

P

accumulated operating surplus. This engagement will be consistent with the consultation processes outlined within the Board's financial planning and reporting policy. Information regarding these processes will be provided on the district website.

Specifically, the Board will consult and engage local communities, education partner groups, the local First Nations (Shackan, Nooaitch, Lower Nicu4 8. (w)- /H k 8c1.982 (,)-38-1.7(r)†, L, educaU3ps/d3c5(g)1 (ec SpeccSETBTSpecy-(hes)-0.T(f).(1.04)254a tiFe,aO.9Fec,tr9hihi.9 (c8-6 (r)-0.n9r)-75g..9 (.8.00T)1.1 (9)10..e, 9 46g1.9

To mitigate financial risk while ensuring that operating funds are used for the purpose they were meant to be used for (support programs and services for all students), the amount of Unrestricted Operating Surplus at the end of a fiscal year should be no less than 2% and no more than 4% of total operating budget. When use of the contingency reduces the balance below what is determined to be sufficient, the district will adopt strategies for replenishing the contingency reserve.

Restricted for Future Capital Cost-Sharing

To support major capital projects that are identified in the Boards' five-year Capital Plan and approved by the Ministry for concept plan or business case development, the Board may restrict operating surplus to satisfy capital project cost-share expectations at the time the project is brought forward for funding approval.

Local Capital

Local Capital will include the Board's portion of any proceeds from the disposition of capital assets, transfers from operating funds and interest earned on Local Capital funds restricted for the purchase of tangible capital assets. Capital projects that are not supported by the government through the Ministry of Education's Capital Plan funding need to be funded through school district funds.

Special Purpose Funds

The Board of Education will maintain a surplus within a Special Purpose Fund where it is beneficial to do so in achieving the intent of that fund.

Reporting Requirements

The Board will provide the Ministry with an annual report on its budget allocation decisions (including operating surplus and Local Capital), demonstrating that approved allocations support the Board's strategic objectives.