

Audited Financial Statements of

School District No. 69 (Qualicum)

And Independent Auditors' Report thereon

June 30, 2023

School District No. 69 (Qualicum)

June 30, 2023

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School District No. 69 (Qualicum)

MANAGEMENT REPORT

Version: 9787-9041-7059

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 69 (Qualicum) 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.

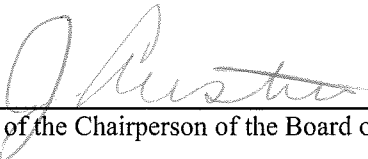
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 69 (Qualicum) (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, MPS Chartered Professional Accountants, 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. 69 (Qualicum) 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. 69 (Qualicum)



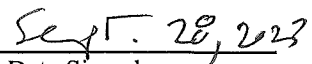
Signature of the Chairperson of the Board of Education



Date Signed



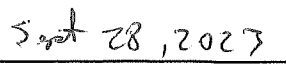
Signature of the Superintendent



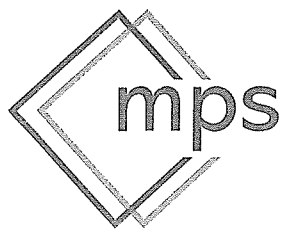
Date Signed



Signature of the Secretary Treasurer



Date Signed



INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 69 (Qualicum), and
To the Minister of Education, Province of British Columbia

Opinion

We have audited the accompanying consolidated financial statements of School District No. 69 (Qualicum), which comprise the statement of financial position as at June 30, 2023, the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of School District No. 69 (Qualicum) as at June 30, 2023, and the results of its operations, changes in net financial assets and cash flows for the year then ended 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 of 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 report. We are independent of the School District 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.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia 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 School District'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 School District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the School District'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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 School District'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 School District'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 School District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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.

MPS

CHARTERED PROFESSIONAL ACCOUNTANTS

Parksville, Canada
September 26, 2023

School District No. 69 (Qualicum)

Statement of Financial Position

As at June 30, 2023

Statement 1

	2023 Actual	2022 Actual (Restated - Note 19)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	15,283,965	15,043,883
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	893,469	879,929
Other (Note 3)	270,770	189,702
Total Financial Assets	16,448,204	16,113,514
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	4,522,972	4,333,188
Unearned Revenue (Note 5)	2,002,491	2,335,775
Deferred Revenue (Note 6)	878,670	733,952
Deferred Capital Revenue (Note 7)	43,484,830	44,274,713
Employee Future Benefits (Note 8)	6,439,537	6,358,157
Asset Retirement Obligation (Note 18)	2,817,927	2,817,927
Total Liabilities	60,146,427	60,853,712
Net Debt	(43,698,223)	(44,740,198)
Non-Financial Assets		
Tangible Capital Assets (Note 9)	59,288,636	60,465,886
Prepaid Expenses	226,119	163,668
Total Non-Financial Assets	59,514,755	60,629,554
Accumulated Surplus (Deficit) (Note 13)	15,816,532	15,889,356
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) from Operations	15,816,532	15,889,356
Accumulated Remeasurement Gains (Losses)		
	15,816,532	15,889,356

Contractual Obligations (Note 10)

Contractual Rights (Note 14)

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. 69 (Qualicum)

Statement 2

Statement of Operations

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 19)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	56,740,437	56,917,905	53,502,318
Other	150,000	140,016	139,889
Tuition	3,800,000	3,917,837	3,661,653
Other Revenue	1,465,000	1,701,230	1,491,617
Rentals and Leases	600,000	726,127	677,331
Investment Income	420,000	467,424	122,493
Amortization of Deferred Capital Revenue	2,609,673	2,594,166	2,561,645
Total Revenue	<u>65,785,110</u>	<u>66,464,705</u>	<u>62,156,946</u>
Expenses			
Instruction	50,727,267	50,206,901	48,664,420
District Administration	2,712,518	2,755,835	2,412,317
Operations and Maintenance	9,950,371	11,163,131	9,989,826
Transportation and Housing	2,537,629	2,411,662	2,434,961
Total Expense	<u>65,927,785</u>	<u>66,537,529</u>	<u>63,501,524</u>
Surplus (Deficit) for the year	<u>(142,675)</u>	<u>(72,824)</u>	<u>(1,344,578)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		15,889,356	17,233,934
Accumulated Surplus (Deficit) from Operations, end of year		<u>15,816,532</u>	<u>15,889,356</u>

School District No. 69 (Qualicum)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 19)
	\$	\$	\$
Surplus (Deficit) for the year	<u>(142,675)</u>	<u>(72,824)</u>	<u>(1,344,578)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(200,000)	(1,767,726)	(1,987,343)
Amortization of Tangible Capital Assets	2,952,348	2,944,976	2,930,347
Total Effect of change in Tangible Capital Assets	<u>2,752,348</u>	<u>1,177,250</u>	<u>943,004</u>
Acquisition of Prepaid Expenses		(226,119)	(163,668)
Use of Prepaid Expenses		163,668	124,698
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(62,451)</u>	<u>(38,970)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>2,609,673</u>	<u>1,041,975</u>	<u>(440,544)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>1,041,975</u>	<u>(440,544)</u>
Net Debt, beginning of year		<u>(44,740,198)</u>	<u>(44,299,654)</u>
Net Debt, end of year		<u><u>(43,698,223)</u></u>	<u><u>(44,740,198)</u></u>

School District No. 69 (Qualicum)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2023

	2023 Actual	2022 Actual
	(Restated - Note 19)	
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(72,824)	(1,344,578)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(94,608)	(602,266)
Prepaid Expenses	(62,451)	(38,970)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	189,784	(695,300)
Unearned Revenue	(333,284)	57,326
Deferred Revenue	144,718	(110,080)
Employee Future Benefits	81,380	259,165
Amortization of Tangible Capital Assets	2,944,976	2,930,347
Amortization of Deferred Capital Revenue	(2,594,166)	(2,561,645)
Services and Supplies purchased with Bylaw Capital	(1,194,275)	(749,478)
Repayment of Provincial Grant		(60,000)
Total Operating Transactions	(990,750)	(2,915,479)
Capital Transactions		
Tangible Capital Assets Purchased	(1,767,726)	(1,987,343)
Total Capital Transactions	(1,767,726)	(1,987,343)
Financing Transactions		
Capital Revenue Received	2,998,558	2,830,618
Total Financing Transactions	2,998,558	2,830,618
Net Increase (Decrease) in Cash and Cash Equivalents	240,082	(2,072,204)
Cash and Cash Equivalents, beginning of year	15,043,883	17,116,087
Cash and Cash Equivalents, end of year	15,283,965	15,043,883
Cash and Cash Equivalents, end of year, is made up of:		
Cash	15,283,965	15,043,883
	15,283,965	15,043,883

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 1 AUTHORITY AND PURPOSE

The School District, established in 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. 69 (Qualicum)" and operates as "School District No. 69 (Qualicum)." 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 and Child Care. School District No. 69 (Qualicum) is exempt from federal and provincial corporate income taxes.

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020 and has had a significant financial, market and social dislocating impact worldwide. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decreases in revenue, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the School District is not practicable at this time.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the School District are as follows:

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(e) and 2(i).

In November 2011, the 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(e) and 2(i), 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 tangible capital assets into revenue on the same basis as the related amortization expense.

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

- Government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410; and

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Basis of Accounting (continued)

- Externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100.

The impacts of this difference on the financial statements of the School District are as follows:

Year ended June 30, 2022 - decrease in annual surplus by \$1,993,181

June 30, 2022 - increase in accumulated surplus and decrease in deferred contributions by \$43,411,438

Year ended June 30, 2023 - decrease in annual surplus by \$857,026

June 30, 2023 - increase in accumulated surplus and decrease in deferred contributions by \$42,554,412

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) Unearned Revenue

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

e) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by the 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(i).

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 impacts of this policy on these financial statements.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Employee Future Benefits

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

The most recent valuation of the obligation was performed at March 31, 2022 and projected to March 31, 2025. The next valuation will be performed at March 31, 2025 for use at June 30, 2025. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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

g) Asset Retirement Obligations

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

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

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

h) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to 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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Tangible Capital Assets (continued)

- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites) is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise.
- Estimated useful life is as follows:

Buildings	40 years
Furniture and Equipment	10 years
Vehicles	10 years
Computer Hardware	5 years

i) Prepaid Expenses

Amounts for maintenance contracts and other services are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

j) 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 13 - Accumulated Surplus).

k) 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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Revenue Recognition (continued)

- 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. See Note 2(a) for the impacts of this policy on these financial statements.

Revenue related to fees or services received in advance of the fee being earned or the service being 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.

l) Expenditures

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

Categories of Salaries

- Principals, Vice-Principals, and Director of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Associate 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 Indigenous 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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m) 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, accounts payable and accrued liabilities.

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 instruments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

All financial assets, except derivatives, are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

n) 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, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

o) Future Changes in Accounting Policies

PS 3400 Revenue, issued November 2018, establishes standards on how to account for and report on revenue and is effective July 1, 2023. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions".

Revenue from transactions with performance obligations should be recognized when (or as) the School District satisfies a performance obligation by providing the promised goods or services to a payor.

Revenue from transactions with no performance obligations should be recognized when a School District:

- Has the authority to claim or retain an inflow of economic resources; and
- Identifies a past transaction or event that gives rise to an asset.

This standard may be applied retroactively or prospectively. Management is in the process of assessing the impact of adopting this standard on the School District's financial results.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 3 ACCOUNTS RECEIVABLE - OTHER RECEIVABLES

	2023	2022
Due from Federal Government	\$ 80,196	\$ 77,327
Mount Arrowsmith Teachers Association	21,161	7,034
Little Gnomes Childcare	37,087	-
Telus Communications	44,485	-
CUPE Local 3570	-	12,568
Other	87,841	92,773
	<u>\$ 270,770</u>	<u>\$ 189,702</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2023	2022
Trades payable	\$ 716,548	\$ 815,187
Salaries and benefits payable	2,985,024	2,713,950
Accrued vacation pay	257,154	224,146
Employer health tax payable	275,581	266,236
Other	288,665	313,669
	<u>\$ 4,522,972</u>	<u>\$ 4,333,188</u>

NOTE 5 UNEARNED REVENUE

	2023	2022
Tuition fees	\$ 1,969,578	\$ 2,302,573
Rentals	32,913	33,202
	<u>\$ 2,002,491</u>	<u>\$ 2,335,775</u>

NOTE 6 DEFERRED REVENUE

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by the Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled. Detailed information about the changes in deferred revenue is included in Schedule 3A.

NOTE 7 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by the Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired. Detailed information about the changes in deferred capital revenue is included in Schedule 4C and 4D.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

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.

	2023	2022
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 6,250,099	\$ 6,212,559
Service Cost	458,117	454,276
Interest Cost	205,333	158,546
Benefit Payments	(574,725)	(510,449)
Increase in Obligation due to Plan Amendment	-	-
Actuarial (Gain) Loss	(238,132)	(64,833)
Accrued Benefit Obligation – March 31	<u>\$ 6,100,692</u>	<u>\$ 6,250,099</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 6,100,692	\$ 6,250,099
Market Value of Plan Assets – March 31	-	-
Funded Status – Deficit	(6,100,692)	(6,250,099)
Employer Contributions After Measurement Date	168,594	138,192
Benefits Expense After Measurement Date	(173,914)	(165,863)
Unamortized Net Actuarial (Gain) Loss	(333,525)	(80,388)
Accrued Benefit Liability – June 30	<u>\$ (6,439,537)</u>	<u>\$ (6,358,157)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$ 6,358,157	\$ 6,098,992
Net expense for fiscal year	686,507	691,246
Employer Contributions	(605,127)	(432,081)
Accrued Benefit Liability – June 30	<u>\$ 6,439,537</u>	<u>\$ 6,358,157</u>

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 8 EMPLOYEE FUTURE BENEFITS (continued)

Components of Net Benefit Expense

Service Cost	\$ 455,545	\$ 455,236
Interest Cost	215,956	170,243
Immediate Recognition of Plan Amendment	-	-
Amortization of Net Actuarial Loss	15,006	65,767
Net Benefit Expense	\$ 686,507	\$ 691,246

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

	2023	2022
Discount Rate – April 1	3.25%	2.50%
Discount Rate – March 31	4.00%	3.25%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	10.9	10.9

NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value:

	June 30, 2023	June 30, 2022 (restated)
Sites	\$ 11,929,778	\$ 11,929,778
Buildings	44,698,225	45,294,001
Furniture and Equipment	623,150	733,473
Vehicles	2,010,776	2,468,270
Computer Hardware	26,707	40,364
Total	\$ 59,288,636	\$ 60,465,886

June 30, 2023

Cost:	Opening Balance	Additions	Disposals	Transfers (WIP)	Total 2023
Sites	\$ 11,929,778	\$ -	\$ -	\$ -	\$ 11,929,778
Buildings	112,165,543	1,750,890	-	-	113,916,433
Furniture and Equipment	1,329,374	16,836	132,398	-	1,213,812
Vehicles	4,658,447	-	167,021	-	4,491,426
Computer Hardware	83,151	-	29,731	-	53,420
Total	\$ 130,166,293	\$ 1,767,726	\$ 329,150	\$ -	\$ 131,604,869

Accumulated Amortization:	Opening Balance	Additions	Disposals	Total 2023
Buildings	\$ 66,871,542	\$ 2,346,666	\$ -	\$ 69,218,208
Furniture and Equipment	595,901	127,159	132,398	590,662
Vehicles	2,190,177	457,494	167,021	2,480,650
Computer Hardware	42,787	13,657	29,731	26,713
Total	\$ 69,700,407	\$ 2,944,976	\$ 329,150	\$ 72,316,233

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 9 TANGIBLE CAPITAL ASSETS (continued)

June 30, 2022

Cost:	Opening Balance (restated)	Additions	Disposals	Transfers (WIP)	Total 2022 (restated)
Sites	\$ 11,929,778	\$ -	\$ -	\$ -	\$ 11,929,778
Buildings	110,460,928	1,704,615	-	-	112,165,543
Furniture and Equipment	1,153,941	221,011	45,578	-	1,329,374
Vehicles	4,653,160	61,717	56,430	-	4,658,447
Computer Hardware	83,151	-	-	-	83,151
Total	\$ 128,280,958	\$ 1,987,343	\$ 102,008	\$ -	\$130,166,293

Accumulated Amortization:	Opening Balance (restated)	Additions (restated)	Disposals (restated)	Total 2022 (restated)
Buildings	\$ 64,562,691	\$ 2,308,851	\$ -	\$ 66,871,542
Furniture and Equipment	517,313	124,166	45,578	595,901
Vehicles	1,781,027	465,580	56,430	2,190,177
Computer Hardware	26,157	16,630	-	42,787
Total	\$ 66,887,188	\$ 2,915,227	\$ 102,008	\$ 69,700,407

NOTE 10 CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

The School District, in conducting its usual business activities, is involved in legal claims and litigation. In the event any unsettled claims are successful, management believes that such claims are not expected to have a material effect on the School District's financial position.

NOTE 11 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2022, the Teachers' Pension Plan has about 51,000 active members and approximately 41,000 retired members. As of December 31, 2022, the Municipal Pension Plan has about 240,000 active members, including approximately 30,000 from School Districts.

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

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2020 indicated a \$1,584 million surplus for basic pension benefits on a going concern basis.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 11 EMPLOYEE PENSION PLANS (continued)

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021 indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The School District paid \$4,331,540 for employer contributions to these plans in the year ended June 30, 2023 (2022 - \$4,192,989).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2023. The next valuation for the Municipal Pension Plan will be as at December 31, 2024, with results available in 2025.

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 Plan.

NOTE 12 EXPENSE BY OBJECT

	2023	2022 (restated)
Salaries and benefits	\$ 52,633,549	\$ 50,963,936
Services and supplies	10,959,004	9,607,241
Amortization	2,944,976	2,930,347
	<u>\$ 66,537,529</u>	<u>\$ 63,501,524</u>

NOTE 13 ACCUMULATED SURPLUS

Accumulated surplus consists of:

	2023	2022 (restated)
Invested in tangible capital assets	\$ 13,869,338	\$ 14,189,562
Local capital surplus	313,010	325,322
Total capital surplus	14,182,348	14,514,884
Operating surplus	1,634,184	1,374,472
	<u>\$ 15,816,532</u>	<u>\$ 15,889,356</u>

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2023, were as follows:

- Capital assets were purchased with Operating funds (\$30,586).

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 13 ACCUMULATED SURPLUS (continued)

The operating surplus has been internally restricted (appropriated) for:

	2023	2022
School budgets	\$ 40,000	\$ 97,227
Capital maintenance	268,700	331,493
Software	125,000	-
Indigenous education	-	48,609
Energy projects	-	62,337
Budgeted allocation of surplus	-	400,551
Appropriated for future years' operating budget	1,200,484	434,255
Internally restricted	1,634,184	1,374,472
Unrestricted operating surplus	-	-
Total operating surplus	<u>\$ 1,634,184</u>	<u>\$ 1,374,472</u>

NOTE 14 CONTRACTUAL RIGHTS

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The School District's contractual rights arise because of contracts entered into for the rental of facilities. The following summarizes the contractual rights of the School District for future assets:

	2024	2025	2026	2027	2028	Thereafter
Future rental revenue	<u>\$ 702,839</u>	<u>\$ 184,490</u>	<u>\$ 184,490</u>	<u>\$ 184,490</u>	<u>\$ 105,049</u>	<u>\$ 420,195</u>

NOTE 15 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 16 BUDGET FIGURES

The budget figures included in the financial statements are not audited. The budget figures data presented in these financial statements is based upon the 2022/23 amended annual budget adopted by the Board on February 28, 2023. The following chart compares the original annual budget bylaw approved May 24, 2022 to the amended annual budget bylaw reported in these financial statements.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 16 BUDGET FIGURES (continued)

	2023 Amended Annual Budget	2023 Annual Budget
Revenues		
Provincial Grants		
Ministry of Education	\$ 56,740,437	\$ 52,738,643
Other Provincial Revenues	2,759,673	2,671,802
Tuition	3,800,000	3,700,000
Other Revenue	1,465,000	1,090,000
Rentals and Leases	600,000	600,000
Investment Income	420,000	120,000
Total Revenue	<u>65,785,110</u>	<u>60,920,445</u>
Expenses		
Instruction	\$ 50,727,267	\$ 46,984,423
District Administration	2,712,518	2,474,055
Operations and Maintenance	9,950,371	9,491,358
Transportation and Housing	2,537,629	2,380,681
Total Expenses	<u>65,927,785</u>	<u>61,330,517</u>
Net Revenue (Expenses)	(142,675)	(410,072)
Budgeted Allocation of Surplus	-	400,551
Budgeted Surplus (Deficit) for the year	<u>\$ (142,675)</u>	<u>\$ (9,521)</u>

NOTE 17 ECONOMIC DEPENDENCE

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

NOTE 18 ASSET RETIREMENT OBLIGATION

Legal liabilities exist for the removal and disposal of asbestos and other environmentally hazardous materials within some district owned buildings that will undergo major renovations or demolition in the future. A reasonable estimate of the fair value of the obligation has been recognized using the modified retroactive approach as at July 1, 2022 (see Note 19 – Prior Period Adjustment – Change in Accounting Policy). The obligation has been measured at current cost as the timing of future cash flows cannot be reasonably determined. These costs have been capitalized as part of the assets' carrying value and are amortized over the assets' estimated useful lives.

Asset Retirement Obligation, July 1, 2022 (see Note 19)	\$ 2,817,927
Settlements during the year	-
Asset Retirement Obligation, closing balance	<u>\$ 2,817,927</u>

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 19 PRIOR PERIOD ADJUSTMENT – CHANGE IN ACCOUNTING POLICY

On July 1, 2022, the School District adopted Canadian public sector accounting standard PS 3280 Asset Retirement Obligations. This new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of certain tangible capital assets such as asbestos removal in buildings that will undergo major renovation or demolition in the future (see Note 18). This standard was adopted using the modified retroactive approach.

On July 1, 2022, the School District recognized an asset retirement obligation relating to several owned buildings that contain asbestos and other hazardous materials. The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The associated costs have been reported as an increase to the carrying value of the associated tangible capital assets. Accumulated amortization has been recorded from the later of the date of acquisition of the related asset, or April 1, 1988 (effective date of the Hazardous Waste Regulation (April 1, 1988) – Part 6 – Management of Specific Hazardous Wastes).

The impact of the prior period adjustment on the June 30, 2022 comparative amounts is as follows:

	<u>Increase (Decrease)</u>
Asset Retirement Obligation (liability)	\$ 2,817,927
Tangible Capital Assets – cost	2,817,927
Tangible Capital Assets – accumulated amortization	2,807,983
Operations and Maintenance Expense – Asset amortization (2022)	15,120
Accumulated Surplus – Invested in Tangible Capital Assets	(2,792,863)

NOTE 20 RISK MANAGEMENT

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

The Board ensures that the School District has identified its risks and ensures that management monitors and controls 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 and cash equivalents, 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 the Central Deposit Program with the Ministry of Finance.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 20 RISK MANAGEMENT (continued)

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 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 investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in the Central Deposit Program with the Ministry of Finance.

c) Liquidity risk:

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

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

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposure from 2022 related to credit, market or liquidity risks.

School District No. 69 (Qualicum)

Schedule 1

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2023

	Operating Fund	Special Purpose Fund	Capital Fund	2023 Actual	2022 Actual (Restated - Note 19)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	1,374,472		14,514,884	15,889,356	20,026,797
Prior Period Adjustments					(2,792,863)
Accumulated Surplus (Deficit), beginning of year, as restated	1,374,472	-	14,514,884	15,889,356	17,233,934
Changes for the year					
Surplus (Deficit) for the year	290,298		(363,122)	(72,824)	(1,344,578)
Interfund Transfers	(30,586)		30,586	-	
Tangible Capital Assets Purchased	259,712	-	(332,536)	(72,824)	(1,344,578)
Net Changes for the year	1,634,184	-	14,182,348	15,816,532	15,889,356
Accumulated Surplus (Deficit), end of year - Statement 2					

School District No. 69 (Qualicum)

Schedule 2

Schedule of Operating Operations

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 19)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	49,866,532	49,628,525	47,170,893
Other	150,000	140,016	139,889
Tuition	3,800,000	3,917,837	3,661,653
Other Revenue	140,000	251,920	153,658
Rentals and Leases	600,000	726,127	677,331
Investment Income	420,000	453,311	118,924
Total Revenue	<u>54,976,532</u>	<u>55,117,736</u>	<u>51,922,348</u>
Expenses			
Instruction	43,437,495	42,974,161	42,039,655
District Administration	2,712,518	2,755,835	2,412,317
Operations and Maintenance	6,664,045	7,255,566	6,577,046
Transportation and Housing	1,962,474	1,841,876	1,869,381
Total Expense	<u>54,776,532</u>	<u>54,827,438</u>	<u>52,898,399</u>
Operating Surplus (Deficit) for the year	<u>200,000</u>	<u>290,298</u>	<u>(976,051)</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(200,000)	(30,586)	(150,637)
Total Net Transfers	<u>(200,000)</u>	<u>(30,586)</u>	<u>(150,637)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>259,712</u>	<u>(1,126,688)</u>
Operating Surplus (Deficit), beginning of year		1,374,472	2,501,160
Operating Surplus (Deficit), end of year		<u>1,634,184</u>	<u>1,374,472</u>
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 13)		1,634,184	1,374,472
Total Operating Surplus (Deficit), end of year		<u>1,634,184</u>	<u>1,374,472</u>

School District No. 69 (Qualicum)

Schedule 2A

Schedule of Operating Revenue by Source

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 19)
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	46,708,130	46,342,360	45,709,913
Other Ministry of Education and Child Care Grants			
Pay Equity	936,176	936,176	936,176
Funding for Graduated Adults	3,143	8,488	9,746
Student Transportation Fund	426,341	426,341	426,341
Support Staff Benefits Grant			69,175
FSA Scorer Grant	8,187	8,187	8,187
Early Learning Framework (ELF) Implementation	670	670	1,926
Labour Settlement Funding	1,775,075	1,827,164	
Equity Scan	8,810	2,381	3,000
Anti-Racism in Early Care and Learning		6,429	6,429
Benefits Standardization and Improvements		70,329	
Total Provincial Grants - Ministry of Education and Child Care	49,866,532	49,628,525	47,170,893
Provincial Grants - Other	150,000	140,016	139,889
Tuition			
International and Out of Province Students	3,800,000	3,917,837	3,661,653
Total Tuition	3,800,000	3,917,837	3,661,653
Other Revenues			
Miscellaneous			
Transportation Revenue	50,000	59,792	42,885
Miscellaneous	90,000	106,821	100,534
Child Care Revenue		72,946	
Pcard Dividend		12,361	10,239
Total Other Revenue	140,000	251,920	153,658
Rentals and Leases	600,000	726,127	677,331
Investment Income	420,000	453,311	118,924
Total Operating Revenue	54,976,532	55,117,736	51,922,348

School District No. 69 (Qualicum)

Schedule 2B

Schedule of Operating Expense by Object

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 19)
	\$	\$	\$
Salaries			
Teachers	20,557,366	20,570,559	20,327,501
Principals and Vice Principals	3,606,337	3,562,573	3,487,859
Educational Assistants	3,743,872	3,495,924	3,633,828
Support Staff	5,699,870	5,880,870	5,439,729
Other Professionals	1,893,638	1,879,734	1,651,447
Substitutes	2,078,572	2,137,250	2,088,794
Total Salaries	37,579,655	37,526,910	36,629,158
Employee Benefits	9,660,259	9,637,421	9,156,174
Total Salaries and Benefits	47,239,914	47,164,331	45,785,332
Services and Supplies			
Services	3,437,968	3,162,224	2,811,939
Professional Development and Travel	481,500	437,405	426,658
Rentals and Leases	5,000	29,979	9,580
Dues and Fees	68,000	88,083	73,104
Insurance	185,000	180,765	158,733
Supplies	2,197,540	2,621,309	2,468,345
Utilities	1,161,610	1,143,342	1,164,708
Total Services and Supplies	7,536,618	7,663,107	7,113,067
Total Operating Expense	54,776,532	54,827,438	52,898,399

School District No. 69 (Qualicum)

Operating Expense by Function, Program and Object

Year Ended June 30, 2023

Schedule 2C

	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	16,842,392	1,190,876		17,652		1,265,571	19,316,491
1.03 Career Programs	91,907			43,322		12,543	147,772
1.07 Library Services	508,197	37,593		260,038		5,750	811,578
1.08 Counselling	947,772						947,772
1.10 Special Education	1,729,358	174,552	3,137,333	53,018	78,679	443,236	5,616,176
1.30 English Language Learning	120,756						120,756
1.31 Indigenous Education	99,222	140,455	358,591	9,116			607,384
1.41 School Administration		1,728,859		1,135,262	4,324	42,454	2,910,899
1.62 International and Out of Province Students	230,955	146,671		90,789	208,167		676,582
1.64 Other					42,906		42,906
Total Function 1	20,570,559	3,419,006	3,495,924	1,609,197	334,076	1,769,554	31,198,316
4 District Administration							
4.11 Educational Administration		143,567		36,327	445,875		625,769
4.40 School District Governance					118,670		118,670
4.41 Business Administration				373,260	655,984		1,029,244
Total Function 4	-	143,567	-	409,587	1,220,529	-	1,773,683
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				64,105	253,009	1,784	318,898
5.50 Maintenance Operations				2,711,364		232,287	2,943,651
5.52 Maintenance of Grounds				218,085		34,769	252,854
5.56 Utilities							-
Total Function 5	-	-	-	2,993,554	253,009	268,840	3,515,403
7 Transportation and Housing							
7.41 Transportation and Housing Administration				66,396	72,120	3,443	141,959
7.70 Student Transportation				802,136		95,413	897,549
7.73 Housing							-
Total Function 7	-	-	-	868,532	72,120	98,856	1,039,508
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	20,570,559	3,562,573	3,495,924	5,880,870	1,879,734	2,137,250	37,526,910

School District No. 69 (Qualicum)

Operating Expense by Function, Program and Object

Year Ended June 30, 2023

Schedule 2C

	Total Salaries \$	Employee Benefits \$	Total Salaries and Benefits \$	Services and Supplies \$	2023 Actual \$	2023 Budget \$	2022 Actual \$ (Restated - Note 19)
1 Instruction							
1.02 Regular Instruction	19,316,491	4,963,620	24,280,111	882,669	25,162,780	25,181,997	24,761,455
1.03 Career Programs	147,772	35,181	182,953	321,545	504,498	469,140	569,427
1.07 Library Services	811,578	216,633	1,028,211	19,681	1,047,892	1,041,367	1,063,117
1.08 Counselling	947,772	242,723	1,190,495		1,190,495	1,109,579	1,040,101
1.10 Special Education	5,616,176	1,581,084	7,197,260	110,446	7,307,706	7,751,221	7,281,086
1.30 English Language Learning	120,756	33,014	153,770		153,770	166,410	104,907
1.31 Indigenous Education	607,384	162,992	770,376	96,211	866,587	858,688	715,111
1.41 School Administration	2,910,899	726,263	3,637,162	65,991	3,703,153	3,948,524	3,718,843
1.62 International and Out of Province Students	676,582	174,509	851,091	2,132,414	2,983,505	2,859,613	2,735,229
1.64 Other	42,906	10,869	53,775		53,775	50,956	50,379
Total Function 1	31,198,316	8,146,888	39,345,204	3,628,957	42,974,161	43,437,495	42,039,655
4 District Administration							
4.11 Educational Administration	625,769	137,286	763,055	70,659	833,714	850,790	705,485
4.40 School District Governance	118,670	8,801	127,471	153,770	281,241	272,591	210,313
4.41 Business Administration	1,029,244	236,061	1,265,305	375,575	1,640,880	1,589,137	1,496,519
Total Function 4	1,773,683	382,148	2,155,831	600,004	2,755,835	2,712,518	2,412,317
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	318,898	61,162	380,060	263,342	643,402	682,834	529,739
5.50 Maintenance Operations	2,943,651	685,912	3,629,563	1,225,793	4,855,356	4,406,621	4,405,445
5.52 Maintenance of Grounds	252,854	61,664	314,518	182,242	496,760	338,590	362,905
5.56 Utilities	-	-	-	1,260,048	1,260,048	1,236,000	1,278,957
Total Function 5	3,515,403	808,738	4,324,141	2,931,425	7,255,566	6,664,045	6,577,046
7 Transportation and Housing							
7.41 Transportation and Housing Administration	141,959	35,798	177,757	2,843	180,600	166,347	151,942
7.70 Student Transportation	897,549	263,849	1,161,398	451,424	1,612,822	1,756,127	1,675,213
7.73 Housing	-	-	-	48,454	48,454	40,000	42,226
Total Function 7	1,039,508	299,647	1,339,155	502,721	1,841,876	1,962,474	1,869,381
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	37,526,910	9,637,421	47,164,331	7,663,107	54,827,438	54,776,532	52,898,399

School District No. 69 (Qualicum)

Schedule 3

Schedule of Special Purpose Operations

Year Ended June 30, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - Note 19)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	6,273,905	6,095,105	5,581,947
Other Revenue	1,325,000	1,449,310	1,337,959
Total Revenue	<u>7,598,905</u>	<u>7,544,415</u>	<u>6,919,906</u>
Expenses			
Instruction	7,289,772	7,232,740	6,624,765
Operations and Maintenance	199,383	199,383	195,141
Transportation and Housing	109,750	112,292	100,000
Total Expense	<u>7,598,905</u>	<u>7,544,415</u>	<u>6,919,906</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>

Schedule 3A

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2023

Deferred Revenue, beginning of year	
Add:	
Restricted Grants	
Provincial Grants - Ministry of Education and Child Care	
Other	
Less:	
Allocated to Revenue	
Deferred Revenue, end of year	
Revenues	
Provincial Grants - Ministry of Education and Child Care	
Other Revenue	
Expenses	
Salaries	
Teachers	
Principals and Vice Principals	
Educational Assistants	
Support Staff	
Employee Benefits	
Services and Supplies	
Net Revenue (Expense) before Interfund Transfers	
Interfund Transfers	
Net Revenue (Expense)	

Schedule 3A

	Federal Safe								
	Classroom Enhancement	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Return to Class / Ventilation Fund	Seamless Day Kindergarten	Student & Family Affordability	ECL (Early Care & Learning)	TOTAL
2019-2020	100	100	100	100	100	100	100	100	100
2020-2021	100	100	100	100	100	100	100	100	100
2021-2022	100	100	100	100	100	100	100	100	100
2022-2023	100	100	100	100	100	100	100	100	100
2023-2024	100	100	100	100	100	100	100	100	100
2024-2025	100	100	100	100	100	100	100	100	100
2025-2026	100	100	100	100	100	100	100	100	100
2026-2027	100	100	100	100	100	100	100	100	100
2027-2028	100	100	100	100	100	100	100	100	100
2028-2029	100	100	100	100	100	100	100	100	100
2029-2030	100	100	100	100	100	100	100	100	100
2030-2031	100	100	100	100	100	100	100	100	100
2031-2032	100	100	100	100	100	100	100	100	100
2032-2033	100	100	100	100	100	100	100	100	100
2033-2034	100	100	100	100	100	100	100	100	100
2034-2035	100	100	100	100	100	100	100	100	100
2035-2036	100	100	100	100	100	100	100	100	100
2036-2037	100	100	100	100	100	100	100	100	100
2037-2038	100	100	100	100	100	100	100	100	100
2038-2039	100	100	100	100	100	100	100	100	100
2039-2040	100	100	100	100	100	100	100	100	100
2040-2041	100	100	100	100	100	100	100	100	100
2041-2042	100	100	100	100	100	100	100	100	100
2042-2043	100	100	100	100	100	100	100	100	100
2043-2044	100	100	100	100	100	100	100	100	100
2044-2045	100	100	100	100	100	100	100	100	100
2045-2046	100	100	100	100	100	100	100	100	100
2046-2047	100	100	100	100	100	100	100	100	100
2047-2048	100	100	100	100	100	100	100	100	100
2048-2049	100	100	100	100	100	100	100	100	100
2049-2050	100	100	100	100	100	100	100	100	100
2050-2051	100	100	100	100	100	100	100	100	100
2051-2052	100	100	100	100	100	100	100	100	100
2052-2053	100	100	100	100	100	100	100	100	100
2053-2054	100	100	100	100	100	100	100	100	100
2054-2055	100	100	100	100	100	100	100	100	100
2055-2056	100	100	100	100	100	100	100	100	100
2056-2057	100	100	100	100	100	100	100	100	100
2057-2058	100	100	100	100	100	100	100	100	100
2058-2059	100	100	100	100	100	100	100	100	100
2059-2060	100	100	100	100	100	100	100	100	100
2060-2061	100	100	100	100	100	100	100	100	100
2061-2062	100	100	100	100	100				

\$ 733,952

7,689,133
7,544,415

1,544,415
878,670

6,095,105

1,2,3,4,5

3,194,501

104,724

614,379

415,817

4,329,421

1,139,797

2,075,197

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School District No. 69 (Qualicum)

Schedule 4

Schedule of Capital Operations

Year Ended June 30, 2023

	2023 Budget	2023 Actual			2022 Actual (Restated - Note 19)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	600,000	1,194,275		1,194,275	749,478
Investment Income			14,113	14,113	3,569
Amortization of Deferred Capital Revenue	2,609,673	2,594,166		2,594,166	2,561,645
Total Revenue	<u>3,209,673</u>	<u>3,788,441</u>	<u>14,113</u>	<u>3,802,554</u>	<u>3,314,692</u>
Expenses					
Operations and Maintenance	600,000	1,194,275	26,425	1,220,700	752,872
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,486,943	2,487,482		2,487,482	2,464,767
Transportation and Housing	465,405	457,494		457,494	465,580
Total Expense	<u>3,552,348</u>	<u>4,139,251</u>	<u>26,425</u>	<u>4,165,676</u>	<u>3,683,219</u>
Capital Surplus (Deficit) for the year	<u>(342,675)</u>	<u>(350,810)</u>	<u>(12,312)</u>	<u>(363,122)</u>	<u>(368,527)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	200,000	30,586		30,586	150,637
Total Net Transfers	<u>200,000</u>	<u>30,586</u>	<u>-</u>	<u>30,586</u>	<u>150,637</u>
Total Capital Surplus (Deficit) for the year	<u>(142,675)</u>	<u>(320,224)</u>	<u>(12,312)</u>	<u>(332,536)</u>	<u>(217,890)</u>
Capital Surplus (Deficit), beginning of year		14,189,562	325,322	14,514,884	17,525,637
Prior Period Adjustments					
To Recognize Asset Retirement Obligation					(2,792,863)
Capital Surplus (Deficit), beginning of year, as restated		<u>14,189,562</u>	<u>325,322</u>	<u>14,514,884</u>	<u>14,732,774</u>
Capital Surplus (Deficit), end of year		<u>13,869,338</u>	<u>313,010</u>	<u>14,182,348</u>	<u>14,514,884</u>

School District No. 69 (Qualicum)

Schedule 4C

Deferred Capital Revenue

Year Ended June 30, 2023

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	41,000,580	2,380,398	30,460	43,411,438
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,639,020	98,120		1,737,140
	1,639,020	98,120	-	1,737,140
Decrease:				
Amortization of Deferred Capital Revenue	2,509,997	75,583	8,586	2,594,166
	2,509,997	75,583	8,586	2,594,166
Net Changes for the Year	(870,977)	22,537	(8,586)	(857,026)
Deferred Capital Revenue, end of year	40,129,603	2,402,935	21,874	42,554,412
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	-	-	-	-
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	40,129,603	2,402,935	21,874	42,554,412

School District No. 69 (Qualicum)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2023

Schedule 4D

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	-	15,984	-	209,936	637,355	863,275
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	2,809,004		122,411			2,931,415
Other					28,192	28,192
Investment Income				9,493	29,458	38,951
	2,809,004	-	122,411	9,493	57,650	2,998,558
Decrease:						
Transferred to DCR - Capital Additions	1,639,020		98,120			1,737,140
Purchase of Services and Supplies	1,169,984		24,291			1,194,275
	2,809,004	-	122,411	-	-	2,931,415
Net Changes for the Year	-	-	-	9,493	57,650	67,143
Balance, end of year	-	15,984	-	219,429	695,005	930,418