

Draft for Discussion Purposes

Discussion Paper

Central Deposit Program

School District Interest Rate Adjustment

November 12, 2018

Updated August 12 2019

Updated October 6, 2020

Background

The Central Deposit Program (CDP) provides a deposit service for government bodies within the Government Reporting Entity (GRE). The intention of the program is to consolidate the cash of the GRE and put that cash to use for the benefit of taxpayers. The number and diversity of participants and the resulting persistence of their cash balances means that the province has been able to avoid borrowing for cash requirements to the total of the accumulated program balance. The notional benefit to taxpayers is the spread between the deposit interest provided to the participants and the indicative 10 year borrowing rate of the province.

School Districts were the first adopters of the program and as such, receive a preferential deposit rate of prime less^{s.17} with a cap of the indicative 10 year borrowing rate of the province. All other participants (Health Authorities, Colleges and Universities, and several Crown Corporations) receive prime less^{s.17}

Issue

For the first time since the program's inception, the indicative 10 year borrowing rate has fallen below prime less^{s.17} necessitating an adjustment to the rate provided to all participants.

Considerations

- All the versions of the Offset Banking Agreement signed by each participant group allow for the province to unilaterally change the interest rate with 30-day notice. Within the School District group there are four districts, whose balances total \$26.8 million, that have an older version of the agreement which does not contain the interest cap wording.
- Unlike the Certificate of Approval system agreements (tri-lateral agreements between Finance, SUCH sector entities, and sponsoring Ministries of Health/Education/Advanced Education), the CDP agreements are just between Finance and the government bodies. Despite this, the sponsoring ministries are very interested in their client's participation in the program. It would be professional courtesy to at least inform the associated ministries about the rate change discussions and to take under advisement any issues they may have with it.

Draft for Discussion Purposes

s.13

- As School District Budgets are passed by February for the upcoming School District fiscal year (July 1 – June 30), notification of any rate change in advance of the Ministry of Education's December/January funding allocation letters to the districts will make it easier for the districts to accommodate the reduced interest revenue.
- Reduction of the interest rate may trigger some withdrawals, however participants in other sectors have been satisfied enough with the rate to leave substantial balances on deposit.

Recommendation

Consult with the Ministry of Education on a rate adjustment for School Districts down to Prime less s.17 and take any considerations they identify into account. This will provide the same rate across all CDP participants. Provide notification of the adjustment to the School District participants by end of calendar year to be effective July 1, 2021.

Appendix I

Statistics

CDP Balances as at September 30, 2020

Colleges and Universities	323,218,033.81
Crown Corporations	67,269,912.15
School Districts	1,050,979,671.49
Health Authorities	753,918,104.77
	<hr/>
	2,195,385,722.22

Prime 2.45%

October 6, 2020 FAR report - 10-year all-in cost of funds s.17

Daily incremental cost of delay in providing notification ~ \$14,397

**MINISTRY OF FINANCE
PROVINCIAL TREASURY
FACT SHEET**

NAME: Central Deposit Program

**DESCRIPTION: Investment Options for Schools, Universities,
Colleges and Hospitals (SUCH Sector)**

- Provincial Treasury's Central Deposit Program (CDP) receives deposits of excess cash from the SUCH sector and other government organizations, pays a competitive deposit return to these entities, and redeploys this cash to offset government cash requirements, thereby reducing debt and the related debt service costs.
- The CDP reduces the province's levels of borrowing – using idle cash from the SUCH sector and other public sector bodies, ensuring the province does not incur unnecessary debt. CDP deposits are used to offset government cash requirements and are treated similar to deposits with a financial institution – held on account and available for draw down as and when required.
- The CDP earns competitive returns for school districts, health authorities, post-secondary institutions and crown corporations while providing superior liquidity and lowering investment risk of those funds.
- The CDP was established to address recommendations from the 2010 Office of the Auditor General of BC (OAG) report on *Management of Working Capital by Colleges and School Districts*. The CDP remains as one of the key initiatives which address excess liquidity and idle working capital balances in the SUCH sector, as identified by the OAG in its follow-up report.
- The OAG recommended that SUCH sector entities deposit excess cash with the central government in order to improve investment returns and/or reduce debt that would otherwise be incurred as government borrows for purposes such as large capital projects.
- The value proposition of the program is that CDP participants are kept whole in regards to their interest earnings, the government saves on interest costs, overall government debt levels decrease, debt affordability improves and credit rating is protected, more expenditure room can be made available to fund programs and the taxpayer saves.

Contact: Jim Hopkins, ADM
Division: Provincial Treasury
File Name: Central Deposit Program

Phone: 250 387-9295
Page: 1 of 2

**MINISTRY OF FINANCE
PROVINCIAL TREASURY
FACT SHEET**

DATA TABLE: FUNDS ON DEPOSIT

	March 31, 2016	March 31, 2017	March 31, 2018	March 31, 2019	March 31, 2020
School Districts	740,642,615	839,011,369	837,498,698	973,184,933	1,009,257,623
Health Authorities	1,091,470,199	1,093,190,849	982,753,787	944,886,931	761,045,519
Universities & Colleges	152,001,905	164,772,831	280,253,150	296,184,933	345,115,229
Crown Corporations	69,750,825	601,877,040	616,522,445	340,442,954	81,074,665
Total Funds On Deposit	2,053,865,544	2,698,852,089	2,717,028,080	2,555,438,228	2,196,493,036

BACKGROUND

- The CDP pays a floating deposit rate of Prime minus ^{s.17} (School districts, as first adopters, enjoy a superior rate of Prime minus ^{s.17})
- Due to the low rates in the market, a reduction to the rates is under consideration for all participants.
- CDP's expense is revenue to the receiving entity and is therefore fully offset on consolidation.
- At current forecasted rates, each additional dollar deposited saves about 1.53% of debt costs.
- Each dollar deposited will also lower the debt-to-GDP ratio (+/- \$270 million of debt equals about 0.1% change in debt to GDP ratio).
- Cumulative savings from the start of the program are estimated at approximately \$230.4 million.
- The CDP has exceeded its original goal of \$1.7 billion in deposits.
- The balance peaked at \$2.7 billion and is expected to gradually decline.

Contact: Jim Hopkins, ADM
Division: Provincial Treasury
File Name: Central Deposit Program

Phone: 250 387-9295
Page: 2 of 2

OFFSET BANKING AGREEMENT – CENTRAL DEPOSIT PROGRAM

THIS AGREEMENT dated for reference the _____ day of _____ 20_____.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the Minister of Finance

(the "**Province**")

AND:

_____, a government body as defined within the meaning of the *Financial Administration Act*

(the "**Government Body**")

WHEREAS:

- A. Sections 76(1)(a)(ii) and 77(1)(a) and (c) of the *FAA* authorize the Province and the Government Body to enter into offset banking agreements for the efficient management of the Government Body's money.
- B. The Province and the Government Body wish to enter into an offset banking agreement for the efficient management of the Government Body's money on the terms and conditions set out in this Agreement.

NOW THEREFORE the parties agree as follows:

I. DEFINITIONS

1.01 In this Agreement, unless the context otherwise requires:

- (a) "**Agreement**" means this Agreement as it may be amended, extended or renewed from time to time by the parties in writing, including the above recitals;
- (b) "**Business Day**" means a day, other than a Saturday or Sunday, on which Provincial government offices are open for normal business in British Columbia;
- (c) "**Government Body Funds**" means the money of the Government Body held by the Province as part of the Central Deposit Program and as a result of this Agreement, and includes any accumulated interest earned on such money;

- (d) **"Certificate of Approval System"** means the electronic funds disbursement system maintained and administered by the Banking and Cash Management Branch, Provincial Treasury, Ministry of Finance;
- (e) **"Central Deposit Program"** means the program within the Certificate of Approval System which has been created to ensure the efficient management of public money by receiving excess cash balances from government bodies to offset government cash requirements, while providing government bodies interest compensation and account administration;
- (f) **"Deposit Account"** means the Province's account number **bank 0010 transit 00090** ^{s.17} at the CIBC located at 1175 Douglas Street, Victoria, British Columbia;
- (g) **"Effective Date"** means _____;
- (h) **"FAA"** means the *Financial Administration Act*, R.S.B.C. 1996, c. 138;
- (i) **"Minister"** means the Minister of Finance;
- (j) **"Term"** means the term of this Agreement described in section 4.01;
- (k) **"Transaction Record"** means the record of
 - (i) deposits of money made by the Government Body into the Deposit Account;
 - (ii) withdrawals by the Government Body of Government Body Funds from the Withdrawal Account; and
 - (iii) interest earned on Government Body Funds,
 as entered into the Central Deposit Program;
- (l) **"Withdrawal Account"** means the Province's account number **bank 0809 transit 75180** ^{s.17} at the Central 1 Credit Union located at 1441 Creekside Drive, Vancouver, British Columbia;
- (m) **"Withdrawal Procedures"** means the procedures established by the Banking and Cash Management Branch, Provincial Treasury, Ministry of Finance for use of the Central Deposit Program; and
- (n) **"Withdrawal Request"** means an electronic withdrawal of Government Body Funds request, made in accordance with the Withdrawal Procedures.

II. THE ACCOUNTS

- 2.01 The Government Body may cause money to be deposited into the Deposit Account from time to time during the Term.
- 2.02 Upon the Government Body's first deposit of money, as contemplated under section 2.01, the Province will create an electronic Transaction Record under the Government Body's name in the Central Deposit Program.
- 2.03 The electronic Transaction Record, as described in section 2.02, will be updated from time to time by the Province to show any deposits of money made by the Government Body into the Deposit Account, withdrawals of Government Body Funds from the Withdrawal Account, and the amount of any interest earned on Government Body Funds as described in Article III of this Agreement.
- 2.04 The Government Body may request to have Government Body Funds withdrawn from the Withdrawal Account by making a Withdrawal Request.
- 2.05 The Province will ensure that payment to the Government Body of withdrawn Government Body Funds under section 2.04 will occur within three Business Days from the date that the Withdrawal Request is made by the Government Body.
- 2.06 The Government Body acknowledges and agrees that during the Term the only interest terms respecting the Government Body Funds are those interest terms described in Article III.
- 2.07 The Province acknowledges and agrees that, unless otherwise authorized by law, the Government Body, or its lawful successor or successors by statutory amalgamation, subdivision or reconstitution, is and will at all times be entitled to withdraw the outstanding balance of Government Body Funds in accordance with the Withdrawal Procedures, without deduction, set-off or forfeiture in any event.

III. INTEREST ON THE GOVERNMENT BODY FUNDS

- 3.01 Interest on the Government Body Funds will be calculated on the daily closing balance of Government Body Funds, determined by reference to the Transaction Record.
- 3.02 The annual rate of interest applicable to the daily closing balances of Government Body Funds described in section 3.01 will be as follows:
 - (a) the prime lending rate of the principal banker to the Province less ^{s.17} percent;
- 3.03 The Province will notify the Government Body in writing of any proposed change to the interest formula or base referred to in section 3.02, provided that any such change may not take effect until thirty days after delivery of such notice and the Government Body may at any time during or after that thirty day period elect to withdraw the entire

balance of the Government Body Funds in accordance with the Withdrawal Procedures.

- 3.04 Interest allocated to the Government Body Funds under this Article III will be allocated monthly in arrears.

IV. TERM

- 4.01 Notwithstanding the actual date of execution and delivery of this Agreement, the term of this Agreement will commence on the Effective Date and will continue indefinitely until terminated by either party upon at least 90 days' written notice to the other party.

V. GENERAL COVENANTS

- 5.01 So long as this Agreement is in effect, the Government Body will maintain its corporate existence and carry on and conduct itself, and keep or cause to be kept proper books of account, in accordance with its bylaws and statutory obligations.
- 5.02 The Government Body will not by virtue of its relationship with the Province under this Agreement, commit or purport to commit the Province or the Minister to the payment of any money to any person, in any manner whatsoever.
- 5.03 The Government Body will not, without the prior written consent of the Minister, assign, either directly or indirectly, this Agreement or any right of the Government Body under this Agreement.

VI SUBJECT TO REGULATION

- 6.01 This Agreement is subject to any regulation of the Lieutenant Governor in Council which may be made under section 79 of the *FAA* establishing restrictions, limits or conditions on the authority of either the Province or the Government Body to enter into offset banking agreements.

VII. NOTICES

- 7.01 Any notice, statement or other document that either party may be required or may desire to give or deliver to the other shall be conclusively deemed to be validly given or delivered to and received by the addressee:
- (a) if delivered personally to the addressee's physical address specified below, on the day of delivery;
 - (b) if mailed to the addressee's physical address specified below during any period when normal postal services prevail, on the fifth business day after the time of mailing of the same by prepaid post, except in the case of mail interruption in which case actual receipt is required;

- (c) if transmitted by fax to the addressee's fax number specified below, on the day of transmittal unless transmitted after the normal business hours of the addressee or on a day that is not a business day in the addressee's jurisdiction, in which case it will be deemed to be received on the next following business day; or
- (d) if transmitted by email to the addressee's email address(es) specified below, on the day the intended recipient provides acknowledgement to the sender that the email has been received;

The specified physical addresses, fax numbers and email addresses for the parties are as follows:

for the Province and the Minister, or either of them:

Ministry of Finance
PO Box 9414 Stn Prov Govt
620 Superior Street
Victoria, British Columbia
V8W 9V1

Attention: Executive Director, Banking and Cash Management Branch,
Provincial Treasury

Fax: (250) 953-4765

Email Address: Karl.Anthony@gov.bc.ca and CDP@gov.bc.ca

and for the Government Body:

Address

_____, British Columbia
City

Postal Code

Attention: _____

Fax: _____

Email Address: _____

- 7.02 Either party may, from time to time, advise the other by notice in writing of any change of physical address, fax number or email address of the party giving such notice and from and after the giving of such notice the physical address, fax number or email address therein specified will, for purposes of the preceding section, be deemed to be the physical address, fax number or email address, as the case may be, specified for the party giving such notice.

VIII. ADDITIONAL TERMS

8.01 Statutes

A reference to a statute in this Agreement, whether or not that statute has been defined, means a statute of the Province of British Columbia unless otherwise stated and includes every amendment to it, every regulation made under it and any enactment passed in substitution therefor or in replacement thereof.

8.02 Headings

The headings or captions in this Agreement are inserted for convenience only and do not form a part of this Agreement and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Agreement.

8.03 Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and no understandings or agreements, oral or otherwise, exist between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement.

8.04 Further Acts and Assurances

Each of the parties will, upon the reasonable request of the other, make, do, execute or cause to be made, done or executed all further and other lawful acts, deeds, things, devices, documents, instruments and assurances whatever for the better or more perfect and absolute performance of the terms and conditions of this Agreement.

8.05 Severability

If any provision of this Agreement or the application thereof to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected or impaired thereby and will be valid and enforceable to the extent permitted by law.

8.06 Waiver

No consent or waiver, express or implied, by either party to or of a breach or default by the other party in the observance, performance or compliance by the other party of any of its obligations under this Agreement will be deemed or construed to be a consent to or waiver of any other breach or default.

8.07 Time of Essence

Time will be of the essence of this Agreement.

8.08 Acting for Province or Minister

All the rights and obligations of the Province or the Minister under this Agreement may be exercised or performed by the Minister, the Deputy Minister of Finance or by any other person designated by either of them to act on their behalf with respect to any provision or provisions of this Agreement.

8.09 Governing Law

This Agreement will be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

[REST OF PAGE INTENTIONALLY BLANK]

8.10 Interpretation

In this Agreement, “includes” and “including” are not intended to be limiting.

8.11 Counterpart Execution

This Agreement may be entered into by each party signing a separate copy of this Agreement (including a photocopy or facsimile copy) and delivering it to the other party by facsimile transmission or by email in scanned PDF format.

IN WITNESS WHEREOF the parties to this Agreement have executed this Agreement as set out below:

SIGNED on behalf of Her Majesty the Queen in right of the Province of British Columbia by a duly authorized representative of the Minister of Finance on the _____ day of _____, 20____:

Signature

Print Name

Print Title

Signed on behalf of the Government Body by its duly authorized representative on the _____ day of _____ 20____:

Signature

Print Name

Print Title

From: Eam, Sothy FIN:EX
To: Pavlova, Anastasia FIN:EX; Lam, Patrick C FIN:EX
Cc: Gunn, Alison R FIN:EX
Subject: RE: 5 year CDP forecast for Q1 Budget Update
Date: July 22, 2020 9:32:06 AM
Attachments: image001.jpg

Hi Anastasia,

No, we haven't seen a declining trend this year – not to say it can't happen though. CDP balance at Apr 1/20 was \$2,196m. The current balance is \$2,240m. There have been a few clients who have drawn more than usual but the majority of clients (124 certificates) have remained stable and their deposits have offset the withdrawals. When we look at the sector balances – Health (Health Authorities) \$766, EDUC (SD's) \$1,087m, Crowns \$69m and AE \$318m:

- Health – typically are not very active. We have seen a \$10m withdraw from VCHA this year so far. History shows the summer months is when we would see some withdraws, if any.
- Education – June to Aug is when we normally see withdraws and Sept/Jan is when we see deposits. So far, SDs withdraws are normal.
- Crowns - BC Transit has already withdrawn their balance (\$20.2m). BCIF the other active client, is still depositing.
- AE – so far we have seen approx \$32m withdrawn to date this fiscal. Withdraws this time of year is also normal for Universities/Colleges.

Given that the interest rate they earn in the program is 1.7% (SDs), there is incentive to keep their capital money in the program until they really need it. This is probably why we haven't seen a decline in balances which was a possible scenario given the covid economic impacts.

For the out years, we are looking to reduce EDUC's rate in the future. We were looking to do it this fiscal but due to COVID we have deferred this. This could impact their future balances. The out year projections does not factor this in yet.

Thanks,

sh Management | Banking & Cash Management | Provincial Treasury
 Finance
 98-5870 | Fax: 250 953-4765

From: Pavlova, Anastasia FIN:EX
Sent: July 22, 2020 6:34 AM
To: Lam, Patrick C FIN:EX ; Eam, Sothy FIN:EX
Cc: Gunn, Alison R FIN:EX
Subject: RE: 5 year CDP forecast for Q1 Budget Update

Hi Sothy, Patrick and I wanted to follow up with you about the CDP balances on the forecast. How confident are you that those will stay roughly the same throughout? We've seen a declining CDP trend this year, correct?

Thanks,
 Anastasia.

From: Lam, Patrick C FIN:EX <Patrick.Lam@gov.bc.ca>
Sent: July 21, 2020 4:04 PM
To: Eam, Sothy FIN:EX <Sothy.Eam@gov.bc.ca>
Cc: Pavlova, Anastasia FIN:EX <Anastasia.Pavlova@gov.bc.ca>; Gunn, Alison R FIN:EX <Alison.Gunn@gov.bc.ca>
Subject: RE: 5 year CDP forecast for Q1 Budget Update
 Thanks Sothy.

From: Eam, Sothy FIN:EX <Sothy.Eam@gov.bc.ca>
Sent: Tuesday, July 21, 2020 3:26 PM
To: Lam, Patrick C FIN:EX <Patrick.Lam@gov.bc.ca>
Cc: Pavlova, Anastasia FIN:EX <Anastasia.Pavlova@gov.bc.ca>; Gunn, Alison R FIN:EX <Alison.Gunn@gov.bc.ca>
Subject: RE: 5 year CDP forecast for Q1 Budget Update

Hi Patrick,
 Sorry for the delay! Here is the 5-yr CDP forecast.

Assumptions –

- Low rates remaining until 2023/24
- Balance remains stable with growth only from compounding interest.

Central Deposit Program

Projected Interest Charges Against MOPF&D
 5-Year Forecast


(\$) millions						
	2019/20	Budget 2020/21	2021/22	2022/23	2023/24	2024/25
Total CDP balance at beginning of the year	\$2,555.7	\$2,236.5	\$2,271.2	\$2,298.1	\$2,325.4	\$2,364.6
Interest Charges ¹	\$62.7	\$26.6	\$26.9	\$27.3	\$39.2	\$51.7
Total CDP ending balance ²	\$2,236.5	\$2,271.2	\$2,298.1	\$2,325.4	\$2,364.6	\$2,416.3

¹ Refer to Chart 3.14 Interest Rate Forecasts of Budget 2020 - regarding Bank of Canada's overnight target rate.
https://www.bcbudget.gov.bc.ca/2020/pdf/2020_budget_and_fiscal_plan.pdf
<https://economics.td.com/ca-long-term-forecast>

² Assume total CDP deposit balances remain status quo

Let me know if you have more questions.

Thanks

 Banking & Cash Management | Provincial Treasury
Finance
98-5070 | Fax: 250 953-4765

From: Lam, Patrick C FIN:EX <Patrick.Lam@gov.bc.ca>

Sent: July 16, 2020 2:21 PM

To: Eam, Sothy FIN:EX <Sothy.Eam@gov.bc.ca>

Cc: Pavlova, Anastasia FIN:EX <Anastasia.Pavlova@gov.bc.ca>; Gunn, Alison R FIN:EX <Alison.Gunn@gov.bc.ca>

Subject: 5 year CDP forecast for Q1 Budget Update

Hi Sothy,

Please provide us with a CDP 5 year forecast for Q1 MOPD update when you have a moment. Given lower rates environment and lower program balances expectation in the future, we are expecting larger interest costs savings from CDP forecast comparing to the original Budget forecast in Q3.


Let me know if you have any questions.

Thanks-you.

Patrick.

From: [Eam, Sothy FIN:EX](#)
To: [Law, Albert W FIN:EX](#)
Cc: [Gunn, Alison R FIN:EX](#); [Chiang, Michael M FIN:EX](#)
Subject: RE: CDP interest to December 31st
Date: August 4, 2020 8:25:57 AM
Attachments: [image001.jpg](#)

Hi Albert,
20/21 Q1 YTD Actuals = \$6,616,309.63
Our forecast for the year is \$26,600,946.51. Decreases in BOC rates in March has caused us to reduce our forecast since budget.
Let me know if you need any additional info.
Thanks,


 Banking & Cash Management | Provincial Treasury
Finance
98-5870 | Fax: 250 953-4765

From: Law, Albert W FIN:EX
Sent: July 31, 2020 1:05 PM
To: Eam, Sothy FIN:EX
Cc: Gunn, Alison R FIN:EX ; Chiang, Michael M FIN:EX
Subject: RE: CDP interest to December 31st

Hi Sothy,
Is it possible to get this same information, the YTD Q1 actual and 2020/21 forecast for the CDP interest?
Thank you,
Albert

From: Eam, Sothy FIN:EX <Sothy.Eam@gov.bc.ca>
Sent: January 6, 2020 1:45 PM
To: Law, Albert W FIN:EX <Albert.Law@gov.bc.ca>
Cc: Gunn, Alison R FIN:EX <Alison.Gunn@gov.bc.ca>; Chiang, Michael M FIN:EX <Michael.Chiang@gov.bc.ca>
Subject: RE: CDP interest to December 31st

Hi Albert,
Happy new year!
19/20 Q3 YTD Actuals for CDP Interest paid equals \$47,815,943.30 (YTD Q2 \$33,0034,440.55 + Q3 Actuals \$14,780,502.75).
We forecast to pay out a total of \$62,453,740.15 for fiscal 2019/20. This assumes no interest rate changes to the end of fiscal and total client balances remain status quo.
Let me know if you require additional information.
Cheers,

 Banking & Cash Management | Provincial Treasury
Finance
98-5870 | Fax: 250 953-4765

From: Law, Albert W FIN:EX <Albert.Law@gov.bc.ca>
Sent: January 6, 2020 11:46 AM
To: Eam, Sothy FIN:EX <Sothy.Eam@gov.bc.ca>
Cc: Gunn, Alison R FIN:EX <Alison.Gunn@gov.bc.ca>; Chiang, Michael M FIN:EX <Michael.Chiang@gov.bc.ca>

Subject: RE: CDP interest to December 31st

Hi Sothy,

Is it possible to get a Q3 YTD actual for the CDP interest paid out and if you have any updated forecast on how much will be paid out for 19/20?

No rush on this request, anytime this week works great for us.

Happy new year, I hope you had a nice holiday.

Regards,

Albert

From: Eam, Sothy FIN:EX <Sothy.Eam@gov.bc.ca>

Sent: Thursday, November 7, 2019 2:46 PM

To: Law, Albert W FIN:EX <Albert.Law@gov.bc.ca>

Cc: Gunn, Alison R FIN:EX <Alison.Gunn@gov.bc.ca>; Chiang, Michael M FIN:EX

<Michael.Chiang@gov.bc.ca>

Subject: RE: CDP interest to June 30

Hi Albert,

CDP interest we have paid out up to end the Q2 was \$33,035,440.55.

We forecast to pay out a total of \$63,333,931.29 for fiscal 2019/20. This assumes no interest rate changes to the end of fiscal.

Given a high probability of an upcoming interest rate decrease, we ran a model to see an impact of a 25-bps decrease in interest rates. This equated to a decrease of approximately \$1.9 million in interest payments and therefore possibly changing the projected total amount to \$61,555,242.44.

Let me know if you require additional information.

Cash Management | Banking & Cash Management | Provincial Treasury
Finance
98-5870 | Fax: 250 953-4765

From: Gunn, Alison R FIN:EX <Alison.Gunn@gov.bc.ca>

Sent: November 7, 2019 1:48 PM

To: Eam, Sothy FIN:EX <Sothy.Eam@gov.bc.ca>

Subject: FW: CDP interest to June 30

From: Law, Albert W FIN:EX <Albert.Law@gov.bc.ca>

Sent: November 7, 2019 1:43 PM

To: Gunn, Alison R FIN:EX <Alison.Gunn@gov.bc.ca>

Cc: Chiang, Michael M FIN:EX <Michael.Chiang@gov.bc.ca>

Subject: CDP interest to June 30

Hi Alison,

Do you have the CDP interest amounts that we have paid out up to the end of Q2?

Also, do you have a forecast of how much you maybe paying out for the full fiscal?

Hope you are doing well.

Thanks,

Albert Law, CPA, CA

A/Director, Fiscal Planning

Treasury Board Staff, Ministry of Finance

617 Government Street, Victoria, BC V8V 2M1

P: (778) 698-5821 | M: (250) 880-0991

Albert.Law@gov.bc.ca

Attention: This message is intended only for the use of the individual(s) to which it is addressed and may contain confidential information. If you have received this message in error, please contact the sender

immediately and delete the material from your computer. Thank you.

From: [Smith, Lana FIN:EX](#)
To: [Gunn, Alison R FIN:EX](#)
Subject: RE: CDP Question
Date: August 17, 2020 10:09:15 AM
Attachments: [image002.jpg](#)
[image003.png](#)

Great, thanks!!

From: Gunn, Alison R FIN:EX
Sent: August 17, 2020 10:07 AM
To: Smith, Lana FIN:EX
Subject: RE: CDP Question

Hi Lana,

The interest amounts shown in the report below reflect the total interest paid on each certificate from the time the certificate was first opened. Some of them date back to 2013/2014. The current rates for the participants is Prime less **s.17** (Prime is currently 2.45%) or **s.17**. School Districts are still receiving a preferred rate of Prime less **s.** or **s.17**. We will be reducing the SD rate, but will likely wait until next Budget cycle for SDs. I've attached our current 5 yr forecast to give you a feel for the annual interest costs.

Cheers,

Alison

382x250



Alison Gunn CPA, CGA

Director, Cash Management

Banking Cash Management | Provincial Treasury | Ministry of Finance

Office: 778 698-5869 | Mobile: 250 656-5801

From: Smith, Lana FIN:EX <Lana.Smith@gov.bc.ca>
Sent: Monday, August 17, 2020 9:53 AM
To: Gunn, Alison R FIN:EX <Alison.Gunn@gov.bc.ca>
Subject: CDP Question

Hi Alison,

I have a question about the interest earned for the Health Sector in the CDP program. I'm looking at the period ending Mar31 summary and for Health I see Interest earned of \$90 million on total deposits of 1.2B...that's like 7% interest and there were withdrawals during the year. What am I not understanding as I'm sure we aren't paying them that high of a rate.....?



Lana Smith CGA, CPA
Fiscal Planning and Estimates, Treasury Board Staff
Ph 778-974-6192

Page 19 of 45 to/à Page 20 of 45

Withheld pursuant to/removed as

s.3

From: Aaron, Ian EDUC:EX
To: Eam, Sothy FIN:EX
Subject: RE: School District CDP deposits
Date: October 16, 2020 12:09:09 PM
Attachments: [image001.jpg](#)
[image003.png](#)
[image004.jpg](#)

Interesting. The lower rates were significantly offset by higher average balances on deposit to bump the estimated savings from \$3.0M to \$4.2M.

Thanks very much.

Ian.

From: Eam, Sothy FIN:EX
Sent: October 16, 2020 12:05 PM
To: Aaron, Ian EDUC:EX
Subject: RE: School District CDP deposits

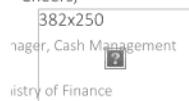
Hi Ian,

For 19/20, the estimated savings in debt service costs that could be attributed to K-12 Public School participation was \$4.2 million.

On average SD's balances made up 42% of the program balance. Their contributions to savings was 23%.

Let me know if you need additional information.

Cheers,



Sothy Eam, CTP

Banking & Cash Management | Provincial Treasury

ce: 778 698-5870 | Fax: 250 953-4765

From: Aaron, Ian EDUC:EX <Ian.Aaron@gov.bc.ca>
Sent: October 15, 2020 3:51 PM
To: Eam, Sothy FIN:EX <Sothy.Eam@gov.bc.ca>
Subject: RE: School District CDP deposits
Importance: High

Hmmm, possibly longer question for you to answer ... sorry this is in preparation of transition binders.

Last year you made this statement: For 18/19, the estimated savings in debt service costs that could be attributed to K-12 Public School participation was \$3.0 million.

What is the equivalent for the 2019/20 year?

Thanks, Ian.

From: Aaron, Ian EDUC:EX
Sent: October 15, 2020 3:46 PM
To: Eam, Sothy FIN:EX <Sothy.Eam@gov.bc.ca>
Subject: FW: School District CDP deposits

Hi Sothy.

Quick question, please.

Is the interest rate 2.45%, which is what we pay school districts?

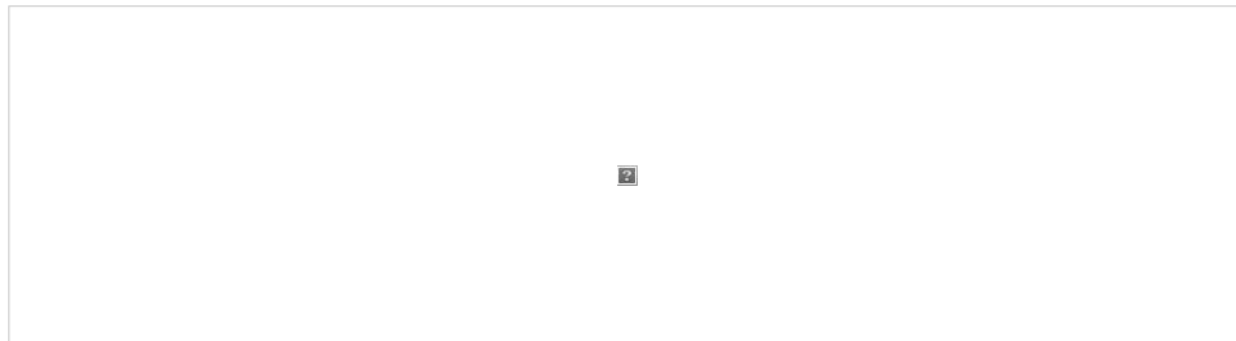
Thanks, Ian.

From: Eam, Sothy FIN:EX <Sothy.Eam@gov.bc.ca>
Sent: June 15, 2020 1:15 PM
To: Aaron, Ian EDUC:EX <Ian.Aaron@gov.bc.ca>; Gunn, Alison R FIN:EX <Alison.Gunn@gov.bc.ca>
Cc: Rutledge, Kristin EDUC:EX <Kristin.Rutledge@gov.bc.ca>; McLeod, Tamara EDUC:EX <Tamara.McLeod@gov.bc.ca>; Webb, Christine V EDUC:EX <Christine.V.Webb@gov.bc.ca>
Subject: RE: School District CDP deposits

Hi Ian,

The estimated interest payments to SD's for deposit in CDP is \$15.5 million for Fiscal 2020/21. This assumes current balances remain the same and interest rates (bank prime rate) remains at 2.45%.

Interest model -



For Fiscal 2019/20, the interest payments totaled \$28.9 million when interest rates were 3.95%. Therefore 2020/21 we expect to see a drop of around \$13.4 million in interest if things remain the same.

Hopefully this answers your questions. Let me know if you need further details.

Thanks,


98-5870 | Fax: 250 953-4765

From: Aaron, Ian EDUC:EX
Sent: June 15, 2020 12:12 PM
To: Eam, Sothy FIN:EX ; Gunn, Alison R FIN:EX
Cc: Rutledge, Kristin EDUC:EX ; McLeod, Tamara EDUC:EX ; Webb, Christine V EDUC:EX
Subject: School District CDP deposits
Importance: High


Happy Monday Alison and Sothy.
As per a TBS request this morning, can you please give me an estimate of the interest payment on CDP deposits from school districts for Fiscal 2020/21?
Since April 1, 2020 the average CDP balance has increased (April 1 - \$1.014B; June 8 - \$1.084B; Average for all of FY 2019-20 - \$0.992B).
I believe we can expect school district deposits to remain stable, if not go a bit higher.
How much will our interest payment drop?
TBS looking for an update this afternoon, so sorry to rush you on this.
Thanks, Ian.

From: Eam, Sothy FIN:EX <Sothy.Eam@gov.bc.ca>
Sent: August 23, 2019 2:05 PM
To: Aaron, Ian EDUC:EX <Ian.Aaron@gov.bc.ca>; Gunn, Alison R FIN:EX <Alison.Gunn@gov.bc.ca>; Hutchinson, Daryl FIN:EX <Daryl.Hutchinson@gov.bc.ca>
Subject: RE: Benefits of the CDP (2018-19)
Hi Ian,

Sorry for the delay.
For 18/19, the estimated savings in debt service costs that could be attributed to K-12 Public School participation was \$3.0 million.
Factors that decreased the overall savings margin:

- Two interest hikes during 18/19 increased SD's interest payment rate by 0.50% **s.17** to **s.17**
- The cost of borrowing (blended debt rate) increased slightly +0.18% from **s.17** to **s.17** therefore decreasing the margin between the rate we pay and the rate it costs for us to borrow.

SD's balance on average was 35% of total CDP balances and their contribution to savings was 16%.
Thanks,


Cash Management | Banking & Cash Management | Provincial Treasury
Finance
98-5870 | Fax: 250 953-4765

From: Aaron, Ian EDUC:EX
Sent: August 19, 2019 9:36 AM
To: Eam, Sothy FIN:EX ; Gunn, Alison R FIN:EX ; Hutchinson, Daryl FIN:EX
Subject: Benefits of the CDP (2018-19)


Good morning everyone.
I am hoping you will be able to update the numbers below to reflect benefits of the CDP for the 2018-19 fiscal year.
Thanks, Ian.

From: Eam, Sothy FIN:EX
Sent: Wednesday, August 15, 2018 10:21 AM
To: Aaron, Ian EDUC:EX
Cc: Hutchinson, Daryl FIN:EX; Gunn, Alison R FIN:EX
Subject: RE: Benefits of the CDP

Hi Ian,
Alison has asked me to respond to your request.
For 17/18, the estimated savings in debt service costs that could be attributed to K-12 Public School participation was \$5.2 million.
Factors that reduced the overall savings margin:

- Three interest hikes during 17/18 increased SD's interest payment rate by 0.75% **s.17** to **s.17**
- The cost of borrowing (blended debt rate) increased slightly (+0.18%) but less than the interest payment rate.

SD's balance on average was 31% of total CDP balances and their contribution to savings was 17%.
Please let me know if you need further information.


Cash Management | Banking & Cash Management | Provincial Treasury
Finance
98-5870 | Fax: 250 953-4765

From: Gunn, Alison R FIN:EX
Sent: Monday, August 13, 2018 9:42 AM
To: Eam, Sothy FIN:EX
Cc: Hutchinson, Daryl FIN:EX
Subject: FW: Benefits of the CDP

Sothy,
Could you please take a stab at updating the info for Ian.
Thanks,
Alison

From: Aaron, Ian EDUC:EX
Sent: Wednesday, August 1, 2018 11:05 AM
To: Gunn, Alison R FIN:EX
Cc: Barnes, Kristen M C EDUC:EX
Subject: RE: Benefits of the CDP
Hi Alison.

s.22 can you please update the statistics below with 2017/18 figures?

Thanks, Ian.

From: Gunn, Alison R FIN:EX
Sent: Thursday, August 24, 2017 4:14 PM
To: Aaron, Ian EDUC:EX
Subject: FW: Benefits of the CDP

Ian

For the 2016/2017 fiscal year the estimated savings in debt service costs that could be attributed to K-12 Public School participation was \$9.6 million. Even though the balances held by School Districts was almost \$100 million higher, the blended debt rate was lower so the savings margin was smaller. School District balances made up 31% of the total CDP balances. Due to the higher interest rate paid on School District balances, relative to other CDP participants, the contribution to savings was 19%.

Cheers,

Alison



Alison Gunn CPA, CGA
Director, Cash Management
Banking Cash Management | Provincial Treasury | Ministry of Finance
Office: 778 698-5869 | Mobile: 250 656-5801

From: Gunn, Alison R FIN:EX
Sent: Friday, August 11, 2017 4:30 PM
To: Aaron, Ian EDUC:EX
Subject: RE: Benefits of the CDP

Hi Ian,

Could this wait until Tuesday when my analyst is back in the office? I can do a "quick and dirty" estimate if you need something tonight.

Let me know.

Cheers,

Alison

From: Aaron, Ian EDUC:EX
Sent: Friday, August 11, 2017 3:35 PM
To: Gunn, Alison R FIN:EX
Subject: RE: Benefits of the CDP

Hi Alison.

Wondering if you could update the estimated savings in debt service costs for the 2016/17 fiscal year?

Thanks, Ian.

From: Gunn, Alison R FIN:EX
Sent: Thursday, November 3, 2016 10:15 AM
To: Aaron, Ian EDUC:EX
Cc: Irvine, Linda FIN:EX; MacMillen, Kevin FIN:EX; Hopkins, Jim FIN:EX; Abbott, Kim EDUC:EX
Subject: RE: Benefits of the CDP

Ian,

I'm providing the information on a government fiscal year. The total school district balances are now relatively stable, so at a high level, the amount would be equally valid for a school year.

For the 2015/2016 fiscal year the estimated savings in debt service costs that could be attributed to K-12 Public School participation was \$10.4 million. School District balances made up 36% of the total CDP balances. Due to the higher interest rate paid on School District balances, relative to other CDP participants, the contribution to savings was 25%.

Cheers,

Alison



Alison Gunn CPA, CGA
Director, Cash Management and Treasury Payments
Banking Cash Management | Provincial Treasury | Ministry of Finance
Office: 250 356-1274 | Mobile: 250 656-5801

From: Irvine, Linda FIN:EX
Sent: Thursday, October 27, 2016 5:22 PM
To: MacMillen, Kevin FIN:EX; Gunn, Alison R FIN:EX
Subject: Fw: Benefits of the CDP

Would either of you please help me with a response?

Thanks!

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Aaron, Ian EDUC:EX <Ian.Aaron@gov.bc.ca>
Sent: Thursday, October 27, 2016 4:05 PM
To: Irvine, Linda FIN:EX
Cc: Abbott, Kim EDUC:EX
Subject: FW: Benefits of the CDP

Hi Linda.

In Jim's absence, are you able to assist with this request?

Thanks, Ian.

From: Aaron, Ian EDUC:EX
Sent: Thursday, October 27, 2016 3:32 PM
To: Hopkins, Jim FIN:EX
Cc: Abbott, Kim EDUC:EX
Subject: Benefits of the CDP

Hi Jim.

I am hoping you and your team can come up with a statistic that could answer the following question.

- What is the benefit to Government, in the form of reduced Provincial debt borrowing costs, derived from the K-12 Public Schools' participation in the Central Deposit Program?

Back in Reg's day there was some discussion about what the net benefit is to Government, but I don't recall seeing anything concrete coming from the discussion.

Think you can come up with a statistic for either the Government fiscal year ending March 31, 2016, or the School District fiscal year ending June 30, 2016?

Thanks, Ian.

Ian Aaron, CPA, CA, MBA

Director, School District Financial Reporting & Compliance
Resource Management and Corporate Services Division
Ministry of Education
Phone: (250) 415-1073
Fax: (250) 953-4985
<mailto:Ian.Aaron@gov.bc.ca>

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OFFSET BANKING AGREEMENT – CENTRAL DEPOSIT PROGRAM

THIS AGREEMENT dated for reference the _____ day of _____ 20____.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the Minister of Finance

(the "**Province**")

AND:

The Board of Education of School District No. _____, a body corporate, continued as a corporation under the *School Act*, R.S.B.C. 1996, Chapter 412

(the "**Board**")

WHEREAS:

- A. The Board is a "government body" within the meaning of the *FAA*.
- B. Sections 76(1)(a)(ii) and 77(1)(a) and (c) of the *FAA* authorize the Province and the Board to enter into offset banking agreements for the efficient management of the Board's money.
- C. The Province and the Board wish to enter into an offset banking agreement for the efficient management of the Board's money on the terms and conditions set out in this Agreement.

NOW THEREFORE the parties agree as follows:

I. DEFINITIONS

1.01 In this Agreement, unless the context otherwise requires:

- (a) "**Agreement**" means this Agreement as it may be amended, extended or renewed from time to time by the parties in writing, including the above recitals;
- (b) "**Business Day**" means a day, other than a Saturday or Sunday, on which Provincial government offices are open for normal business in British Columbia;

- (c) **"Board Funds"** means the money of the Board held by the Province as part of the Central Deposit Program and as a result of this Agreement, and includes any accumulated interest earned on such money;
- (d) **"Certificate of Approval System"** means the electronic funds disbursement system maintained and administered by the Banking and Cash Management Branch, Provincial Treasury, Ministry of Finance;
- (e) **"Central Deposit Program"** means the program within the Certificate of Approval System which has been created to ensure the efficient management of public money by receiving excess cash balances from government bodies to offset government cash and borrowing requirements, while providing government bodies interest compensation and account administration;
- (f) **"Deposit Account"** means the Province's account number **bank 0010 transit 00090** s.17 at the CIBC located at 1175 Douglas Street, Victoria, British Columbia;
- (g) **"Effective Date"** means _____;
- (h) **"FAA"** means the *Financial Administration Act*, R.S.B.C. 1996, c. 138;
- (i) **"Minister"** means the Minister of Finance;
- (j) **"Term"** means the term of this Agreement described in section 4.01;
- (k) **"Transaction Record"** means the record of
 - (i) deposits of money made by the Board into the Deposit Account;
 - (ii) withdrawals by the Board of Board Funds from the Withdrawal Account; and
 - (iii) interest earned on Board Funds,
 as entered into the Central Deposit Program;
- (l) **"Withdrawal Account"** means the Province's account number **bank 0809 transit 75180** s.17 at the Central 1 Credit Union located at 1441 Creekside Drive, Vancouver, British Columbia;
- (m) **"Withdrawal Procedures"** means the procedures established by the Banking and Cash Management Branch, Provincial Treasury, Ministry of Finance for use of the Central Deposit Program; and
- (n) **"Withdrawal Request"** means an electronic withdrawal of Board Funds request, made in accordance with the Withdrawal Procedures.

II. THE ACCOUNTS

- 2.01 The Board may cause money to be deposited into the Deposit Account from time to time during the Term.
- 2.02 Upon the Board's first deposit of money, as contemplated under section 2.01, the Province will create an electronic Transaction Record under the Board's name in the Central Deposit Program.
- 2.03 The electronic Transaction Record, as described in section 2.02, will be updated from time to time by the Province to show any deposits of money made by the Board into the Deposit Account, withdrawals of Board Funds from the Withdrawal Account, and the amount of any interest earned on Board Funds as described in Article III of this Agreement.
- 2.04 The Board may request to have Board Funds withdrawn from the Withdrawal Account by making a Withdrawal Request.
- 2.05 The Province will ensure that payment to the Board of withdrawn Board Funds under section 2.04 will occur within three Business Days from the date that the Withdrawal Request is made by the Board.
- 2.06 The Board acknowledges and agrees that during the Term the only interest terms respecting the Board Funds are those interest terms described in Article III.
- 2.07 The Province acknowledges and agrees that, unless otherwise authorized by law, the Board, or its lawful successor or successors by statutory amalgamation, subdivision or reconstitution, is and will at all times be entitled to withdraw the outstanding balance of Board Funds in accordance with the Withdrawal Procedures, without deduction, set-off or forfeiture in any event.

III. INTEREST ON THE BOARD FUNDS

- 3.01 Interest on the Board Funds will be calculated on the daily closing balance of Board Funds, determined by reference to the Transaction Record.
- 3.02 The annual rate of interest applicable to the daily closing balances of Board Funds described in section 3.01 will be as follows:
 - (a) up to February 28, 2013, the prime lending rate of the principal banker to the Province less ^{s.17} percent; and
 - (b) after February 28, 2013, the prime lending rate of the principal banker to the Province less ^{s.17} percent, not to exceed the Province's ten year cost of borrowing.
- 3.03 The Province will notify the Board in writing of any proposed change to the interest formula or base referred to in section 3.02, provided that any such change may not

take effect until thirty days after delivery of such notice and the Board may at any time during or after that thirty day period elect to withdraw the entire balance of the Board Funds in accordance with the Withdrawal Procedures.

- 3.04 Interest allocated to the Board Funds under this Article III will be allocated monthly in arrears.

IV. TERM

- 4.01 Notwithstanding the actual date of execution and delivery of this Agreement, the term of this Agreement will commence on the Effective Date and will continue indefinitely until terminated by either party upon at least 90 days' written notice to the other party.

V. GENERAL COVENANTS

- 5.01 So long as this Agreement is in effect, the Board will maintain its corporate existence and carry on and conduct itself, and keep or cause to be kept proper books of account, in accordance with its bylaws and statutory obligations.
- 5.02 The Board will not by virtue of its relationship with the Province under this Agreement, commit or purport to commit the Province or the Minister to the payment of any money to any person, in any manner whatsoever.
- 5.03 The Board will not, without the prior written consent of the Minister, assign, either directly or indirectly, this Agreement or any right of the Board under this Agreement.

VI SUBJECT TO REGULATION

- 6.01 This Agreement is subject to any regulation of the Lieutenant Governor in Council which may be made under section 79 of the *FAA* establishing restrictions, limits or conditions on the authority of either the Province or the Board to enter into offset banking agreements.

VII. NOTICES

- 7.01 Any notice, statement or other document that either party may be required or may desire to give or deliver to the other shall be conclusively deemed to be validly given or delivered to and received by the addressee:
- (a) if delivered personally to the addressee's physical address specified below, on the day of delivery;
 - (b) if mailed to the addressee's physical address specified below during any period when normal postal services prevail, on the fifth business day after the time of mailing of the same by prepaid post, except in the case of mail interruption in which case actual receipt is required;

- (c) if transmitted by fax to the addressee's fax number specified below, on the day of transmittal unless transmitted after the normal business hours of the addressee or on a day that is not a business day in the addressee's jurisdiction, in which case it will be deemed to be received on the next following business day; or
- (d) if transmitted by email to the addressee's email address(es) specified below, on the day the intended recipient provides acknowledgement to the sender that the email has been received;

The specified physical addresses, fax numbers and email addresses for the parties are as follows:

for the Province and the Minister, or either of them:

Ministry of Finance
PO Box 9414 Stn Prov Govt
620 Superior Street
Victoria, British Columbia
V8W 9V1

Attention: Executive Director, Banking and Cash Management Branch,
Provincial Treasury

Fax: (250) 953-4765

Email Address: Karl.Anthony@gov.bc.ca and cdp@gov.bc.ca

and for the Board:

Board of Education of School District No. _____

Address

_____, British Columbia
City

Postal Code

Attention: _____

Fax: _____

Email Address: _____

- 7.02 Either party may, from time to time, advise the other by notice in writing of any change of physical address, fax number or email address of the party giving such notice and from and after the giving of such notice the physical address, fax number or email address therein specified will, for purposes of the preceding section, be deemed to be the physical address, fax number or email address, as the case may be, specified for the party giving such notice.

VIII. ADDITIONAL TERMS

8.01 Statutes

A reference to a statute in this Agreement, whether or not that statute has been defined, means a statute of the Province of British Columbia unless otherwise stated and includes every amendment to it, every regulation made under it and any enactment passed in substitution therefor or in replacement thereof.

8.02 Headings

The headings or captions in this Agreement are inserted for convenience only and do not form a part of this Agreement and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Agreement.

8.03 Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and no understandings or agreements, oral or otherwise, exist between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement.

8.04 Further Acts and Assurances

Each of the parties will, upon the reasonable request of the other, make, do, execute or cause to be made, done or executed all further and other lawful acts, deeds, things, devices, documents, instruments and assurances whatever for the better or more perfect and absolute performance of the terms and conditions of this Agreement.

8.05 Severability

If any provision of this Agreement or the application thereof to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected or impaired thereby and will be valid and enforceable to the extent permitted by law.

8.06 Waiver

No consent or waiver, express or implied, by either party to or of a breach or default by the other party in the observance, performance or compliance by the other party of any

of its obligations under this Agreement will be deemed or construed to be a consent to or waiver of any other breach or default.

8.07 Time of Essence

Time will be of the essence of this Agreement.

8.08 Acting for Province or Minister

All the rights and obligations of the Province or the Minister under this Agreement may be exercised or performed by the Minister, the Deputy Minister of Finance or by any other person designated by either of them to act on their behalf with respect to any provision or provisions of this Agreement.

8.09 Governing Law

This Agreement will be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

[REST OF PAGE INTENTIONALLY BLANK]

8.10 Interpretation

In this Agreement, “includes” and “including” are not intended to be limiting.

8.11 Counterpart Execution

This Agreement may be entered into by each party signing a separate copy of this Agreement (including a photocopy or facsimile copy) and delivering it to the other party by facsimile transmission or by email in scanned PDF format.

IN WITNESS WHEREOF the parties to this Agreement have executed this Agreement as set out below:

SIGNED on behalf of Her Majesty the Queen in right of the Province of British Columbia by a duly authorized representative of the Minister of Finance on the _____ day of _____, 20____:

Signature

Print Name

Print Title

Signed on behalf of the Board of Education of School District No. _____ by its duly authorized representative on the _____ day of _____ 20____:

Signature

Print Name

Print Title

F08CAP15-02
2020/11/02
09:11:50

Ministry of Finance
Central Deposit Program
Statistics : By Ministry

Page: 1

*** As At: NOV 01,2020 ***

Report Options:
Ministry : - All

	#					
	Certs	Total Deposits	Interest to Date	Withdrawals to Date	Total	
-----	-----	-----	-----	-----	-----	
AE ADVANCED EDUCATION	31	1,695,243,490.28	24,009,393.37	1,368,334,849.84	350,918,033.81	
CC CROWN CORPORATIONS	11	1,373,417,000.00	29,138,422.54	1,315,490,510.39	87,064,912.15	
ED EDUCATION	72	2,424,513,551.20	119,875,425.03	1,462,218,004.74	1,082,170,971.49	
HE MINISTRY OF HEALTH	10	1,232,922,351.15	93,732,217.34	572,736,463.72	753,918,104.77	
Total:	124	6,726,096,392.63	266,755,458.28	4,718,779,828.69	2,274,072,022.22	

F08CAP15-03
2020/11/02
09:11:50

Ministry of Finance
Central Deposit Program
Statistics : By Government Body

Page: 1

*** As At: NOV 01,2020 ***

Report Options:
Ministry : - All

Ministry : AE ADVANCED EDUCATION
Division : 03 UNIVERSITIES (CDP)

	# Certs	Total Deposits	Interest to Date	Withdrawals to Date	Total
0001 UNIVERSITY OF BRITISH COLUMBIA (CDP)	2	951,100,080.35	6,490,072.58	875,583,920.62	82,006,232.31
0002 SIMON FRASER UNIVERSITY (CDP)	1	5,000,000.00	7,022.64	5,005,424.84	1,597.80
0003 UNIVERISTY OF VICTORIA	1	328,000,000.00	1,388,892.16	287,005,326.02	42,383,566.14
0004 UNIVERSITY OF NORTHERN BC (CDP)	1	501,000.00	50,224.81	0.00	551,224.81
0005 ROYAL ROADS UNIVERSITY (CDP)	1	28,000,000.00	1,357,989.22	17,050,000.00	12,307,989.22
0008 THOMPSON RIVERS UNIVERSITY (CDP)	1	9,500,000.00	342,493.80	4,500,000.00	5,342,493.80
0010 EMILY CARR UNIVERSITY OF ART AND DESIGN	1	21,000,000.00	341,260.09	14,933,000.00	6,408,260.09
0011 KWANTLEN POLYTECHNIC UNIVERSITY	1	500,000.00	40,230.94	0.00	540,230.94
0012 VANCOUVER ISLAND UNIVERSITY (CDP)	1	974,000.00	89,152.72	0.00	1,063,152.72
0013 UNIVERSITY OF THE FRASER VALLEY	1	85,025,000.00	790,335.12	63,025,000.00	22,790,335.12
Division Total:	11	1,429,600,080.35	10,897,674.08	1,267,102,671.48	173,395,082.95

F08CAP15-03
2020/11/02
09:11:50

Ministry of Finance
Central Deposit Program
Statistics : By Government Body

Page: 2

*** As At: NOV 01,2020 ***

Report Options:
Ministry : - All

Ministry : AE ADVANCED EDUCATION
Division : 04 COLLEGES (CDP)

	# Certs	Total Deposits	Interest to Date	Withdrawals to Date	Total
0002 OKANAGAN COLLEGE (CDP)	1	4,500,000.00	206,610.13	2,000,000.00	2,706,610.13
0004 COLLEGE OF THE ROCKIES	4	19,354,108.91	1,295,137.93	8,354,108.91	12,295,137.93
0006 COAST MOUNTAIN COLLEGE (CDP)	1	3,000,000.00	278,940.47	0.00	3,278,940.47
0007 JUSTICE INSTITUTE OF BC	1	1,550,000.00	101,996.14	0.00	1,651,996.14
0008 CAMOSUN COLLEGE (CDP)	1	17,018,678.82	1,141,825.37	18,100,000.00	60,504.19
0009 SELKIRK COLLEGE (CDP)	1	14,000,000.00	515,498.93	7,275,000.00	7,240,498.93
0010 BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY	1	59,492,447.79	2,657,967.14	0.00	62,150,414.93
0011 VANCOUVER COMMUNITY COLLEGE	1	9,150,000.00	520,433.63	3,500,000.00	6,170,433.63
0012 NORTHERN LIGHTS COLLEGE (CDP)	1	4,454,000.00	229,299.76	0.00	4,683,299.76
0013 DOUGLAS COLLEGE	1	60,025,000.00	2,119,761.29	46,025,000.00	16,119,761.29
0017 COLLEGE OF NEW CALEDONIA	2	30,500,000.00	1,656,891.40	1,468,763.99	30,688,127.41
0019 NORTH ISLAND COLLEGE	1	4,000,000.00	115,037.02	4,112,034.99	3,002.03
0021 LANGARA COLLEGE	1	27,410,000.00	1,873,381.55	7,510,000.00	21,773,381.55
0022 NICOLA VALLEY INSTITUTE OF TECHNOLOGY	3	11,189,174.41	398,938.53	2,887,270.47	8,700,842.47
Division Total:	20	265,643,409.93	13,111,719.29	101,232,178.36	177,522,950.86

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Report Options:
Ministry : - All

Ministry : CC CROWN CORPORATIONS
Division : 01 CROWN CORPORATIONS

	# Certs	Total Deposits	Interest to Date	Withdrawals to Date	Total
0002 BC IMMIGRANT INVESTMENT FUND LTD	1	557,917,000.00	4,072,529.97	547,940,477.03	14,049,052.94
0004 BC HOUSING MANAGMENT COMMISSION	1	650,000,000.00	22,010,794.72	672,010,794.72	0.00
0005 BC PUBLIC SCHOOL EMPLOYERS' ASSOCIATION	2	16,150,000.00	380,681.47	9,040,000.00	7,490,681.47
0006 GREAT NORTHERN WAY CAMPUS TRUST	1	18,000,000.00	814,528.54	9,500,000.00	9,314,528.54
0007 BC TRANSIT	1	60,000,000.00	456,335.59	60,449,138.64	7,196.95
0008 HEALTH EMPLOYERS ASSOCIATON OF BC	1	40,400,000.00	620,374.02	13,500,000.00	27,520,374.02
0009 PARTNERSHIPS BC	1	14,700,000.00	614,954.01	0.00	15,314,954.01
0010 BCNET	1	9,500,000.00	79,482.11	2,000,000.00	7,579,482.11
0011 REAL ESTATE COUNCIL OF BRITISH COLUMBIA	1	3,000,000.00	38,824.06	300,100.00	2,738,724.06
0013 POST-SECONDARY EMPLOYERS' ASSOCIATION	1	3,750,000.00	49,918.05	750,000.00	3,049,918.05
Division Total:	11	1,373,417,000.00	29,138,422.54	1,315,490,510.39	87,064,912.15

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Report Options:
Ministry : - All

Ministry : ED EDUCATION
Division : 01 SCHOOL DISTRICTS

	# Certs	Total Deposits	Interest to Date	Withdrawals to Date	Total
0005 SD#5 SOUTHEAST KOOTENAY	1	11,500,000.00	542,746.38	8,873,937.63	3,168,808.75
0006 SD#6 ROCKY MOUNTAIN	1	5,000,000.00	251,260.81	4,000,000.00	1,251,260.81
0008 SD#8 KOOTENAY LAKE	1	4,000,000.00	355,850.26	2,035,000.00	2,320,850.26
0019 SD#19 REVELSTOKE	1	2,450,000.00	141,776.35	400,000.00	2,191,776.35
0020 SD#20 KOOTENAY-COLUMBIA	1	4,450,000.00	147,086.04	1,000,000.00	3,597,086.04
0022 SD#22 VERNON	1	10,000,000.00	1,224,988.86	0.00	11,224,988.86
0023 SD#23 CENTRAL OKANAGAN	1	55,600,000.00	1,240,800.74	45,600,000.00	11,240,800.74
0027 SD#27 CARIBOO-CHILCOTIN	1	3,000,000.00	475,405.30	351,657.49	3,123,747.81
0028 SD#28 QUESNEL	1	800,000.00	124,615.26	0.00	924,615.26
0033 SD#33 CHILLIWACK	1	70,500,000.00	2,655,805.20	54,400,000.00	18,755,805.20
0034 SD#34 ABBOTSFORD	1	50,055,000.00	2,921,182.83	26,000,000.00	26,976,182.83
0035 SD#35 LANGLEY	1	42,008,925.00	2,844,828.74	10,008,925.00	34,844,828.74
0036 SD#36 SURREY	1	110,000,000.00	8,300,010.36	10,000,000.00	108,300,010.36
0037 SD#37 DELTA	1	60,500,000.00	3,906,260.66	35,000,000.00	29,406,260.66
0038 SD#38 RICHMOND	1	101,000,000.00	11,849,834.52	0.00	112,849,834.52
0039 SD#39 VANCOUVER	2	418,000,000.00	18,807,489.14	225,500,000.00	211,307,489.14
0040 SD#40 NEW WESTMINSTER	1	36,500,000.00	1,553,680.74	22,305,000.00	15,748,680.74
0041 SD#41 BURNABY	1	139,500,000.00	9,604,772.01	86,000,000.00	63,104,772.01
0042 SD#42 MAPLE RIDGE-PITT MEADOWS	1	80,700,000.00	4,774,767.78	55,000,000.00	30,474,767.78
0043 SD#43 COQUITLAM	1	701,225,055.00	15,254,685.02	576,641,902.16	139,837,837.86
0044 SD#44 NORTH VANCOUVER	1	30,800,000.00	3,005,517.12	13,200,000.00	20,605,517.12
0045 SD#45 WEST VANCOUVER	1	21,500,000.00	1,315,239.95	14,000,000.00	8,815,239.95
0046 SD#46 SUNSHINE COAST	1	21,500,000.00	868,636.82	12,000,000.00	10,368,636.82
0047 SD#47 POWELL RIVER	1	750,000.00	46,077.50	775,000.00	21,077.50
0048 SD#48 SEA TO SKY	1	5,000,000.00	661,486.85	0.00	5,661,486.85
0049 SD#49 CENTRAL COAST	1	500,000.00	61,840.17	0.00	561,840.17
0050 SD#50 HAIDA GWAII	1	700,000.00	82,490.11	0.00	782,490.11
0051 SD#51 BOUNDARY	1	1,250,000.00	150,110.06	600,000.00	800,110.06
0052 SD#52 PRINCE RUPERT	1	3,612,000.00	230,163.09	3,050,000.00	792,163.09
0053 SD#53 OKANAGAN SIMILKAMEEN	1	1,500,000.00	203,373.51	0.00	1,703,373.51
0054 SD#54 BULKLEY VALLEY	1	3,000,000.00	378,158.66	0.00	3,378,158.66
0057 SD#57 PRINCE GEORGE	1	56,600,000.00	1,915,368.65	53,000,000.00	5,515,368.65
0058 SD#58 NICOLA-SIMILKAMEEN	1	4,000,000.00	415,819.70	0.00	4,415,819.70
0059 SD#59 PEACE RIVER SOUTH	1	8,500,000.00	1,023,018.87	3,500,000.00	6,023,018.87
0060 SD#60 PEACE RIVER NORTH	1	34,750,000.00	799,531.31	28,730,000.00	6,819,531.31
0061 SD#61 GREATER VICTORIA	1	39,000,000.00	5,957,897.87	9,003,698.63	35,954,199.24
0062 SD#62 SOOKE	12	86,863,199.35	1,765,211.52	69,575,820.71	19,052,590.16
0063 SD#63 SAANICH	1	13,900,000.00	1,219,349.26	4,500,000.00	10,619,349.26
0064 SD#64 GULF ISLANDS	2	2,690,077.42	241,360.45	2,100,000.00	831,437.87
0067 SD#67 OKANAGAN SKAHA	1	20,000,000.00	375,964.49	11,200,000.00	9,175,964.49
0068 SD#68 NANAIMO-LADYSMITH	1	17,000,000.00	2,155,306.34	5,000,000.00	14,155,306.34
0069 SD#69 QUALICUM	1	7,000,000.00	783,761.49	700,000.00	7,083,761.49
0070 SD#70 ALBERNI	1	1,000,000.00	64,101.93	1,000,000.00	64,101.93

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Report Options:
Ministry : - All

Ministry : ED EDUCATION
Division : 01 SCHOOL DISTRICTS

	# Certs	Total Deposits	Interest to Date	Withdrawals to Date	Total
0071 SD#71 COMOX VALLEY	1	8,000,000.00	840,483.01	2,000,000.00	6,840,483.01
0072 SD#72 CAMPBELL RIVER	1	6,000,000.00	835,715.28	0.00	6,835,715.28
0073 SD#73 KAMLOOPS-THOMPSON	1	32,357,655.00	1,136,553.41	22,500,000.00	10,994,208.41
0074 SD#74 GOLD TRAIL	1	9,500,000.00	933,195.72	2,700,000.00	7,733,195.72
0075 SD#75 MISSION	1	6,000,000.00	376,506.74	4,000,000.00	2,376,506.74
0078 SD#78 FRASER-CASCADE	1	6,100,000.00	725,789.56	1,500,000.00	5,325,789.56
0079 SD#79 COWICHAN VALLEY	1	17,500,000.00	1,442,962.41	2,000,000.00	16,942,962.41
0081 SD#81 FORT NELSON	1	6,447,000.00	176,847.62	5,286,468.26	1,337,379.36
0082 SD#82 COAST MOUNTAINS	1	9,100,000.00	309,122.39	6,100,000.00	3,309,122.39
0083 SD#83 NORTH OKANAGAN-SHUSWAP	1	8,950,000.00	767,243.64	5,600,000.00	4,117,243.64
0084 SD#84 VANCOUVER ISLAND WEST	1	300,000.00	444,916.54	0.00	744,916.54
0085 SD#85 VANCOUVER ISLAND NORTH	1	4,100,000.00	147,761.94	800,000.00	3,152,238.06
0087 SD#87 STIKINE	1	3,700,000.00	489,356.33	0.00	4,189,356.33
0091 SD#91 NECHAKO LAKES	1	3,194,639.43	355,704.50	21,097.46	3,529,246.47
0092 SD#92 NISGA'A	1	260,000.00	28,938.39	0.00	288,938.39
0093 SD#93 FRANCOPHONE EDUCATION AUTHORITY	1	14,800,000.00	462,218.71	14,659,497.40	602,721.31
Division Total:	72	2,424,513,551.20	119,875,425.03	1,462,218,004.74	1,082,170,971.49

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Report Options:
Ministry : - All

Ministry : HE MINISTRY OF HEALTH
Division : 11 PROVIDENCE HEALTH CARE (CDP)

	# Certs	Total Deposits	Interest to Date	Withdrawals to Date	Total
0099 PROVIDENCE HEALTH CARE (CDP)	2	22,455,444.27	1,230,892.83	1,000,000.00-	24,686,337.10
Division Total:	2	22,455,444.27	1,230,892.83	1,000,000.00-	24,686,337.10

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Report Options:
Ministry : - All

Ministry : HE MINISTRY OF HEALTH
Division : 12 FRASER HEALTH AUTHORITY (CDP)

	# Certs	Total Deposits	Interest to Date	Withdrawals to Date	Total
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0099 FRASER HEALTH AUTHORITY (CDP)	3	218,567,855.36	23,473,614.15	2,200,000.00	239,841,469.51
Division Total:	3	218,567,855.36	23,473,614.15	2,200,000.00	239,841,469.51

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Report Options:
Ministry : - All

Ministry : HE MINISTRY OF HEALTH
Division : 13 INTERIOR HEALTH AUTHORITY (CDP)

	# Certs	Total Deposits	Interest to Date	Withdrawals to Date	Total
0099 INTERIOR HEALTH AUTHORITY (CDP)	1	260,547,472.30	15,200,325.24	180,000,000.00	95,747,797.54
Division Total:	1	260,547,472.30	15,200,325.24	180,000,000.00	95,747,797.54

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Report Options:
Ministry : - All

Ministry : HE MINISTRY OF HEALTH
Division : 14 NORTHERN HEALTH AUTHORITY (CDP)

	# Certs	Total Deposits	Interest to Date	Withdrawals to Date	Total
0099 NORTHERN HEALTH AUTHORITY (CDP)	1	46,486,520.62	2,837,404.17	26,000,000.00	23,323,924.79
Division Total:	1	46,486,520.62	2,837,404.17	26,000,000.00	23,323,924.79

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Report Options:
Ministry : - All

Ministry : HE MINISTRY OF HEALTH
Division : 15 VANCOUVER COASTAL HEALTH AUTHORITY (CDP)

	# Certs	Total Deposits	Interest to Date	Withdrawals to Date	Total
0099 VANCOUVER COASTAL HEALTH AUTH (CDP)	1	381,485,512.00	34,517,629.52	95,000,000.00	321,003,141.52
Division Total:	1	381,485,512.00	34,517,629.52	95,000,000.00	321,003,141.52

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Report Options:
Ministry : - All

Ministry : HE MINISTRY OF HEALTH
Division : 16 VANCOUVER ISLAND HEALTH AUTHORITY (CDP)

	# Certs	Total Deposits	Interest to Date	Withdrawals to Date	Total
0099 VANCOUVER ISLAND HEALTH AUTH (CDP)	1	236,884,546.60	13,423,996.22	201,000,005.00	49,308,537.82
Division Total:	1	236,884,546.60	13,423,996.22	201,000,005.00	49,308,537.82

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Report Options:
Ministry : - All

Ministry : HE MINISTRY OF HEALTH
Division : 19 PROVINCIAL HEALTH SERVICES AUTH (CDP)

	# Certs	Total Deposits	Interest to Date	Withdrawals to Date	Total
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0099 PROVINCIAL HEALTH SERVICES AUTH (CDP)	1	66,495,000.00	3,048,355.21	69,536,458.72	6,896.49
Division Total:	1	66,495,000.00	3,048,355.21	69,536,458.72	6,896.49