be of interest to Client. KPMG may retain and may disclose to other KPMG International member firms, subject to terms of this Section 6, such information required for compliance with applicable professional standards or internal policies or for quality reviews or to share best practices.

f. Professional standards require KPMG personnel performing any audit or assurance services for clients to discuss or have available to them all information and materials that may affect the audit or assurance engagement. Client authorizes, if Client is or becomes an assurance Client, KPMG personnel performing services under the engagement to make available to the KPMG assurance engagement team and other KPMG personnel, the findings, observations and recommendations from the engagement and agrees that KPMG may use all such findings, observations and recommendations in KPMG's assurance engagement.

g. Except as required by applicable law or regulation, Client shall keep confidential the existence and terms of the Proposal or the Engagement Letter (as applicable) and these Terms and Conditions. Such confidential information shall not be distributed, published or made available to any other person without KPMG's express written permission. Further, for purposes of the services described in the Engagement Letter only, the Client hereby grants to KPMG a limited, revocable, non-exclusive, non-transferable, paid up and royalty-free license, without right of sublicense, to use all logos, trademarks and service marks of Client solely for presentations or reports to the Client or for internal KPMG presentations and intranet sites.

7. PERSONAL INFORMATION CONSENTS AND NOTICES.

Any collection, use or disclosure of personal information is subject to KPMG's Privacy Policy available at www.kpmg.ca. KPMG may be required to collect, use and disclose personal information about individuals during the course of the engagement. Client represents and warrants that: (i) it will obtain from individuals all consents required by law to permit KPMG to collect, use and disclose all personal information reasonably required in the course of the engagement, and (ii) it has provided notice of KPMG's potential processing of information outside of Canada (as described in Section 8 below) to all individuals whose personal information is disclosed to KPMG.

8. USE OF MEMBER FIRMS AND THIRD PARTY SERVICE PROVIDERS.

Personal and/or confidential information collected by KPMG during the course of the engagement may be used, processed and stored outside of Canada by KPMG, KPMG International member firms providing services hereunder, KPMG subsidiaries, affiliates and related parties or third party service providers to provide professional services and administrative, analytical and clerical support and to comply with applicable law, regulations and professional standards. Client also understands and agrees that KPMG aggregates Client's information with information from other sources for the purpose of improving quality and service, and for use in presentations to clients and non-clients, in a form where such information is sufficiently de-identified so as not to be attributable to Client. KPMG represents to Client that each KPMG International member firm; KPMG subsidiary, affiliate and related party and third party service provider providing services hereunder has agreed or shall agree to conditions of confidentiality with respect to Client's information to the same or similar extent as KPMG has agreed pursuant to Section 6. Further, KPMG is responsible to Client for causing such KPMG subsidiaries, affiliates, related parties and third party service providers to comply with such conditions of confidentiality, and KPMG shall be responsible to Client for their failure to comply and failure of each KPMG International member firm providing services hereunder to comply with its obligations of confidentiality owed to KPMG. Any services performed by KPMG subsidiaries, affiliates, related parties and third party service providers shall be performed in accordance with the terms of the Engagement Letter, including Section 6, but KPMG shall remain responsible to Client for the performance of such services and services performed by each KPMG International member firm providing services hereunder. Such personal and/or confidential information may be subject to disclosure in accordance with the laws applicable in the jurisdiction in which the information is processed or stored, which laws may not provide the same level of protection for such information as will Canadian laws. KPMG's Privacy Officer noted in KPMG's Privacy Policy is able to answer

any individual's questions about the collection of personal information required for KPMG to deliver services hereunder.

9. TAXES/BILLING/EXPENSES/FEEs.

a. All fees and other charges do not include any applicable federal, provincial, or other goods and services or sales taxes, or any other taxes or duties whether presently in force or imposed in the future. Any such taxes or duties shall be assumed and paid by Client without deduction from the fees and charges hereunder.

b. Bills will be rendered on a regular basis as the engagement progresses. Our professional fees are also subject to a technology and support charge to cover information technology infrastructure costs and administrative support of our client service personnel which are not included in our client service personnel fee. The technology and support fee covers costs such as our client service personnel computer hardware and customized KPMG software, telecommunications equipment, client service professional administrative support, IT programming, professional services and other client support services. Other direct out-of-pocket costs, such as travel, will be charged separately based on our actual costs. For certainty, Client acknowledges that to the extent a subsidiary, affiliate or related party of KPMG is engaged by KPMG to assist KPMG in providing the services hereunder, Client may receive bills from such subsidiary, affiliate or related party of KPMG for such services. Accounts are due when rendered. Interest on overdue accounts is calculated at the rate noted on the invoice commencing 30 days following the date of the invoice.

c. Without limiting its rights or remedies, KPMG shall have the right to halt or terminate entirely its services until payment is received on past due invoices.

d. In the event that the engagement is terminated and Client proceeds to complete the transaction or financing within 18 months from the termination date, then the full amount of any Completion Fee shall be payable on closing of the transaction or the completion of financing, regardless of whether KPMG provided further service.

10. LIMITATION ON WARRANTIES.

THIS IS A SERVICES ENGAGEMENT. KPMG WARRANTS THAT IT WILL PERFORM SERVICES HEREUNDER IN GOOD FAITH WITH QUALIFIED PERSONNEL IN A COMPETENT AND WORKMANLIKE MANNER IN ACCORDANCE WITH APPLICABLE INDUSTRY STANDARDS. KPMG DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS OR CONDITIONS, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES, REPRESENTATIONS OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

11. LIMITATION ON LIABILITY.

a. Client agrees that KPMG shall not be liable to Client for any actions, damages, claims, fines, penalties, complaints, demands, suits, proceedings, liabilities, costs, expenses, or losses (collectively, "Claims") in any way arising out of or relating to the services performed hereunder for an aggregate amount in excess of the fees paid by Client to KPMG under the engagement. On a multi-phase engagement, KPMG's liability shall be based on the amount actually paid to KPMG for the particular phase that gives rise to the liability.

b. In the event of a Claim by any third party against KPMG that arises out of or relates to the services performed hereunder, Client will indemnify and hold harmless KPMG from all such Claims, including, without limitation, reasonable legal fees, except to the extent finally determined to have resulted from the intentional, deliberate or fraudulent misconduct of KPMG.

c. In no event shall KPMG be liable for consequential, special, indirect, incidental, punitive or exemplary damages, liabilities, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs). In any Claim arising out of the engagement, Client agrees that KPMG's liability will be several and not joint and several. Client may only claim payment from KPMG of KPMG's proportionate share of the total liability based on degree of fault.

d. For purposes of this Section 11, the term KPMG shall include its subsidiaries, its associated and affiliated entities and their respective current and former partners, directors, officers, employees, agents and representatives. The provisions of this Section 11 shall apply regardless



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of the form of Claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

12. LEGAL PROCEEDINGS.

a. Client agrees to notify KPMG promptly of any request received by Client from any court or applicable regulatory authority with respect to the services hereunder, KPMG's confidential information, KPMG's advice or report or any related document.

b. If KPMG is required by law, pursuant to government regulation, subpoena or other legal process to produce documents or personnel as witnesses arising out of the engagement and KPMG is not a party to such proceedings, Client shall reimburse KPMG at standard billing rates for professional time and expenses, including, without limitation, reasonable legal fees, expenses and taxes incurred in responding to such compelled assistance.

c. If Client requests that KPMG produce documents or personnel as witnesses in any proceedings in any way related to the engagement or services provided by KPMG hereunder and KPMG is not a party to such proceedings, KPMG may agree to produce documents or personnel as witnesses on such terms and conditions as KPMG may, in its sole discretion, determine. Without limiting the generality of the foregoing, Client shall reimburse KPMG at standard billing rates for professional time and expenses, including, without limitation, reasonable legal fees, expenses and taxes, incurred in responding to such Client requests.

d. Client acknowledges that KPMG may from time to time receive requests or orders from professional, securities or other regulatory, judicial or governmental authorities (both in Canada and abroad) to provide them with information and copies of documents in KPMG's files including, without limitation, working papers and other work-product relating to Client, which information and documents may contain confidential information of Client. Except where prohibited by law, KPMG will advise Client of the request or order. Client hereby acknowledges that KPMG will provide these documents and information without further reference to, or authority from Client.

Client must mark any document over which it asserts privilege as "privileged". When such an authority requests access to KPMG's working papers and other work-product relating to Client's affairs, KPMG will, on a reasonable efforts basis, refuse access to any document over which Client has expressly informed KPMG at the time of delivery that the Client asserts privilege (by the Client marking such document as "privileged" as contemplated in the foregoing sentence). Notwithstanding the foregoing, where disclosure of documents is required by law, KPMG will disclose such privileged documents. If and only if the authority requires such access to such privileged documents pursuant to the laws of a jurisdiction in which express consent of the Client is required for such disclosure, then Client hereby provides its consent.

Where privileged Client documents are disclosed by KPMG as contemplated above, KPMG is directed to advise the authority that Client is permitting disclosure only to the extent required by law and for the limited purpose of the authority's exercise of statutory authority. KPMG is directed to advise the authority that Client does not intend to waive privilege for any other purpose and that Client expects its documents to be held by the authority as privileged and confidential material. For greater certainty, Client and KPMG hereby agree that this acknowledgement (and, if required, consent) does not negate or constitute a waiver of privilege for any purpose and Client expressly relies upon the privilege protections afforded under statute and otherwise under law.

13. LIMITATION PERIOD.

No proceeding arising under or relating to the engagement, may be brought by either party more than one year after the cause of action has accrued or in any event not more than five years after completion of the engagement in the case of an advisory services engagement and not more than eight years after completion of the engagement in the case of a tax services engagement, except that a proceeding for non-payment may be brought by KPMG at any time following the date of the last payment due to KPMG hereunder. For purposes of this Section 13, the term KPMG shall include its subsidiaries and associated and affiliated entities and their respective current and former partners, directors, officers, employees, agents and representatives.

14. TERMINATION.

Unless terminated sooner in accordance with its terms, the engagement shall terminate on the completion of KPMG's services hereunder, which completion shall be evidenced by the delivery by KPMG to Client of the final invoice in respect of the services performed hereunder. Should Client not fulfill its obligations set out herein or in the Engagement Letter and in the absence of rectification by Client within 10 days, KPMG may, upon written notice, terminate its performance and will not be responsible for any loss, cost or expense resulting therefrom. If at any time during the engagement it is determined by KPMG, in its sole discretion, that there may be an actual or potential breach by KPMG of applicable professional standards, KPMG may terminate the engagement, without liability, immediately on notice to Client. The engagement may be terminated by either party at any time by giving written notice to the other party not less than 30 calendar days before the effective date of termination. Upon early termination of the engagement, Client shall be responsible for the payment to KPMG for KPMG's time and expenses incurred up to the termination date, as well as reasonable time and expenses to bring the engagement to a close in a prompt and orderly manner.

15. E-MAIL COMMUNICATION.

Client recognizes and accepts the risks associated with communicating by Internet e-mail, including (but without limitation) the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. Unless Client requests in writing that KPMG does not communicate by Internet e-mail, Client assumes all responsibility or liability in respect of the risk associated with its use.

16. POTENTIAL CONFLICTS OF INTEREST.

a. For purposes of this Section 16, "KPMG" means KPMG LLP and KPMG subsidiaries, affiliates and related parties providing services hereunder, if applicable. KPMG is engaged by a wide variety of entities and individuals, some of whom may be creditors, investors, borrowers, shareholders, competitors, suppliers or customers of Client, or other parties with conflicting legal and business interests to Client, including, without limitation, in relation to the audit, tax or advisory services provided to Client by KPMG. KPMG's engagements with such companies and individuals may result in a conflict with Client's interests.

b. As a condition of KPMG's engagement by Client, Client agrees that: (i) without further notice or disclosure, KPMG may accept or continue engagements on unrelated matters to KPMG's engagement for Client in which KPMG may act contrary to Client's interests even if those unrelated matters are materially and directly adverse to Client; and (ii) without further notice or disclosure, KPMG may provide advice or services to any other person or entity making a competing bid or proposal to that of Client whether or not KPMG is providing advice or services to Client in respect of Client's competing bid or proposal.

c. In accordance with professional standards, and except as set out below, KPMG will not use any confidential information regarding Client in connection with its engagements with other clients, and will establish confidentiality and other safeguards to manage conflicts, which may include, in KPMG's sole discretion, the use of separate engagement teams and data access controls. In no event shall KPMG be liable to Client or shall Client be entitled to a return of fees and disbursements incurred on behalf of Client or any other compensation whatsoever as a result of KPMG accepting or continuing a conflicting engagement.

d. Client further agrees that KPMG may, in its sole discretion, disclose the fact or general nature of its engagement for Client to (i) KPMG International and other KPMG International member firms in order to check against potential conflicts of interest, and (ii) to the extent reasonably required in order to obtain the consent of another entity or individual in order to permit KPMG to act for such entity or individual, or for Client, in connection with the engagement or any future engagement.

e. Where another party has engaged KPMG to deliver services before Client has done so, and subsequently circumstances change such that there is a conflict, which in KPMG's sole opinion cannot be adequately managed through the use of confidentiality and other safeguards, KPMG shall be entitled to terminate the engagement for Client, without liability, immediately upon notice.

f. Other KPMG International member firms are engaged by many entities and individuals, including, without limitation, entities and



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individuals that may enter into transactions or may have disputes with Client or Client's related or affiliated entities. Client agrees that (i) it will not assert that other KPMG International member firms are precluded from being engaged by those other entities or individuals, and (ii) those engagements of other KPMG International member firms do not conflict with KPMG's engagement for Client.

g. Client will indemnify and hold harmless KPMG, its subsidiaries and associated and affiliated entities, and their respective current and former partners, directors, officers, employees, agents and representatives from any Claim by any third party (including, without limitation, reasonable legal fees) that alleges that KPMG was in a conflict of interest by providing services hereunder. The provisions of this subsection 16(g) shall apply regardless of the form of Claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

h. KPMG encourages Client to obtain legal advice with respect to Client's rights in connection with potential future conflicts prior to entering into the engagement.

17. FORCE MAJEURE.

Neither Client nor KPMG shall be liable for any delays resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labour dispute, war or other violence, or any law, order or requirement of any governmental agency or authority.

18. INDEPENDENT CONTRACTOR.

It is understood and agreed that each of the parties hereto is an independent contractor and that neither party is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.

19. SURVIVAL.

Sections 1, 4(b), 5-16, 18-30, 31(a) and (c)-(g), and 33-34 hereof shall survive the expiration or termination of the engagement.

20. SUCCESSORS AND ASSIGNS.

These Terms and Conditions and the accompanying Proposal or Engagement Letter shall be binding upon the parties hereto and their respective subsidiaries and associated and affiliated entities and their respective partners, directors, officers and employees and successors and permitted assigns. Except as provided below, neither party may assign, transfer or delegate any of the rights or obligations hereunder without the prior written consent of the other party. KPMG may assign its rights and obligations hereunder to any affiliate or successor in interest to all or substantially all of the assets or business of the relevant KPMG practice, without the consent of Client. In addition, KPMG may arrange for or engage (as applicable) KPMG affiliates, subsidiaries, related parties, independent contractors and KPMG International member firms to assist KPMG in performing the services hereunder.

21. SEVERABILITY.

The provisions of these Terms and Conditions and the accompanying Proposal or Engagement Letter shall only apply to the extent that they are not prohibited by a mandatory provision of applicable law, regulation or professional standards. If any of these provisions shall be held to be invalid, void or unenforceable, then the remainder of these Terms and Conditions and the attached Proposal or Engagement Letter, as the case may be, shall not be affected, impaired or invalidated, and each such provision shall be valid and enforceable to the fullest extent permitted by law.

22. ENTIRE AGREEMENT.

These Terms and Conditions and the accompanying Proposal or Engagement Letter including, without limitation, Exhibits, constitute the entire agreement between KPMG and Client with respect to the engagement and supersede all other oral and written representation, understandings or agreements relating to the engagement.

23. GOVERNING LAW.

These Terms and Conditions and the accompanying Proposal or Engagement Letter shall be subject to and governed by the laws of the province in which KPMG's principal Canadian office performing the

engagement is located (without regard to such province's rules on conflicts of law).

24. PUBLICITY.

Upon the closing of a transaction, KPMG will have the right (but shall not be obliged), at its expense, to publicize its association with the transaction by way of public announcement in "tombstone" or similar format, subject to prior review of the wording for any such announcement with Client.

25. KPMG INTERNATIONAL MEMBER FIRMS.

In the case of multi-firm engagements, all KPMG International member firms performing services hereunder shall be entitled to the benefits of these Terms and Conditions. Client agrees that any Claims that may arise out of the engagement will be brought solely against KPMG, the contracting party, and not against any other KPMG International member firms or such third party service providers referred to in Section 8 above.

26. SARBANES-OXLEY ACT.

Except as set forth in the Engagement Letter, Client acknowledges that completion of the engagement or acceptance of KPMG's reports, advice, recommendations and other deliverables resulting from the engagement will not constitute a basis for Client's assessment of internal control over financial reporting or Client's evaluation of disclosure controls and procedures, or its compliance with its principal officer certification requirements under Section 302 of the *Sarbanes-Oxley Act of 2002* (the "Act"). The engagement shall not be construed to support Client's responsibilities under Section 404 of the Act requiring each annual report filed under Section 13(a) or 15(d) of the *Securities Exchange Act of 1934* to contain an internal control report from management.

27. NATIONAL INSTRUMENT 52-109.

Except as set forth in the Engagement Letter, Client acknowledges that completion of the engagement or acceptance of KPMG's reports, advice, recommendations and other deliverables resulting from the engagement will not constitute a basis for Client's evaluation of disclosure controls and procedures and internal control over financial reporting, or its compliance with its CEO/CFO certification requirements under *National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings*, including those related to the design of disclosure controls and procedures and internal control over financial reporting.

28. SPECIFIC ACCOUNTING AND OTHER ADVICE.

Except as set forth in the Engagement Letter, the engagement does not contemplate the provision of specific accounting advice or opinions or the issuance of a written report on the application of accounting standards to specific transactions and facts and circumstances of Client. Such services, if requested, would be provided pursuant to a separate engagement.

Client should consult with and/or engage legal counsel for the purpose of advising on legal aspects of matters on which KPMG provides its advice and drafting any legal documents and/or agreements that may be required. To the extent legal counsel or other professional service providers are required, Client is exclusively responsible for engaging and paying such service providers.

29. TAX SERVICES.

a. If tax work is specifically requested by Client, KPMG will perform the procedures in accordance with this Section 29. KPMG will base its findings exclusively on the facts and assumptions provided to KPMG by Client and Client's personnel and advisors. KPMG will consider the applicable provisions of the relevant taxing statutes, the regulations thereunder, applicable tax treaties and judicial and administrative interpretations thereof. In the case of Canadian tax services only, KPMG will also take into account all specific proposals to amend such statutes, regulations and treaties publicly announced prior to the date of KPMG's reports, based on the assumption that these amendments will be enacted substantially as proposed. For certainty, in the case of US tax services, KPMG shall not take into account any specific proposals to amend such statutes, regulations and treaties. The authorities referred to in this subsection 29(a) are subject to change, retroactively and/or



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prospectively, and any such changes could affect the validity of KPMG's findings and may result in incremental taxes, interest or penalties. KPMG's findings will not otherwise take into account or anticipate any changes in law or practice, by way of judicial, governmental or legislative action or interpretation. Unless Client specifically requests otherwise, KPMG will not update tax work to take any such changes into account.

b. KPMG will use professional judgment in providing advice, and will, unless Client instructs otherwise, take the position most favourable to Client whenever reasonable. All returns are subject to examination by tax authorities, and KPMG's advice may be audited and challenged by a tax authority. Client understands that KPMG's conclusions are not binding on tax authorities or the courts and should not be construed as a representation, warranty or guarantee that the tax authorities or courts will agree with KPMG's conclusion.

c. Client is also responsible for ensuring that KPMG's advice is implemented strictly in accordance with KPMG's recommendations. KPMG is not responsible for any penalties or interest assessed against Client as a result of a failure by Client to provide KPMG with accurate and complete information.

d. Unless expressly provided for, KPMG's services do not include representing Client in the event of a challenge by the Canada Revenue Agency or other tax or revenue authorities.

30. TAX SERVICES FOR SEC REGISTERED AUDIT CLIENTS AND/OR US TAX SERVICES

a. In circumstances where the services provided by KPMG hereunder: (i) involve the delivery of any tax services, Client is or is an affiliate of (whether at the time of the engagement or at any point thereafter) an entity that is registered with the United States Securities and Exchange Commission ("SEC"), and Client or such affiliate is audited by KPMG; or (ii) involve the delivery of US tax services, then the prohibition regarding the distribution of KPMG's reports and written advice set out in Section 5 of these Terms and Conditions shall not apply and no provision of the Engagement Letter is or is intended to be construed as a condition of confidentiality in relation to the tax services to which (i) and/or (ii) above are applicable. Further, in respect of the services to which (i) and/or (ii) above are applicable, no provision in the Engagement Letter or these Terms and Conditions is or is intended to be construed as a condition of confidentiality within the meaning of Internal Revenue Code ("IRC") sections 6011, 6111, 6112 or the regulations thereunder, or under any similar or analogous provisions of the laws of a state or other jurisdiction. In particular, Client (and each employee, representative, or other agent of Client) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of any transaction within the scope of the engagement and all materials of any kind (including opinions and other tax analyses) that are provided to Client relating to such tax treatment and tax structure. Client also agrees to use commercially reasonable efforts to inform KPMG of any conditions of confidentiality imposed by third party advisors with respect to any transaction on which KPMG's advice is requested. Such notification must occur prior to KPMG providing any advice with respect to the transaction.

b. For certainty, Section 5 of these Terms and Conditions shall continue to apply in its entirety, and this Section 30 shall not apply, to any tax services to which subsection 30(a)(i) and/or (ii) above are not applicable. In this Section 30, the term "affiliate" is interpreted as that term is used by the SEC with reference to auditor independence rules.

c. In respect of any tax services to which subsection 30(a)(i) or (ii) above are applicable, any reports or advice ("Tax Deliverable") released to Client in any form or medium shall be supplied by KPMG on the basis that it is for Client's benefit and use only. If Client refers to or discloses in whole or in part any Tax Deliverable to any third party, Client shall notify such third party in writing as follows: that (i) the tax services performed by KPMG for Client were designed to meet Client's agreed requirements only, as determined by Client's needs at the time; (ii) any product of the tax services should not be regarded as suitable to be used or relied upon by any party wishing to acquire any rights against KPMG other than Client; (iii) KPMG does not assume any responsibility in respect of the tax services performed for Client, any product of the tax services, or any judgments, conclusions, opinions, findings or recommendations that KPMG may have formed or made, to any party except Client; (iv) to the fullest extent permitted by law, KPMG accepts no liability in respect of any such matters to any other person; and (v) should any person or entity

except Client choose to rely on the tax services or any product thereof, that person or entity will do so at their own risk. Notwithstanding the foregoing, (A) in the event of a disclosure made by Client that is required by law, that is made to a regulatory authority having jurisdiction over Client, or that is made pursuant to subsection 30(a) above, no such notification shall be required and (B) no such notification shall be required with respect to disclosures expressly authorized by the Engagement Letter.

d. If Client refers or discloses in whole or in part any Tax Deliverable to any third party but does not notify such third party in writing as required in subsection 30(c) above, Client shall compensate KPMG and reimburse KPMG for and protect, indemnify and hold harmless KPMG against any Claim incurred by KPMG (including, without limitation, reasonable legal fees) as a result of, arising from or in connection with any such reference or disclosure, unless KPMG has agreed in writing with such third party to accept responsibility and liability to that third party in respect of the tax services and the Tax Deliverable. If any payment is made by Client under this subsection 30(d), Client shall not seek recovery of that payment from KPMG at any time. In this subsection 30(d), "KPMG" shall include KPMG and its subsidiaries, its associated and affiliated entities and their respective current and former partners, directors, officers, employees, agents and representatives, and "Client" shall include Client, Client's affiliates and any other beneficiaries of KPMG's tax services. The foregoing indemnification obligations shall apply regardless of the form of Claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

e. Treasury regulations under IRC section 6011 require taxpayers to disclose to the IRS their participation in reportable transactions and IRC section 6707A imposes strict penalties for noncompliance. Client agrees to use commercially reasonable efforts to inform KPMG if Client is required to disclose any transaction covered by the Engagement Letter as a reportable transaction to the IRS or to any state or other jurisdiction adopting similar or analogous provisions. IRC section 6111 requires a material advisor with respect to a reportable transaction to disclose information on the transaction to the IRS by a prescribed date, and IRC section 6112 requires the material advisor to maintain, and make available to the IRS upon request, a list of persons and other information with respect to the transaction. KPMG will use commercially reasonable efforts to inform Client if KPMG provides Client's identifying information to the IRS under IRC section 6111 or 6112, or to any state or other jurisdiction adopting similar or analogous provisions.

f. For engagements where services will be provided by a KPMG International member firm with offices located in California, Client acknowledges that certain of KPMG's personnel who may be considered "owners" under the California Accountancy Act and implementing regulations (California Business and Professions Code section 5079(a); 16 Cal. Code Regs. sections 51 and 51.1) and who may provide services in connection with the engagement, may not be licensed as certified public accountants under the laws of any of the various states.

31. DUE DILIGENCE SERVICES (TAX AND TRANSACTION SERVICES)

a. The procedures KPMG will perform are limited to those referred to in the Engagement Letter and its appendices. The procedures KPMG will perform are limited in nature and extent to those determined by Client to meet its needs and, as such, will not necessarily disclose all significant matters about Target or reveal errors in the underlying information, instances of fraud, or illegal acts, if any. KPMG provides no assurance and makes no representation regarding the sufficiency of the procedures either for the purpose of the proposed transaction in the context of which KPMG has been engaged or for any other purpose. KPMG's findings will not constitute recommendations to Client as to whether or not Client should proceed with any proposed transactions. In performing the procedures and reporting its findings, KPMG will rely exclusively upon information provided to KPMG by Target, its personnel and advisors, Client's advisors, and Client, and any publicly available information KPMG obtains, and will not independently verify the accuracy or completeness of such information. KPMG's procedures with respect to Target's financial information will be substantially less in scope than any audit or other attestation standards, including without limitation those established by the Auditing and Assurance Standards Board and the Chartered Professional Accountants of Canada. Consequently, KPMG expresses no opinion and will provide no other



form of assurance on Target's prospective financial information, financial statements or Target's internal control over financial reporting.

b. Client agrees to review reports promptly and to advise KPMG on a timely basis of any additional procedures Client would like KPMG to perform or areas to address.

c. In the event KPMG performs procedures related to future-oriented financial information, KPMG will not compile, examine, or apply other assurance procedures to such information and, accordingly, will express no opinion or any other form of assurance or representations concerning its accuracy, completeness or presentation format. Future-oriented financial information is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

d. Unless specifically requested by Client, KPMG is not obligated to provide a copy of the report to Target for the purpose of confirming Target's representations concerning the accuracy of the factual information presented in the report. If Client would like Target to review the report, KPMG will require Client and Target to indemnify KPMG for any Claims arising out of or relating to such review on such terms and conditions specified by KPMG in its sole discretion. In certain instances, Client may request that KPMG's report be distributed to a third party for informational purposes. KPMG will consider consenting to distribution based on such factors as the identity of the third party and the third party's intended use of the report. If KPMG agrees to the distribution of the report to a third party, Client agrees to execute and agrees to require the third party to execute an agreement in the form provided by KPMG regarding the release of information.

e. Client expressly acknowledges and agrees that if Client and Target (as such terms are defined in the Engagement Letter) are the same entity, that all references herein to "Target" shall be deemed to be references to "Client".

f. The provisions of subsections 3(c)-(d) and Section 6 shall apply to information about Target provided to KPMG in the course of performing the services under the Engagement Letter. Client agrees to use all reasonable efforts to arrange for KPMG's access to Target's personnel and advisors, business offices and financial information as required for KPMG to perform the services contemplated by the Engagement Letter.

g. If KPMG serves as independent auditors of Target or another party disclosed to Client, or provides any other audit or attestation services to Target or such other party (such as the target of a contract compliance review or a party having a connection to an investigation or proceeding), Client hereby acknowledges and agrees that KPMG may be in possession of confidential information concerning Target or such other party that may be relevant to Client's due diligence procedures or other services KPMG is providing to Client under the Engagement Letter and that such information will not be disclosed to Client unless Target or such other party provides prior written consent to such disclosure or provides such information directly to Client or to the KPMG engagement team serving Client for purposes of the services under the Engagement Letter.

32. LOBBYING

Unless expressly stated in the Engagement Letter, KPMG will not undertake any lobbying activity, as that term is defined in all applicable federal, provincial and municipal lobbyist registration statutes and regulations, in connection with the engagement. In the event that KPMG and Client agree that KPMG will undertake lobbying activity in connection with the engagement, such agreement shall be set out in an amendment to the Engagement Letter.

33. LLP.

KPMG LLP is a registered limited liability partnership ("LLP") established under the laws of the Province of Ontario and, where applicable, has been registered extra-provincially under provincial LLP legislation. KPMG is a partnership, but its partners have a degree of limited liability. A partner is not personally liable for any debts, obligations or liabilities of the LLP that arise from a negligent act or omission by another partner or any person under that other partner's direct supervision or control. The legislation relating to limited liability partnerships does not, however, reduce or limit the liability of the firm. The firm's insurance exceeds the mandatory professional indemnity insurance requirements established by the relevant professional bodies. Subject to the other provisions hereof, all partners of the LLP remain personally liable for their own actions and/or actions of those they directly supervise or control.

34. ALTERNATIVE DISPUTE RESOLUTION.

The parties shall, and shall cause both their and their respective subsidiaries', affiliates' and associated entities' current and former officers, partners, directors, employees, agents and representatives, to first attempt to settle any dispute arising out of or relating to the Engagement Letter or the services provided hereunder (the "Dispute") through good faith negotiations in the spirit of mutual cooperation between representatives of each of the parties with authority to resolve the Dispute. In the event that the parties are unable to settle or resolve a Dispute through negotiation within 30 days of when one of the parties has notified the other party of the Dispute by delivering a notice of dispute, or such longer period as the parties may mutually agree upon, such Dispute shall, as promptly as is reasonably practicable, be subject to mediation pursuant to the National Mediation Rules of the ADR Institute of Canada, Inc. that are in force at the time the notice of dispute is delivered. Any Dispute remaining unresolved for more than 60 days following the parties first meeting with a mediator or such longer period as the parties may mutually agree upon shall, as promptly as is reasonably practicable, be resolved by arbitration pursuant to the Arbitration Rules of the ADR Institute of Canada, Inc. (the "Arbitration Rules") that are in force at the time the Dispute is subject to arbitration. For certainty, the parties hereby waive any right they may otherwise have to bring a court action in connection with a Dispute. The parties also waive any right they may otherwise have to bring or participate in a class, collective or representative proceeding in connection with a Dispute, whether in court or before an arbitrator. The arbitrator's decision shall be final, conclusive and binding upon the parties, and the parties shall have no right to appeal or seek judicial review of the arbitrator's decision. For certainty, the parties hereby waive any right of appeal which may otherwise be available under applicable legislation or under the Arbitration Rules. The place of mediation and arbitration shall be the city in Canada in which the principal KPMG office that performed the engagement is located. The language of the mediation and arbitration shall be English.

Appendix 4: Current developments



As accounting standards evolve over time, it is important that those charged with governance be aware of their implications for the District's financial reporting.

The following includes a summary of upcoming accounting standards and developments relevant to the District:

Standard	Summary and implications
Asset Retirement Obligations	– A new standard has been approved that is effective for fiscal years beginning on or after April 1, 2021. – The new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with retirement of tangible capital assets in productive use. Retirement costs would be recognized as an integral cost of owning and operating tangible capital assets. PSAB currently contains no specific guidance in this area. – The ARO standard would require the public sector entity to record a liability related to future costs of any legal obligations to be incurred upon retirement of any controlled tangible capital assets ("TCA"). The amount of the initial liability would be added to the historical cost of the asset and amortized over its useful life. – As a result of the new standard, the public sector entity would have to: • consider how the additional liability will impact net debt, as a new liability will be recognized with no corresponding increase in a financial asset; • carefully review legal agreements, senior government directives and legislation in relation to all controlled TCA to determine if any legal obligations exist with respect to asset retirements; • begin considering the potential effects on the organization as soon as possible to coordinate with resources outside the finance department to identify AROs and obtain information to estimate the value of potential AROs to avoid unexpected issues.
Revenue	– A new standard has been approved that is effective for fiscal years beginning on or after April 1, 2022. – The new standard establishes a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement. – The standard notes that in the case of revenues arising from an exchange, a public sector entity must ensure the recognition of revenue aligns with the satisfaction of related performance obligations. – The standard notes that unilateral revenues arise when no performance obligations are present, and recognition occurs when there is authority to record the revenue and an event has happened that gives the public sector entity the right to the revenue.

Appendix 4: Current developments (continued)

Standard	Summary and implications
Financial Instruments and Foreign Currency Translation	– New accounting standards, PS3450 <i>Financial Instruments</i>, PS2601 <i>Foreign Currency Translation</i>, PS1201 <i>Financial Statement Presentation</i> and PS3041 <i>Portfolio Investments</i> have been approved by PSAB and are effective for years commencing on or after April 1, 2021. – Equity instruments quoted in an active market and free-standing derivatives are to be carried at fair value. All other financial instruments, including bonds, can be carried at cost or fair value depending on the government's choice and this choice must be made on initial recognition of the financial instrument and is irrevocable. – Hedge accounting is not permitted. – A new statement, the Statement of Remeasurement Gains and Losses, will be included in the financial statements. Unrealized gains and losses incurred on fair value accounted financial instruments will be presented in this statement. Realized gains and losses will continue to be presented in the statement of operations. – Based on stakeholder feedback received, PSAB is considering certain scope amendments to PS 3450 <i>Financial Instruments</i>. An exposure draft with the amendments is expected to be issued in December 2018. The proposed amendments are expected to include the accounting treatment of bond repurchases, scope exclusions for certain activities by the federal government, and improvements to the transitional provisions.
Employee Future Benefit Obligations	– The Public Sector Accounting Board ("PSAB") has initiated a review of sections PS3250 Retirement Benefits and PS3255 Post-Employment Benefits, Compensated Absences and Termination Benefits. Given the complexity of issues involved and potential implications of any changes that may arise from this review, the project will be undertaken in phases. Phase I will address specific issues related to measurement of employment benefits. Phase II will address accounting for plans with risk sharing features, multi-employer defined benefit plans and sick leave benefits. – Two Invitations to Comment were issued and have closed. The first Invitation to Comment sought guidance on whether the deferral provisions in existing public sector standards remain appropriate and justified and the appropriateness of accounting for various components of changes in the value of the accrued benefit obligation and plan assets. The second Invitation to Comment sought guidance on the present value measurement of accrued benefit obligations. – A third Invitation to Comment seeks guidance on non-traditional pension plans. The deadline for responses to the third Invitation to Comment is February 1, 2019. – The ultimate objective of this project is to issue a new employment benefits section to replace existing guidance.

Appendix 4: Current developments (continued)

Standard	Summary and implications
Concepts Underlying Financial Performance	– PSAB is in the process of reviewing the conceptual framework that provides the core concepts and objectives underlying Canadian public sector accounting standards. – A Statement of Concepts (“SOC”) and Statement of Principles (“SOP”) were issued for comment in May 2018 and has closed. The SOC proposes a revised, ten chapter conceptual framework intended to replace PS 1000 Financial Statement Concepts and PS 1100 Financial Statement Objectives. The revised conceptual framework would be defined and elaborate on the characteristics of public sector entities and their financial reporting objectives. Additional information would be provided about financial statement objectives, qualitative characteristics and elements. General recognition and measurement criteria, and presentation concepts would be introduced. – The SOP includes principles intended to replace PS 1201 <i>Financial Statement Presentation</i>. The SOP proposes: • Removal of the net debt indicator, except for on the statement of net debt where it would be calculated exclusive of financial assets and liabilities that are externally restricted and/or not available to settle the liabilities or financial assets. • Changes to common terminology used in the financial statements, including re-naming accumulated surplus (deficit) to net assets (liabilities). • Restructuring the statement of financial position to present non-financial assets before 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). • 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 4: Current developments (continued)

Standard	Summary and implications
Public Private Partnerships ("P3")	– A taskforce was established in 2016 as a result of increasing use of public private partnerships for the delivery of services and provision of assets. – A Statement of Principles ("SOP") was issued in August 2017 which proposes new requirements for recognizing, measuring and classifying infrastructure procured through a public private partnership. An Exposure Draft of the new standard is expected to be issued in December 2018. – The SOP proposes that recognition of infrastructure by the public sector entity would occur when it controls the purpose and use of the infrastructure, when it controls access and the price, if any, charged for use, and it controls any significant interest accumulated in the infrastructure when the P3 ends. – The SOP proposes the public sector entity recognize a liability when it needs to pay cash or non-cash consideration to the private sector partner for the infrastructure. – The infrastructure would be valued at cost, with a liability of the same amount if one exists. Cost would be measured by discounting the expected cash flows by a discount rate that reflects the time value of money and risks specific to the project.
International Strategy	– PSAB is in the process of reviewing its current approach towards International Public Sector Accounting Standards. This project may result in changes to the role PSAB plays in setting standards in Canada. – A consultation paper was released for comment in May 2018 and has closed. The consultation paper described the decision-making criteria PSAB expects to consider in evaluating the international strategy that best serves the public sector. It also introduced four proposed international strategies that PSAB considers to be viable.

Appendix 5: Draft Auditors' report



Expected form of the District's auditors' report

INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 40 (New Westminster), and

To the Minister of Education, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 40 (New Westminster) (the "Entity"), which comprise:

- The statement of financial position as at June 30, 2019
- the statement of operations for the year then ended
- the statement of changes in net financial assets (debt) for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Appendix 5: Draft Auditors' report (continued)



Expected form of the District's auditors' report (continued)

Emphasis of Matter – Financial Reporting Framework

We draw attention to note 2 to the financial statements which describes the applicable financial reporting framework and the significant differences between the financial reporting framework and Canadian public sector accounting standards.

Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. Other information comprises Information, other than the financial statements and the auditors' report thereon, included in the Financial Statement Discussion and Analysis document.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Information, other than the financial statements and the auditors' report thereon, included in the Financial Statement Discussion and Analysis document as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.



Appendix 5: Draft Auditors' report (continued)



Expected form of the District's auditors' report (continued)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget and Transparency and Accountability Act of the Province of British Columbia and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.



Appendix 5: Draft Auditors' report (continued)



Expected form of the District's auditors' report (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.





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