

Audited Financial Statements of

School District No. 49 (Central Coast)

June 30, 2019

School District No. 49 (Central Coast)

June 30, 2019

Table of Contents

| | |
|---|----|
| Management Report | 1 |
| Independent Auditors' Report | 2 |
| Statement of Financial Position - Statement 1 | 3 |
| Statement of Operations - Statement 2 | 4 |
| Statement of Changes in Net Financial Assets (Debt) - Statement 4 | 5 |
| Statement of Cash Flows - Statement 5 | 6 |
| Notes to the Financial Statements | |
| Auditors' Comments on Supplementary Financial Information | 7 |
| Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited) | 8 |
| Schedule of Operating Operations - Schedule 2 (Unaudited) | 9 |
| Schedule 2A - Schedule of Operating Revenue by Source (Unaudited) | 10 |
| Schedule 2B - Schedule of Operating Expense by Object (Unaudited) | 11 |
| Schedule 2C - Operating Expense by Function, Program and Object (Unaudited) | 12 |
| Schedule of Special Purpose Operations - Schedule 3 (Unaudited) | 14 |
| Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited) | 15 |
| Schedule of Capital Operations - Schedule 4 (Unaudited) | 17 |
| Schedule 4A - Tangible Capital Assets (Unaudited) | 18 |
| Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited) | 19 |
| Schedule 4C - Deferred Capital Revenue (Unaudited) | 20 |
| Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited) | 21 |

School District No. 49 (Central Coast)

MANAGEMENT REPORT

Version: 4487-3741-1759

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 49 (Central Coast) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

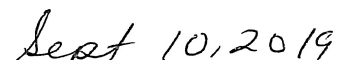
Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 49 (Central Coast) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

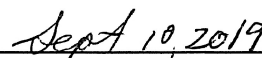
The external auditors, KPMG, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 49 (Central Coast) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

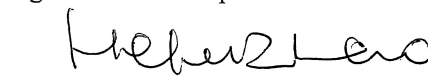
On behalf of School District No. 49 (Central Coast)


Signature of the Chairperson of the Board of Education


Date Signed


Signature of the Superintendent


Date Signed


Signature of the Secretary Treasurer


Date Signed



KPMG LLP
177 Victoria Street, Suite 400
Prince George BC V2L 5R8
Canada
Telephone (250) 563-7151
Fax (250) 563-5693

INDEPENDENT AUDITORS' REPORT

To the Board of Education of the School District No. 49 (Central Coast)
To the Minister of Education, Province of British Columbia

Opinion

We have audited the financial statements of School District No. 49 (Central Coast) (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.



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:

- Unaudited Schedules 1-4 attached to the audited financial statements

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.

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.

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.

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 the 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 the Entity to cease to continue as a going concern.
- 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.

Chartered Professional Accountants

September 10, 2019
Prince George, Canada

School District No. 49 (Central Coast)

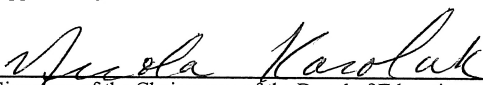
Statement 1

Statement of Financial Position

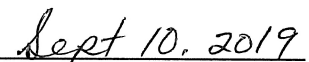
As at June 30, 2019

| | 2019 Actual | 2018 Actual |
|--|--------------------|--------------------|
| | \$ | \$ |
| Financial Assets | | |
| Cash and Cash Equivalents | 4,094,676 | 4,991,256 |
| Accounts Receivable | | |
| Due from Province - Ministry of Education (Note 3) | 140,838 | |
| Due from LEA/Direct Funding (Note 3) | 592,941 | |
| Other (Note 3) | 80,759 | 147,713 |
| Total Financial Assets | 4,909,214 | 5,138,969 |
| Liabilities | | |
| Accounts Payable and Accrued Liabilities | | |
| Other (Note 4) | 293,440 | 255,884 |
| Deferred Revenue (Note 5) | 72,691 | 41,553 |
| Deferred Capital Revenue (Note 6) | 10,549,728 | 9,850,722 |
| Employee Future Benefits (Note 8) | 252,389 | 258,631 |
| Total Liabilities | 11,168,248 | 10,406,790 |
| Net Financial Assets (Debt) | (6,259,034) | (5,267,821) |
| Non-Financial Assets | | |
| Tangible Capital Assets (Note 9) | 9,962,173 | 9,278,504 |
| Prepaid Expenses | 6,563 | 498 |
| Total Non-Financial Assets | 9,968,736 | 9,279,002 |
| Accumulated Surplus (Deficit) | 3,709,702 | 4,011,181 |


Approved by the Board



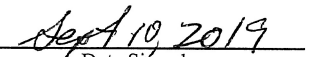
Signature of the Chairperson of the Board of Education




Date Signed



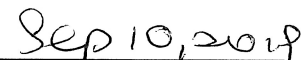
Signature of the Superintendent



Date Signed



Signature of the Secretary Treasurer



Date Signed

School District No. 49 (Central Coast)

Statement 2

Statement of Operations

Year Ended June 30, 2019

| | 2019 Budget \$ | 2019 Actual \$ | 2018 Actual \$ |
|---|----------------------|----------------------|----------------------|
| Revenues | | | |
| Provincial Grants | | | |
| Ministry of Education | 4,624,702 | 3,993,950 | 3,923,058 |
| Other | | 23,287 | 49,322 |
| Federal Grants | | 12,250 | |
| Other Revenue | 2,828,681 | 3,551,197 | 2,763,724 |
| Rentals and Leases | 16,275 | 16,300 | 16,275 |
| Investment Income | 41,396 | 64,054 | 47,259 |
| Amortization of Deferred Capital Revenue | 321,659 | 321,659 | 308,414 |
| Total Revenue | <u>7,832,713</u> | <u>7,982,697</u> | <u>7,108,052</u> |
| Expenses | | | |
| Instruction | 5,854,681 | 5,981,534 | 4,781,741 |
| District Administration | 676,943 | 666,431 | 666,115 |
| Operations and Maintenance | 1,269,523 | 1,287,607 | 1,338,285 |
| Transportation and Housing | 337,935 | 348,604 | 323,014 |
| Total Expense | <u>8,139,082</u> | <u>8,284,176</u> | <u>7,109,155</u> |
| Surplus (Deficit) for the year | <u>(306,369)</u> | <u>(301,479)</u> | <u>(1,103)</u> |
| Accumulated Surplus (Deficit) from Operations, beginning of year | | 4,011,181 | 4,012,284 |
| Accumulated Surplus (Deficit) from Operations, end of year | | <u>3,709,702</u> | <u>4,011,181</u> |

School District No. 49 (Central Coast)

Statement 4

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2019

| | 2019 Budget \$ | 2019 Actual \$ | 2018 Actual \$ |
|--|----------------------|----------------------|----------------------|
| Surplus (Deficit) for the year | (306,369) | (301,479) | (1,103) |
| Effect of change in Tangible Capital Assets | | | |
| Acquisition of Tangible Capital Assets | (374,020) | (1,067,630) | (971,149) |
| Amortization of Tangible Capital Assets | 383,961 | 383,961 | 377,795 |
| Total Effect of change in Tangible Capital Assets | 9,941 | (683,669) | (593,354) |
| Acquisition of Prepaid Expenses | | (6,065) | |
| Total Effect of change in Other Non-Financial Assets | - | (6,065) | - |
| (Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses) | <u>(296,428)</u> | (991,213) | (594,457) |
| Net Remeasurement Gains (Losses) | | | |
| (Increase) Decrease in Net Financial Assets (Debt) | | (991,213) | (594,457) |
| Net Financial Assets (Debt), beginning of year | | (5,267,821) | (4,673,364) |
| Net Financial Assets (Debt), end of year | | (6,259,034) | (5,267,821) |

School District No. 49 (Central Coast)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2019

| | 2019 Actual \$ | 2018 Actual \$ |
|---|----------------------|----------------------|
| Operating Transactions | | |
| Surplus (Deficit) for the year | (301,479) | (1,103) |
| Changes in Non-Cash Working Capital | | |
| Decrease (Increase) | | |
| Accounts Receivable | (666,825) | 92,582 |
| Prepaid Expenses | (6,065) | |
| Increase (Decrease) | | |
| Accounts Payable and Accrued Liabilities | 37,557 | 34,217 |
| Deferred Revenue | 31,138 | (45,342) |
| Employee Future Benefits | (6,243) | (1,890) |
| Amortization of Tangible Capital Assets | 383,961 | 377,795 |
| Amortization of Deferred Capital Revenue | (321,659) | (308,414) |
| Total Operating Transactions | (849,615) | 147,845 |
| Capital Transactions | | |
| Tangible Capital Assets Purchased | (301,500) | (697,682) |
| Tangible Capital Assets -WIP Purchased | (779,698) | (273,467) |
| Total Capital Transactions | (1,081,198) | (971,149) |
| Financing Transactions | | |
| Capital Revenue Received | 1,034,233 | 1,955,212 |
| Total Financing Transactions | 1,034,233 | 1,955,212 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (896,580) | 1,131,908 |
| Cash and Cash Equivalents, beginning of year | 4,991,256 | 3,859,348 |
| Cash and Cash Equivalents, end of year | 4,094,676 | 4,991,256 |
| Cash and Cash Equivalents, end of year, is made up of: | | |
| Cash | 4,094,676 | 4,991,256 |
| | 4,094,676 | 4,991,256 |



NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12, 1946 operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No.49 (Central Coast)", and operates as "School District No.49 (Central Coast)". A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No.49 (Central Coast) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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

As noted in notes 2(d) and 2(j), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue.

b) Cash and cash equivalents

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

c) Accounts Receivable

Accounts receivable are measured at amortized cost and shown net of allowance for doubtful accounts (refer also to Note 3).



NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Deferred Revenue and Deferred Capital Revenue

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

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

e) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2019 and projected to March 31, 2022. The next valuation will be performed at March 31, 2022 for use at June 30, 2022. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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



NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use all the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the School district:
 - is directly responsible; or
 - accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

g) Tangible Capital Assets

The following criteria apply:

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

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



NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Prepaid Expenses

Security deposits are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

i) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 10 – Interfund Transfers and Note 15 – Internally Restricted Surplus).

j) Revenue recognition

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

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

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

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

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

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

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

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



NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Expenditures

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

Categories of Salaries

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

Allocation of Costs

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

l) Financial instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, bank overdraft, accounts payable and accrued liabilities, long term debt and other liabilities.

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of re-measurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of re-measurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

Continued...



NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l) Financial instruments (Continued)

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

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

m) Measurement Uncertainty

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

NOTE 3 ACCOUNTS RECEIVABLE

| | June 30, 2019 | June 30, 2018 |
|--|----------------------|---------------|
| Due from Canada (GST rebate) | \$40,483 | \$42,436 |
| Due from Local Education Agreement (LEA) | 592,941 | 52,286 |
| Due from Ministry of Education | 140,838 | 0 |
| Due from Local Employee Associations | 13,378 | 23,401 |
| Due from Schools | 20,323 | 25,307 |
| Due from Employees | 0 | 1,073 |
| Miscellaneous | 6,575 | 3,210 |
| Totals | \$814,538 | \$147,713 |



NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | June 30, 2019 | June 30, 2018 |
|--|----------------------|---------------|
| Trade Payables | \$37,119 | \$43,678 |
| Salary and Benefits payable to Employees | 236,783 | 188,076 |
| Accrued vacation pay | 19,538 | 24,130 |
| Totals | \$293,440 | \$255,884 |

NOTE 5 DEFERRED REVENUE

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

| | 2019 | 2018 |
|--|-----------------|----------|
| Deferred Revenue, Balance, beginning of year, July, 1st | \$41,553 | \$86,895 |
| Changes for the year: | | |
| Increase: | | |
| Scholarships and Bursaries | 1,000 | 0 |
| School Generated Funds | 30,138 | 6,499 |
| Priority Measures Grant | | |
| Annual Facility Grant | | |
| | 31,138 | 6,499 |
| Decrease: | | |
| Service Delivery Transformation Grant | | |
| Annual Facility Grant | 0 | 6,866 |
| Priority Measures Grant | 0 | 44,975 |
| | 0 | 51,841 |
| Net changes for the year | 31,138 | (45,342) |
| Deferred Revenue, Balance, end of year, June, 30th | \$72,691 | \$41,553 |



NOTE 6 DEFERRED CAPITAL REVENUE

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

| | 2019 | 2018 |
|--|---------------------|-------------|
| Deferred Capital Revenue (includes Work in Progress), beginning of year, July 1st | \$9,850,722 | \$8,203,924 |
| Changes for the year: | | |
| Increase: | | |
| Provincial Grant-MOE | 481,918 | 1,555,250 |
| Provincial Grant-Other | 538,747 | 399,962 |
| | 1,020,665 | 1,955,212 |
| Decrease: | | |
| Amortization of Deferred Capital Revenue | 321,659 | 308,414 |
| | 321,659 | 308,414 |
| Net changes for the year | 699,006 | 1,646,798 |
| Deferred Capital Revenue (includes Work in Progress), End of year, June 30th | \$10,549,728 | \$9,850,722 |



NOTE 7 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension Plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering of the pension plan, including investing assets and administering benefits. The plans are multi-employer defined benefits pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2018, the Teachers' Pension Plan has about 47,849 active members from school districts, and approximately 38,465 retired members and 12,491 inactive members. As at December 31, 2018 the Municipal Pension Plan has about 204,593 active members, 100,971 retired members and 43,126 inactive members.

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

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2017, indicated a \$1,656 million surplus for basic pension benefits on a going concern basis. As a result of the 2017 basic account actuarial valuation surplus, plan enhancements and contribution rate adjustments were made; the remaining \$644 million surplus was transferred to the rate stabilization account.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rate remained unchanged.

School District No.49 (Central Coast) paid \$506,064 for employer contributions to these plans in the year ended June 30, 2019 (2018: \$465,832).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2020, with results available in 2021. The next valuation for the Municipal Pension Plan will be as at December 31, 2018, with results available in 2019.

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



NOTE 8 EMPLOYEE FUTURE BENEFITS

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

| | June 30, 2019 | June 30, 2018 |
|---|------------------|------------------|
| Reconciliation of Accrued Benefit Obligation | | |
| Accrued Benefit Obligation – April 1 | \$266,129 | \$264,012 |
| Service Cost | 19,362 | 18,453 |
| Interest Cost | 7,483 | 7,435 |
| Benefit Payments | -35,647 | -30,209 |
| Actuarial (Gain) Loss | -69,402 | 6,438 |
| Accrued Benefit Obligation – March 31 | <u>\$187,925</u> | <u>\$266,129</u> |

Reconciliation of Funded Status at End of Fiscal Year

| | | |
|---|-------------------|-------------------|
| Accrued Benefit Obligation – March 31 | \$187,925 | \$266,129 |
| Market Value of Plan Assets – March 31 | 0 | 0 |
| Funded Status – Surplus (Deficit) | <u>-187,925</u> | <u>-266,129</u> |
| Employer Contributions After Measurement Date | 0 | 0 |
| Benefit Expense After Measurement Date | -6,494 | -6,711 |
| Unamortized Net Actuarial (Gain) Loss | -57,971 | 14,206 |
| Accrued Benefit Asset (Liability) – June 30 | <u>-\$252,389</u> | <u>-\$258,634</u> |

Reconciliation of Change in Accrued Benefit Liability

| | | |
|-------------------------------------|------------------|------------------|
| Accrued Benefit Liability – July 1 | \$258,634 | \$260,521 |
| Net expense for Fiscal Year | 29,402 | 28,322 |
| Employer Contributions | -35,647 | -30,209 |
| Accrued Benefit Liability – June 30 | <u>\$252,389</u> | <u>\$258,634</u> |

Components of Net Benefit Expense

| | | |
|---|-----------------|-----------------|
| Service Cost | \$19,822 | \$18,680 |
| Interest Cost | 6,805 | 7,447 |
| Amortization of Net Actuarial (Gain)/Loss | 2,775 | 2,195 |
| Net Benefit Expense (Income) | <u>\$29,402</u> | <u>\$28,322</u> |

Assumptions

| | | |
|------------------------------------|-------------------|-------------------|
| Discount Rate – April 1 | 2.75% | 2.75% |
| Discount Rate – March 31 | 2.50% | 2.75% |
| Long Term Salary Growth – April 1 | 2.50% + seniority | 2.50% + seniority |
| Long Term Salary Growth – March 31 | 2.50% + seniority | 2.50% + seniority |
| EARSLS – March 31 | 12.0 | 11.1 |



NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value:

| | Net Book Value June 30, 2019 | Net Book Value June 30, 2018 |
|------------------------------|---|---|
| Sites | \$558,024 | \$558,024 |
| Buildings | 7,882,043 | 7,958,960 |
| Buildings – work in progress | 935,091 | 411,905 |
| Furniture & Equipment | 164,077 | 63,086 |
| Equipment-work in progress | 202,809 | 3,728 |
| Vehicles | 206,273 | 263,003 |
| Computer Software | 0 | 0 |
| Computer Hardware | 13,856 | 19,798 |
| Total | \$9,962,173 | \$9,278,504 |

June 30, 2019

| Cost: | July 1, 2018 | Adjustment | Additions | Disposals | Work In Progress | June 30, 2019 |
|---|-------------------------|-------------------|------------------|-------------------|-----------------------------|--------------------------|
| Sites | \$558,024 | | | | | \$558,024 |
| Buildings | 15,811,877 | -\$13,568 | \$242,659 | | | 16,040,968 |
| Buildings – Work In Progress | 411,905 | | | | \$523,186 | 935,091 |
| Furniture & Equipment | 152,813 | | 116,272 | | | 269,085 |
| Furniture & Equipment-Work In Progress | 3,728 | | | | 199,081 | 202,809 |
| Vehicles | 567,304 | | | -155,445 | | 411,859 |
| Computer Software | 0 | | | | | 0 |
| Computer Hardware | 29,712 | | | | | 29,712 |
| Total | \$17,535,363 | \$-13,568 | \$358,931 | -\$155,445 | \$722,267 | \$18,447,548 |

| Accumulated Amortization: | July 1, 2018 | Additions | Disposals | June 30, 2019 |
|----------------------------------|-------------------------|------------------|-------------------|--------------------------|
| Sites | | | | |
| Buildings | \$7,852,917 | \$306,008 | | \$8,158,925 |
| Furniture & Equipment | 89,727 | 15,281 | | 105,008 |
| Vehicles | 304,301 | 56,730 | -\$155,445 | 205,586 |
| Computer Software | 0 | | | 0 |
| Computer Hardware | 9,914 | 5,942 | - | 15,856 |
| Total | \$8,256,859 | \$383,961 | -\$155,445 | \$8,485,375 |

- Buildings - work in progress having a value \$935,091 have not been amortized. Amortization of these assets will commence when the asset was put into service.
- Equipment - work in progress having a value \$202,809 have not been amortized. Amortization of these assets will commence when the asset was put into service



NOTE 9 TANGIBLE CAPITAL ASSETS (continued)

June 30, 2018

| Cost: | July 1, 2017 | Additions | Disposals | Work In Progress | June 30, 2018 |
|--|---------------------|------------------|------------------|---------------------|---------------------|
| Sites | \$558,024 | | | | \$558,024 |
| Buildings | 15,136,157 | \$675,720 | | | 15,811,877 |
| Buildings – Work In Progress | 142,166 | | | \$269,739 | 411,905 |
| Furniture & Equipment | 195,205 | 8,773 | -\$51,165 | | 152,813 |
| Furniture & Equipment-Work In Progress | 0 | | | 3,728 | 3,728 |
| Vehicles | 567,304 | | | | 567,304 |
| Computer Software | 0 | | | | 0 |
| Computer Hardware | 48,193 | 13,189 | -\$31,670 | | 29,712 |
| Total | \$16,647,049 | \$697,682 | -\$82,835 | \$273,467 | \$17,535,363 |

| Accumulated Amortization: | July 1, 2017 | Additions | Disposals | | June 30, 2018 |
|---------------------------|--------------------|------------------|------------------|--|--------------------|
| Sites | | | | | |
| Buildings | \$7,561,012 | \$291,905 | | | \$7,852,917 |
| Furniture & Equipment | 121,371 | 19,521 | -\$51,165 | | 89,727 |
| Vehicles | 245,571 | 56,730 | | | 304,301 |
| Computer Software | | | | | |
| Computer Hardware | 31,945 | 9,639 | -\$31,670 | | 9,914 |
| Total | \$7,961,899 | \$377,795 | -\$82,835 | | \$8,256,859 |

- Buildings - work in progress having a value \$411,905 have not been amortized. Amortization of these assets will commenced when the asset was put into service.
- Equipment - work in progress having a value \$3,728 have not been amortized. Amortization of these assets will commenced when the asset was put into service

NOTE 10 INTERFUND TRANSFERS

There was no inter-fund transfer between the operating, special purpose and capital funds for the year ended June 30, 2019.

NOTE 11 RELATED PARTY TRANSACTIONS

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



NOTE 12 BUDGET FIGURES

The budget figures data presented in these financial statements are based upon the 2018/19 amended annual budget adopted by the Board on January 30, 2019. The chart following presents the originally approved 2018/19 annual budget bylaw and the amended annual budget bylaw reported in these financial statements.

| | <u>2019 Amended Annual Budget</u> | <u>2019 Annual Budget</u> |
|--|--|--------------------------------------|
| Revenues | | |
| Provincial Grants | | |
| Ministry of Education | \$4,624,702 | \$4,074,012 |
| Other Revenue | 2,828,681 | 2,774,904 |
| Rental and Leases | 16,275 | 11,500 |
| Investment Income | 41,396 | 30,000 |
| Amortization of Deferred Capital Revenue | 321,659 | 309,873 |
| Total Revenue | \$7,832,713 | \$7,200,289 |
| Expenses | | |
| Instructions | \$5,854,681 | \$5,332,857 |
| District Administration | 676,943 | 697,365 |
| Operations and Maintenance | 1,269,523 | 1,188,282 |
| Transportation and Housing | 337,935 | 312,506 |
| Total Expenses | \$8,139,082 | \$7,531,010 |
| Net Revenue (Expenses) | \$(306,369) | \$(330,721) |
| Budgeted Allocation(Retirement) of Surplus (Deficit) | \$244,067 | \$263,052 |
| Budgeted Surplus(Deficit), for the year | \$(62,302) | \$(67,669) |
| Budgeted Surplus (Deficit), for the year comprised of: | | |
| Operating Fund Surplus (Deficit) | | |
| Special Purpose Fund Surplus (Deficit) | | |
| Capital Fund Surplus (Deficit) | \$(62,302) | \$(67,669) |
| Budgeted Surplus (Deficit), for the year | \$(62,302) | \$(67,669) |
| Budgeted Bylaw Amount | | |
| Operating – Total Expenses | \$6,704,743 | \$6,393,390 |
| Special Purpose Funds – Total Expenses | 1,050,378 | 760,078 |
| Capital Fund – Total Expenses | 383,961 | 377,542 |
| Total Budgeted Bylaw Amount | \$8,139,082 | \$7,531,010 |



NOTE 13 EXPENSE BY OBJECT

| | June 30, 2019 | June 30, 2018 |
|-----------------------|---------------------------|--------------------|
| Salaries and benefits | \$6,155,540 | \$5,142,080 |
| Services and supplies | 1,744,675 | 1,589,280 |
| Amortization | 383,961 | 377,795 |
| Totals | <u>\$8,284,176</u> | <u>\$7,109,155</u> |

NOTE 14 INTERNALLY RESTRICTED SURPLUS-OPERATING FUND

Internally restricted (appropriated) by Board for:

| | 2019 | 2018 |
|---|----------------------------------|---------------------------|
| Classroom Equipment and Textbooks | \$154,342 | \$45,851 |
| Schools Surplus Carry forward | 24,368 | 35,975 |
| Extra-curriculum | 18,600 | 0 |
| New curriculum | 32,166 | 0 |
| Certified EA Salary Increase | 0 | 25,000 |
| Exempt Staff Professional Development | 17,527 | 18,217 |
| Allocation to operation for 18/19 school year | 0 | 244,067 |
| Operation, staffing for 19/20 school year | 282,104 | 265,760 |
| Operation, staffing for 20/21 school year | 172,807 | 265,760 |
| Operation, staffing for 21/22 school year | 193,653 | 265,761 |
| Contingency Reserve | 263,807 | 263,807 |
| Internally restricted surplus | <u>\$1,159,374</u> | <u>\$1,430,198</u> |
| Unrestricted operating surplus | <u>337,767</u> | <u>316,946</u> |
| Total available for future operations | <u><u>\$1,497,141</u></u> | <u><u>\$1,744,144</u></u> |

NOTE 15 ECONOMIC DEPENDENCE

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



NOTE 16 RISK MANAGEMENT

The School District has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk.

The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit risk :

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

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

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized British Columbia institutions and the School District invests solely in term deposits.

b) Market risk :

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investment. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in term deposits that have a maturity date of no more than 3 years.

c) Liquidity risk

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

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

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance.

School District No. 49 (Central Coast)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2019

| | Operating Fund | Special Purpose Fund | Capital Fund | 2019 Actual | 2018 Actual |
|--|-------------------|-------------------------|-----------------|----------------|----------------|
| | \$ | \$ | \$ | \$ | \$ |
| Accumulated Surplus (Deficit), beginning of year | 1,744,144 | | 2,267,037 | 4,011,181 | 4,012,284 |
| Changes for the year | | | | | |
| Surplus (Deficit) for the year | (247,003) | | (54,476) | (301,479) | (1,103) |
| Net Changes for the year | (247,003) | - | (54,476) | (301,479) | (1,103) |
| Accumulated Surplus (Deficit), end of year - Statement 2 | 1,497,141 | - | 2,212,561 | 3,709,702 | 4,011,181 |

School District No. 49 (Central Coast)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2019

| | 2019 Budget \$ | 2019 Actual \$ | 2018 Actual \$ |
|---|----------------------|-------------------------|----------------------|
| Revenues | | | |
| Provincial Grants | | | |
| Ministry of Education | 3,665,899 | 3,035,148 | 3,238,782 |
| Other | | 23,287 | 49,322 |
| Federal Grants | | 12,250 | |
| Other Revenue | 2,737,160 | 3,401,688 | 2,685,960 |
| Rentals and Leases | 16,275 | 16,300 | 16,275 |
| Investment Income | 41,342 | 56,174 | 41,342 |
| Total Revenue | <u>6,460,676</u> | <u>6,544,847</u> | <u>6,031,681</u> |
| Expenses | | | |
| Instruction | 4,878,462 | 4,933,461 | 4,093,806 |
| District Administration | 676,943 | 666,431 | 666,115 |
| Operations and Maintenance | 869,097 | 890,010 | 932,238 |
| Transportation and Housing | 280,241 | 301,948 | 277,107 |
| Total Expense | <u>6,704,743</u> | <u>6,791,850</u> | <u>5,969,266</u> |
| Operating Surplus (Deficit) for the year | <u>(244,067)</u> | <u>(247,003)</u> | <u>62,415</u> |
| Budgeted Appropriation (Retirement) of Surplus (Deficit) | <u>244,067</u> | | |
| Total Operating Surplus (Deficit), for the year | <u>-</u> | <u>(247,003)</u> | <u>62,415</u> |
| Operating Surplus (Deficit), beginning of year | | 1,744,144 | 1,681,729 |
| Operating Surplus (Deficit), end of year | | <u>1,497,141</u> | <u>1,744,144</u> |
| Operating Surplus (Deficit), end of year | | | |
| Internally Restricted | | 1,159,374 | 1,430,198 |
| Unrestricted | | 337,767 | 313,946 |
| Total Operating Surplus (Deficit), end of year | | <u>1,497,141</u> | <u>1,744,144</u> |

School District No. 49 (Central Coast)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2019

| | 2019 Budget \$ | 2019 Actual \$ | 2018 Actual \$ |
|--|----------------------|----------------------|----------------------|
| Provincial Grants - Ministry of Education | | | |
| Operating Grant, Ministry of Education | 6,138,052 | 6,135,332 | 5,705,867 |
| ISC/LEA Recovery | (2,650,247) | (3,318,651) | (2,650,247) |
| Other Ministry of Education Grants | | | |
| Pay Equity | 42,403 | 42,403 | 42,403 |
| Transportation Supplement | 80,277 | 80,277 | 80,277 |
| Economic Stability Dividend | 1,409 | 3,035 | 1,409 |
| Return of Administrative Savings | | | 28,001 |
| Carbon Tax Grant | 10,834 | 11,555 | 10,834 |
| Employer Health Tax Grant | | 14,976 | |
| Strategic Priorities - Mental Health Grant | 37,000 | 37,000 | |
| Support Staff Benefits Grant | 2,077 | 2,077 | 2,077 |
| BCTEA - LEA Capacity Building Grant | | 20,550 | |
| Indigenous Language Learning/Teaching Resources Grant | | | 10,000 |
| Curriculum & Safety Schools Grants | | | 2,567 |
| FSA Monitoring | 4,094 | 4,094 | 4,094 |
| My Ed Grant | | 2,500 | 1,500 |
| Total Provincial Grants - Ministry of Education | 3,665,899 | 3,035,148 | 3,238,782 |
| Provincial Grants - Other | | 23,287 | 49,322 |
| Federal Grants | | 12,250 | |
| Tuition | | | |
| Other Revenues | | | |
| LEA Funding from First Nations | 2,650,247 | 3,318,651 | 2,650,247 |
| Miscellaneous | | | |
| Northern Development Initiative | 25,000 | 25,000 | 25,000 |
| Art Start | 6,200 | 6,000 | 6,200 |
| Miscellaneous | 4,513 | 3,192 | 4,513 |
| Child Care | 51,200 | 48,845 | |
| Total Other Revenue | 2,737,160 | 3,401,688 | 2,685,960 |
| Rentals and Leases | 16,275 | 16,300 | 16,275 |
| Investment Income | 41,342 | 56,174 | 41,342 |
| Total Operating Revenue | 6,460,676 | 6,544,847 | 6,031,681 |

School District No. 49 (Central Coast)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2019

| | 2019 Budget | 2019 Actual | 2018 Actual |
|-------------------------------------|----------------|----------------|----------------|
| | \$ | \$ | \$ |
| Salaries | | | |
| Teachers | 1,642,311 | 1,709,029 | 1,545,001 |
| Principals and Vice Principals | 529,509 | 562,084 | 479,739 |
| Educational Assistants | 959,797 | 937,543 | 623,137 |
| Support Staff | 578,745 | 609,187 | 547,133 |
| Other Professionals | 452,216 | 465,963 | 439,382 |
| Substitutes | 242,083 | 228,323 | 247,283 |
| Total Salaries | 4,404,661 | 4,512,129 | 3,881,675 |
| Employee Benefits | 975,216 | 935,590 | 843,700 |
| Total Salaries and Benefits | 5,379,877 | 5,447,719 | 4,725,375 |
| Services and Supplies | | | |
| Services | 322,092 | 360,478 | 411,595 |
| Student Transportation | 32,000 | 32,004 | 32,188 |
| Professional Development and Travel | 166,899 | 136,701 | 124,615 |
| Rentals and Leases | 19,737 | 21,472 | 29,001 |
| Dues and Fees | 12,000 | 13,803 | 11,767 |
| Insurance | 15,500 | 8,303 | 14,974 |
| Supplies | 449,197 | 490,178 | 343,597 |
| Utilities | 307,441 | 281,192 | 276,154 |
| Total Services and Supplies | 1,324,866 | 1,344,131 | 1,243,891 |
| Total Operating Expense | 6,704,743 | 6,791,850 | 5,969,266 |

School District No. 49 (Central Coast)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

| | Teachers Salaries | Principals and Vice Principals Salaries | Educational Assistants Salaries | Support Staff Salaries | Other Professionals Salaries | Substitutes Salaries | Total Salaries |
|--|----------------------|---|---------------------------------------|------------------------------|------------------------------------|-------------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 1 Instruction | | | | | | | |
| 1.02 Regular Instruction | 1,453,698 | 156,849 | | | | 78,241 | 1,688,788 |
| 1.07 Library Services | 48,611 | | 62,370 | | | 5,247 | 116,228 |
| 1.08 Counselling | | | | 12,398 | | | 12,398 |
| 1.10 Special Education | 102,383 | 73,737 | 689,018 | | | 71,252 | 936,390 |
| 1.31 Aboriginal Education | 104,337 | 64,576 | 75,865 | | | 14,128 | 258,906 |
| 1.41 School Administration | | 266,922 | | 141,021 | | 20,727 | 428,670 |
| 1.64 Other | | | 110,290 | | | | 110,290 |
| Total Function 1 | 1,709,029 | 562,084 | 937,543 | 153,419 | - | 189,595 | 3,551,670 |
| 4 District Administration | | | | | | | |
| 4.11 Educational Administration | | | | | 163,714 | | 163,714 |
| 4.40 School District Governance | | | | | 51,423 | | 51,423 |
| 4.41 Business Administration | | | | | 209,300 | | 209,300 |
| Total Function 4 | - | - | - | - | 424,437 | - | 424,437 |
| 5 Operations and Maintenance | | | | | | | |
| 5.41 Operations and Maintenance Administration | | | | | 27,688 | | 27,688 |
| 5.50 Maintenance Operations | | | | 316,800 | | 31,805 | 348,605 |
| 5.52 Maintenance of Grounds | | | | | | | - |
| 5.56 Utilities | | | | | | | - |
| Total Function 5 | - | - | - | 316,800 | 27,688 | 31,805 | 376,293 |
| 7 Transportation and Housing | | | | | | | |
| 7.41 Transportation and Housing Administration | | | | | 13,838 | | 13,838 |
| 7.70 Student Transportation | | | | 138,968 | | 6,923 | 145,891 |
| 7.73 Housing | | | | | | | - |
| Total Function 7 | - | - | - | 138,968 | 13,838 | 6,923 | 159,729 |
| 9 Debt Services | | | | | | | |
| Total Function 9 | - | - | - | - | - | - | - |
| Total Functions 1 - 9 | 1,709,029 | 562,084 | 937,543 | 609,187 | 465,963 | 228,323 | 4,512,129 |

School District No. 49 (Central Coast)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

| | Total Salaries | Employee Benefits | Total Salaries and Benefits | Services and Supplies | 2019 Actual | 2019 Budget | 2018 Actual |
|--|-------------------|----------------------|--------------------------------|--------------------------|------------------|------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 1 Instruction | | | | | | | |
| 1.02 Regular Instruction | 1,688,788 | 389,835 | 2,078,623 | 414,654 | 2,493,277 | 2,396,222 | 2,086,205 |
| 1.07 Library Services | 116,228 | 14,301 | 130,529 | 9,770 | 140,299 | 162,803 | 122,762 |
| 1.08 Counselling | 12,398 | 3,402 | 15,800 | | 15,800 | 14,594 | 16,299 |
| 1.10 Special Education | 936,390 | 206,383 | 1,142,773 | 136,178 | 1,278,951 | 1,223,296 | 1,049,758 |
| 1.31 Aboriginal Education | 258,906 | 35,156 | 294,062 | 32,811 | 326,873 | 392,224 | 295,103 |
| 1.41 School Administration | 428,670 | 94,952 | 523,622 | 17,005 | 540,627 | 518,657 | 523,679 |
| 1.64 Other | 110,290 | 19,276 | 129,566 | 8,068 | 137,634 | 170,666 | |
| Total Function 1 | 3,551,670 | 763,305 | 4,314,975 | 618,486 | 4,933,461 | 4,878,462 | 4,093,806 |
| 4 District Administration | | | | | | | |
| 4.11 Educational Administration | 163,714 | 31,577 | 195,291 | 6,141 | 201,432 | 215,366 | 185,861 |
| 4.40 School District Governance | 51,423 | 1,684 | 53,107 | 29,902 | 83,009 | 80,555 | 85,563 |
| 4.41 Business Administration | 209,300 | 44,101 | 253,401 | 128,589 | 381,990 | 381,022 | 394,691 |
| Total Function 4 | 424,437 | 77,362 | 501,799 | 164,632 | 666,431 | 676,943 | 666,115 |
| 5 Operations and Maintenance | | | | | | | |
| 5.41 Operations and Maintenance Administration | 27,688 | 5,047 | 32,735 | | 32,735 | 36,821 | 21,690 |
| 5.50 Maintenance Operations | 348,605 | 61,355 | 409,960 | 142,878 | 552,838 | 536,616 | 611,460 |
| 5.52 Maintenance of Grounds | - | - | - | 14,497 | 14,497 | 17,000 | 15,937 |
| 5.56 Utilities | - | - | - | 289,940 | 289,940 | 278,660 | 283,151 |
| Total Function 5 | 376,293 | 66,402 | 442,695 | 447,315 | 890,010 | 869,097 | 932,238 |
| 7 Transportation and Housing | | | | | | | |
| 7.41 Transportation and Housing Administration | 13,838 | 2,522 | 16,360 | | 16,360 | 16,910 | 8,062 |
| 7.70 Student Transportation | 145,891 | 25,999 | 171,890 | 108,932 | 280,822 | 258,331 | 263,529 |
| 7.73 Housing | - | - | - | 4,766 | 4,766 | 5,000 | 5,516 |
| Total Function 7 | 159,729 | 28,521 | 188,250 | 113,698 | 301,948 | 280,241 | 277,107 |
| 9 Debt Services | | | | | | | |
| Total Function 9 | - | - | - | - | - | - | - |
| Total Functions 1 - 9 | 4,512,129 | 935,590 | 5,447,719 | 1,344,131 | 6,791,850 | 6,704,743 | 5,969,266 |

School District No. 49 (Central Coast)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2019

| | 2019 Budget \$ | 2019 Actual \$ | 2018 Actual \$ |
|---|----------------------|-------------------------|----------------------|
| Revenues | | | |
| Provincial Grants | | | |
| Ministry of Education | 958,803 | 958,802 | 684,276 |
| Other Revenue | 91,521 | 149,509 | 77,764 |
| Investment Income | 54 | 54 | 54 |
| Total Revenue | <u>1,050,378</u> | <u>1,108,365</u> | <u>762,094</u> |
| Expenses | | | |
| Instruction | 976,219 | 1,048,073 | 687,935 |
| Operations and Maintenance | 74,159 | 60,292 | 74,159 |
| Total Expense | <u>1,050,378</u> | <u>1,108,365</u> | <u>762,094</u> |
| Special Purpose Surplus (Deficit) for the year | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Special Purpose Surplus (Deficit) for the year | <u>-</u> | <u>-</u> | <u>-</u> |
| Special Purpose Surplus (Deficit), beginning of year | | | |
| Special Purpose Surplus (Deficit), end of year | | <u>-</u> | <u>-</u> |

School District No. 49 (Central Coast)
Changes in Special Purpose Funds and Expense by Object

School District No. 49 (Central Coast)
Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2019

| | Annual Facility Grant | Learning Improvement Fund | Scholarships and Bursaries | School Generated Funds | Strong Start | Ready, Set, Learn | OLEP | CommunityLINK | Classroom Enhancement Fund - Overhead | Classroom Enhancement Fund - Staffing | TOTAL |
|--|-----------------------------|---------------------------------|----------------------------------|------------------------------|-----------------|-------------------------|-------|---------------|---|---|-----------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Deferred Revenue, beginning of year | | | 4,033 | 37,520 | | | | | | | 41,553 |
| Add: Restricted Grants | | | | | | | | | | | |
| Provincial Grants - Ministry of Education | 60,292 | 22,926 | | | 32,000 | 7,350 | 5,367 | 239,290 | 60,217 | 531,360 | 958,802 |
| Other | | | 1,000 | 179,647 | | | | | | | 180,647 |
| Investment Income | | | 54 | | | | | | | | 54 |
| | 60,292 | 22,926 | 1,054 | 179,647 | 32,000 | 7,350 | 5,367 | 239,290 | 60,217 | 531,360 | 1,139,503 |
| Less: Allocated to Revenue | 60,292 | 22,926 | 54 | 149,509 | 32,000 | 7,350 | 5,367 | 239,290 | 60,217 | 531,360 | 1,108,365 |
| Deferred Revenue, end of year | - | - | 5,033 | 67,658 | - | - | - | - | - | - | 72,691 |
| Revenues | | | | | | | | | | | |
| Provincial Grants - Ministry of Education | 60,292 | 22,926 | | | 32,000 | 7,350 | 5,367 | 239,290 | 60,217 | 531,360 | 958,802 |
| Other Revenue | | | | 149,509 | | | | | | | 149,509 |
| Investment Income | | | 54 | | | | | | | | 54 |
| | 60,292 | 22,926 | 54 | 149,509 | 32,000 | 7,350 | 5,367 | 239,290 | 60,217 | 531,360 | 1,108,365 |
| Expenses | | | | | | | | | | | |
| Salaries | | | | | | | | | | | |
| Teachers | | | | | | | 3,841 | | | 433,220 | 437,061 |
| Educational Assistants | | 17,959 | | | 28,222 | | | 84,951 | | | 131,132 |
| Substitutes | | | | | | | | 7,255 | | 423 | 7,678 |
| | - | 17,959 | - | - | 28,222 | - | 3,841 | 92,206 | - | 433,643 | 575,871 |
| Employee Benefits | | 4,967 | | | 3,778 | | 846 | 24,642 | | 97,717 | 131,950 |
| Services and Supplies | 60,292 | | 54 | 149,509 | | 7,350 | 680 | 122,442 | 60,217 | | 400,544 |
| | 60,292 | 22,926 | 54 | 149,509 | 32,000 | 7,350 | 5,367 | 239,290 | 60,217 | 531,360 | 1,108,365 |
| Net Revenue (Expense) before Interfund Transfers | - | - | - | - | - | - | - | - | - | - | - |
| Interfund Transfers | | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | - | - | - |
| Net Revenue (Expense) | - | - | - | - | - | - | - | - | - | - | - |

School District No. 49 (Central Coast)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2019

| | 2019 | 2019 Actual | | | 2018 |
|---|----------|----------------------|---------|-----------|-----------|
| | Budget | Invested in Tangible | Local | Fund | Actual |
| | \$ | Capital Assets | Capital | Balance | \$ |
| Revenues | | | | | |
| Investment Income | | | 7,826 | 7,826 | 5,863 |
| Amortization of Deferred Capital Revenue | 321,659 | 321,659 | | 321,659 | 308,414 |
| Total Revenue | 321,659 | 321,659 | 7,826 | 329,485 | 314,277 |
| Expenses | | | | | |
| Amortization of Tangible Capital Assets | | | | | |
| Operations and Maintenance | 326,267 | 337,305 | | 337,305 | 331,888 |
| Transportation and Housing | 57,694 | 46,656 | | 46,656 | 45,907 |
| Total Expense | 383,961 | 383,961 | - | 383,961 | 377,795 |
| Capital Surplus (Deficit) for the year | (62,302) | (62,302) | 7,826 | (54,476) | (63,518) |
| Total Capital Surplus (Deficit) for the year | (62,302) | (62,302) | 7,826 | (54,476) | (63,518) |
| Capital Surplus (Deficit), beginning of year | | 1,806,678 | 460,359 | 2,267,037 | 2,330,555 |
| Capital Surplus (Deficit), end of year | | 1,744,376 | 468,185 | 2,212,561 | 2,267,037 |

School District No. 49 (Central Coast)

Schedule 4A (Unaudited)

Tangible Capital Assets

Year Ended June 30, 2019

| | Sites | Buildings | Furniture and Equipment | Vehicles | Computer Software | Computer Hardware | Total |
|--|----------------|------------------|----------------------------|----------------|----------------------|----------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Cost, beginning of year | 558,024 | 15,811,877 | 152,813 | 567,304 | - | 29,712 | 17,119,730 |
| Changes for the Year | | | | | | | |
| Increase: | | | | | | | |
| Purchases from: | | | | | | | |
| Deferred Capital Revenue - Bylaw | | 185,228 | 116,272 | | | | 301,500 |
| Adjustment to invoice amount | | (13,568) | | | | | (13,568) |
| Transferred from Work in Progress | | 57,431 | | | | | 57,431 |
| | - | 229,091 | 116,272 | - | - | - | 345,363 |
| Decrease: | | | | | | | |
| Deemed Disposals | | | | 155,445 | | | 155,445 |
| | - | - | - | 155,445 | - | - | 155,445 |
| Cost, end of year | 558,024 | 16,040,968 | 269,085 | 411,859 | - | 29,712 | 17,309,648 |
| Work in Progress, end of year | | 935,091 | 202,809 | | | | 1,137,900 |
| Cost and Work in Progress, end of year | 558,024 | 16,976,059 | 471,894 | 411,859 | - | 29,712 | 18,447,548 |
| Accumulated Amortization, beginning of year | | 7,852,917 | 89,727 | 304,301 | - | 9,914 | 8,256,859 |
| Changes for the Year | | | | | | | |
| Increase: Amortization for the Year | | 306,008 | 15,281 | 56,730 | | 5,942 | 383,961 |
| Decrease: | | | | | | | |
| Deemed Disposals | | | | 155,445 | | | 155,445 |
| | | - | - | 155,445 | - | - | 155,445 |
| Accumulated Amortization, end of year | | 8,158,925 | 105,008 | 205,586 | - | 15,856 | 8,485,375 |
| Tangible Capital Assets - Net | 558,024 | 8,817,134 | 366,886 | 206,273 | - | 13,856 | 9,962,173 |

School District No. 49 (Central Coast)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2019

| | Buildings | Furniture and Equipment | Computer Software | Computer Hardware | Total |
|--|-----------------------|------------------------------------|------------------------------|------------------------------|-------------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Work in Progress, beginning of year | 411,905 | 3,728 | | | 415,633 |
| Changes for the Year | | | | | |
| Increase: | | | | | |
| Deferred Capital Revenue - Bylaw | 407,706 | 110,555 | | | 518,261 |
| Deferred Capital Revenue - Other | 172,911 | 88,526 | | | 261,437 |
| | <u>580,617</u> | <u>199,081</u> | - | - | <u>779,698</u> |
| Decrease: | | | | | |
| Transferred to Tangible Capital Assets | 57,431 | | | | 57,431 |
| | <u>57,431</u> | - | - | - | <u>57,431</u> |
| Net Changes for the Year | <u>523,186</u> | <u>199,081</u> | - | - | <u>722,267</u> |
| Work in Progress, end of year | <u>935,091</u> | <u>202,809</u> | - | - | <u>1,137,900</u> |

School District No. 49 (Central Coast)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2019

| | Bylaw Capital | Other Provincial | Other Capital | Total Capital |
|---|--------------------------|-----------------------------|--------------------------|--------------------------------|
| | \$ | \$ | \$ | \$ |
| Deferred Capital Revenue, beginning of year | 7,072,652 | 8,773 | - | 7,081,425 |
| Changes for the Year | | | | |
| Increase: | | | | |
| Transferred from Deferred Revenue - Capital Additions | 301,500 | | | 301,500 |
| Transferred from Work in Progress | 57,431 | | | 57,431 |
| | <u>358,931</u> | <u>-</u> | <u>-</u> | <u>358,931</u> |
| Decrease: | | | | |
| Amortization of Deferred Capital Revenue | 320,782 | 877 | | 321,659 |
| Adjustment to Prior Year Capital Addition | 13,568 | | | 13,568 |
| | <u>334,350</u> | <u>877</u> | <u>-</u> | <u>335,227</u> |
| Net Changes for the Year | <u>24,581</u> | <u>(877)</u> | <u>-</u> | <u>23,704</u> |
| Deferred Capital Revenue, end of year | <u>7,097,233</u> | <u>7,896</u> | <u>-</u> | <u>7,105,129</u> |
| Work in Progress, beginning of year | 397,578 | 3,728 | | 401,306 |
| Changes for the Year | | | | |
| Increase | | | | |
| Transferred from Deferred Revenue - Work in Progress | 518,261 | 261,437 | | 779,698 |
| | <u>518,261</u> | <u>261,437</u> | <u>-</u> | <u>779,698</u> |
| Decrease | | | | |
| Transferred to Deferred Capital Revenue | 57,431 | | | 57,431 |
| | <u>57,431</u> | <u>-</u> | <u>-</u> | <u>57,431</u> |
| Net Changes for the Year | <u>460,830</u> | <u>261,437</u> | <u>-</u> | <u>722,267</u> |
| Work in Progress, end of year | <u>858,408</u> | <u>265,165</u> | <u>-</u> | <u>1,123,573</u> |
| Total Deferred Capital Revenue, end of year | <u>7,955,641</u> | <u>273,061</u> | <u>-</u> | <u>8,228,702</u> |

School District No. 49 (Central Coast)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2019

| | Bylaw Capital | MEd Restricted Capital | Other Provincial Capital | Land Capital | Other Capital | Total |
|---|------------------|------------------------------|--------------------------------|-----------------|------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance, beginning of year | 1,140,770 | 705,600 | 521,621 | | | 2,367,991 |
| Changes for the Year | | | | | | |
| Increase: | | | | | | |
| Provincial Grants - Ministry of Education | 481,918 | | | | | 481,918 |
| Provincial Grants - Other | | | 538,747 | | | 538,747 |
| Adjustment to Prior Year Capital Addition | 13,568 | | | | | 13,568 |
| | 495,486 | - | 538,747 | - | - | 1,034,233 |
| Decrease: | | | | | | |
| Transferred to DCR - Capital Additions | 301,500 | | | | | 301,500 |
| Transferred to DCR - Work in Progress | 518,261 | 170,203 | 91,234 | | | 779,698 |
| | 819,761 | 170,203 | 91,234 | - | - | 1,081,198 |
| Net Changes for the Year | (324,275) | (170,203) | 447,513 | - | - | (46,965) |
| Balance, end of year | 816,495 | 535,397 | 969,134 | - | - | 2,321,026 |