

Audited Financial Statements of

School District No. 69 (Qualicum)

June 30, 2019

School District No. 69 (Qualicum)

June 30, 2019

Table of Contents

Management Report	1
Independent Auditors' Report	2-3
Statement of Financial Position - Statement 1	4
Statement of Operations - Statement 2	5
Statement of Changes in Net Financial Assets (Debt) - Statement 4	6
Statement of Cash Flows - Statement 5	7
Notes to the Financial Statements	8-20
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1	21
Schedule of Operating Operations - Schedule 2	22
Schedule 2A - Schedule of Operating Revenue by Source	23
Schedule 2B - Schedule of Operating Expense by Object	24
Schedule 2C - Operating Expense by Function, Program and Object	25
Schedule of Special Purpose Operations - Schedule 3	27
Schedule 3A - Changes in Special Purpose Funds and Expense by Object	28
Schedule of Capital Operations - Schedule 4	30
Schedule 4A - Tangible Capital Assets	31
Schedule 4C - Deferred Capital Revenue	32
Schedule 4D - Changes in Unspent Deferred Capital Revenue	33

School District No. 69 (Qualicum)

MANAGEMENT REPORT

Version: 1519-9773-7791

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.

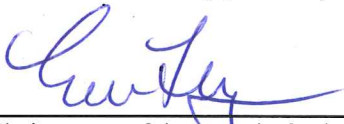
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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, McGorman MacLean, 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)



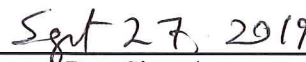
Signature of the Chairperson of the Board of Education



Date Signed



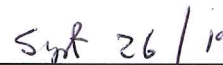
Signature of the Superintendent



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, 2019 and 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, 2019, 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 the 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.

McGarman Maclean
CHARTERED PROFESSIONAL ACCOUNTANTS

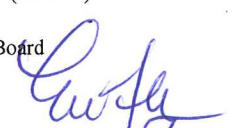
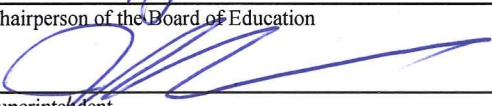
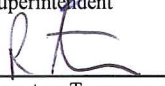
Parksville, Canada
September 24, 2019

School District No. 69 (Qualicum)

Statement of Financial Position

As at June 30, 2019

Statement 1

	2019 Actual \$	2018 Actual \$
Financial Assets		
Cash and Cash Equivalents	15,044,284	15,206,801
Accounts Receivable		
Due from Province - Ministry of Education	30,397	30,397
Other (Note 3)	259,797	233,727
Total Financial Assets	15,334,478	15,470,925
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	3,688,742	3,389,144
Unearned Revenue (Note 5)	2,351,524	2,293,627
Deferred Revenue (Note 6)	661,998	575,621
Deferred Capital Revenue (Note 7)	45,400,489	45,884,157
Employee Future Benefits (Note 8)	5,771,990	5,715,524
Total Liabilities	57,874,743	57,858,073
Net Financial Assets (Debt)	(42,540,265)	(42,387,148)
Non-Financial Assets		
Tangible Capital Assets (Note 9)	62,426,020	62,812,930
Prepaid Expenses	92,785	38,240
Total Non-Financial Assets	62,518,805	62,851,170
Accumulated Surplus (Deficit)	19,978,540	20,464,022
Contractual Obligations (Note 10)		
Contractual Rights (Note 15)		
Approved by the Board		
Signature of the Chairperson of the Board of Education		September 26, 2019 Date Signed
Signature of the Superintendent		Sept 30, 2019 Date Signed
Signature of the Secretary Treasurer		Sept 26 / 19 Date Signed

School District No. 69 (Qualicum)

Statement 2

Statement of Operations

Year Ended June 30, 2019

	2019 Budget \$	2019 Actual \$	2018 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	47,431,362	48,169,100	46,593,683
Other	101,450	193,822	164,157
Tuition	4,100,000	4,005,703	3,952,621
Other Revenue	1,500,000	1,467,436	1,496,656
Rentals and Leases	650,000	699,144	627,262
Investment Income	300,000	309,610	203,417
Gain (Loss) on Disposal of Tangible Capital Assets (Note 9)			419,201
Amortization of Deferred Capital Revenue	2,277,436	2,277,437	2,207,106
Total Revenue	<u>56,360,248</u>	<u>57,122,252</u>	<u>55,664,103</u>
Expenses			
Instruction	44,360,275	44,571,904	42,049,325
District Administration	2,298,251	2,340,102	1,908,386
Operations and Maintenance	7,927,273	8,784,227	8,445,006
Transportation and Housing	2,005,849	1,911,501	1,807,226
Total Expense	<u>56,591,648</u>	<u>57,607,734</u>	<u>54,209,943</u>
Surplus (Deficit) for the year	<u>(231,400)</u>	<u>(485,482)</u>	<u>1,454,160</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		20,464,022	19,009,862
Accumulated Surplus (Deficit) from Operations, end of year		<u>19,978,540</u>	<u>20,464,022</u>

School District No. 69 (Qualicum)
Statement of Changes in Net Financial Assets (Debt)
Year Ended June 30, 2019

Statement 4

	2019 Budget \$	2019 Actual \$	2018 Actual \$
Surplus (Deficit) for the year	<u>(231,400)</u>	<u>(485,482)</u>	<u>1,454,160</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(2,754,822)	(2,207,399)	(1,759,784)
Amortization of Tangible Capital Assets	2,594,309	2,594,309	2,512,996
Total Effect of change in Tangible Capital Assets	<u>(160,513)</u>	<u>386,910</u>	<u>753,212</u>
Acquisition of Prepaid Expenses		(92,785)	(38,240)
Use of Prepaid Expenses		38,240	135,898
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(54,545)</u>	<u>97,658</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(391,913)</u>	<u>(153,117)</u>	<u>2,305,030</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		<u>(153,117)</u>	<u>2,305,030</u>
Net Financial Assets (Debt), beginning of year		<u>(42,387,148)</u>	<u>(44,692,178)</u>
Net Financial Assets (Debt), end of year		<u><u>(42,540,265)</u></u>	<u><u>(42,387,148)</u></u>

School District No. 69 (Qualicum)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(485,482)	1,454,160
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(26,070)	92,242
Prepaid Expenses	(54,545)	97,658
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	299,598	(319,602)
Unearned Revenue	57,897	549,222
Deferred Revenue	86,377	(57,685)
Employee Future Benefits	56,466	142,867
Amortization of Tangible Capital Assets	2,594,309	2,512,996
Amortization of Deferred Capital Revenue	(2,277,437)	(2,207,106)
Services and Supplies purchased with Bylaw Capital	(662,571)	(620,614)
Services and Supplies purchased with Other Provincial Capital	(24,197)	(23,378)
Total Operating Transactions	(435,655)	1,620,760
Capital Transactions		
Tangible Capital Assets Purchased	(2,207,399)	(1,759,784)
Total Capital Transactions	(2,207,399)	(1,759,784)
Financing Transactions		
Capital Revenue Received	2,480,537	2,167,220
Capital Lease Payments	-	(46,958)
Total Financing Transactions	2,480,537	2,120,262
Investing Transactions		
Investments in Portfolio Investments	-	89,875
Total Investing Transactions	-	89,875
Net Increase (Decrease) in Cash and Cash Equivalents	(162,517)	2,071,113
Cash and Cash Equivalents, beginning of year	15,206,801	13,135,688
Cash and Cash Equivalents, end of year	15,044,284	15,206,801
Cash and Cash Equivalents, end of year, is made up of:		
Cash	15,044,284	15,206,801
	15,044,284	15,206,801

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

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. School District No. 69 (Qualicum) is exempt from federal and provincial corporate income taxes.

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(j).

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(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 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 these grants to be fully recognized into revenue. The impact of this difference on the financial statements of the School District is as follows:

Year ended June 30, 2018 - decrease in annual surplus by \$683,878

June 30, 2018 - increase in accumulated surplus and decrease in deferred contributions by \$45,884,157

Year ended June 30, 2019 - decrease in annual surplus by \$483,668

June 30, 2019 - increase in accumulated surplus and decrease in deferred contributions by \$45,400,489

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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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(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.

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 (EARSL) 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.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts 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.
- 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

h) 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.

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 14 – Accumulated Surplus).

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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, when 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.
- 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 impact of this policy on these financial statements.

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.

k) Expenditures

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

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Expenditures (continued)

Categories of Salaries

- Principals and Vice-Principals 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 and 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.

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

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2019	2018
Due from Federal Government	\$ 67,400	\$ 58,088
Mount Arrowsmith Teachers Association	55,286	23,898
CUPE Local 3570	32,721	19,643
Parksville Civic & Tech Centre	24,635	25,385
Other	79,755	106,713
	<u>\$ 259,797</u>	<u>\$ 233,727</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2019	2018
Trades payable	\$ 572,518	\$ 624,259
Salaries and benefits payable	2,209,543	2,419,087
Accrued vacation pay	195,399	203,765
Employer health tax payable	254,465	-
Other	456,817	142,033
	<u>\$ 3,688,742</u>	<u>\$ 3,389,144</u>

NOTE 5 UNEARNED REVENUE

	2019	2018
Tuition fees	\$ 2,351,524	\$ 2,286,627
Transportation	-	7,000
	<u>\$ 2,351,524</u>	<u>\$ 2,293,627</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 revenue is included in Schedule 4C and 4D.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

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.

	2019	2018
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 5,796,487	\$ 5,763,263
Service Cost	425,783	394,342
Interest Cost	162,908	161,854
Benefit Payments	(551,984)	(413,766)
Increase in Obligation due to Plan Amendment	5,719	-
Actuarial (Gain) Loss	460,830	(109,206)
Accrued Benefit Obligation – March 31	<u>\$ 6,299,743</u>	<u>\$ 5,796,487</u>

Reconciliation of Funded Status at End of Fiscal Year

Accrued Benefit Obligation – March 31	\$ 6,299,743	\$ 5,796,487
Market Value of Plan Assets – March 31	-	-
Funded Status – Deficit	(6,299,743)	(5,796,487)
Employer Contributions After Measurement Date	177,535	143,248
Benefits Expense After Measurement Date	(148,168)	(147,173)
Unamortized Net Actuarial Loss	498,387	84,888
Accrued Benefit Liability – June 30	<u>\$ (5,771,990)</u>	<u>\$ (5,715,524)</u>

Reconciliation of Change in Accrued Benefit Liability

Accrued Benefit Liability – July 1	\$ 5,715,524	\$ 5,572,657
Net expense for fiscal year	642,736	622,463
Employer Contributions	(586,271)	(479,596)
Accrued Benefit Liability – June 30	<u>\$ 5,771,990</u>	<u>\$ 5,715,524</u>

Components of Net Benefit Expense

Service Cost	\$ 427,434	\$ 402,202
Interest Cost	162,252	162,118
Immediate Recognition of Plan Amendment	5,719	-
Amortization of Net Actuarial Loss	47,331	58,143
Net Benefit Expense	<u>\$ 642,736</u>	<u>\$ 622,463</u>

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

	2019	2018
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
EARSL – March 31	10.7	10.1

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value:

	June 30, 2019	June 30, 2018
Sites	\$ 11,929,778	\$ 11,929,778
Buildings	47,648,526	48,142,912
Furniture and Equipment	454,747	528,639
Vehicles	2,363,921	2,163,531
Computer Hardware	29,048	48,070
Total	\$ 62,426,020	\$ 62,812,930

June 30, 2019

Cost:	Opening Balance	Additions	Disposals	Transfers (WIP)	Total 2019
Sites	\$ 11,929,778	\$ -	\$ -	\$ -	\$ 11,929,778
Buildings	102,098,402	1,689,933	-	-	103,788,335
Furniture and Equipment	877,949	13,903	31,646	-	860,206
Vehicles	3,031,733	503,563	113,359	-	3,421,937
Computer Hardware	95,109	-	39,051	-	56,058
Total	\$ 118,032,971	\$ 2,207,399	\$ 184,056	\$ -	\$ 120,056,314

Accumulated Amortization:	Opening Balance	Additions	Disposals	Total 2019
Buildings	\$ 53,955,490	\$ 2,184,319	\$ -	\$ 56,139,809
Furniture and Equipment	349,310	87,795	31,646	405,459
Vehicles	868,202	303,173	113,359	1,058,016
Computer Hardware	47,039	19,022	39,051	27,010
Total	\$ 55,220,041	\$ 2,594,309	\$ 184,056	\$ 57,630,294

June 30, 2018

Cost:	Opening Balance	Additions	Disposals	Transfers (WIP)	Total 2018
Sites	\$ 11,929,778	\$ -	\$ -	\$ -	\$ 11,929,778
Buildings	101,226,801	871,601	-	-	102,098,402
Furniture and Equipment	913,669	93,939	129,659	-	877,949
Vehicles	2,315,702	764,513	48,482	-	3,031,733
Computer Hardware	80,131	29,731	14,753	-	95,109
Total	\$ 116,466,081	\$ 1,759,784	\$ 192,894	\$ -	\$ 118,032,971

Accumulated Amortization:	Opening Balance	Additions	Disposals	Total 2018
Buildings	\$ 51,781,457	\$ 2,174,033	\$ -	\$ 53,955,490
Furniture and Equipment	387,602	91,367	129,659	349,310
Vehicles	685,114	231,570	48,482	868,202
Computer Hardware	45,766	16,026	14,753	47,039
Total	\$ 52,899,939	\$ 2,512,996	\$ 192,894	\$ 55,220,041

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

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 "plans"). The board 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 provided are based on a formula. As at December 31, 2017, the Teachers' Pension Plan has about 46,000 active members and approximately 38,000 retired members. As at December 31, 2017, the Municipal Pension Plan has about 197,000 active members, including approximately 24,000 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, 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.

The School District paid \$4,016,589 for employer contributions to these plans in the year ended June 30, 2019 (2018 - \$4,129,673).

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 Plan.

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

NOTE 12 ASSET RETIREMENT OBLIGATION

Certain schools in the School District contain asbestos. No amount has been recorded in these financial statements with regard to this potential liability since the fair value of future removal costs cannot be reasonably estimated due to unknown timelines.

NOTE 13 EXPENSE BY OBJECT

	2019	2018
Salaries and benefits	\$ 45,667,549	\$ 42,610,261
Services and supplies	9,345,877	9,086,686
Amortization	2,594,309	2,512,996
	<u>\$ 57,607,734</u>	<u>\$ 54,209,943</u>

NOTE 14 ACCUMULATED SURPLUS

Accumulated surplus consists of:

	2019	2018
Invested in tangible capital assets	\$ 17,232,902	\$ 17,424,713
Local capital surplus	761,336	905,655
Total capital surplus	17,994,238	18,330,368
Operating surplus	1,984,302	2,133,654
	<u>\$ 19,978,540</u>	<u>\$ 20,464,022</u>

Interfund transfers between the operating, special projects and capital funds for the year ended June 30, 2019, were as follows:

- Capital assets were purchased with Operating funds (\$100,677)

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

	2019	2018
School budgets	\$ 49,248	\$ 98,120
Capital maintenance	410,000	350,000
Educational Programs	91,350	183,077
ERP System	-	150,000
Photocopier and Printer Program	250,000	250,000
Energy Projects	100,000	-
Budgeted Allocation of Surplus	83,077	292,619
	<u>983,675</u>	<u>1,323,816</u>
Contingency reserve	1,000,627	809,838
Internally restricted	1,984,302	2,133,654
Unrestricted operating surplus	-	-
Total operating surplus	<u>\$ 1,984,302</u>	<u>\$ 2,133,654</u>

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

NOTE 15 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:

	2020	2021	2022	2023	2024
Future rental revenue	\$ 659,878	\$ 315,205	\$ 208,778	\$ 25,964	\$ 25,964

NOTE 16 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 17 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 2018/19 amended annual budget adopted by the Board on January 22, 2019. The following chart compares the original annual budget bylaw approved April 24, 2018 to the amended annual budget bylaw reported in these financial statements.

	2019 Amended Annual Budget	2019 Annual Budget
Revenues		
Provincial Grants		
Ministry of Education	\$ 49,708,798	\$ 48,128,075
Other Provincial Revenues	101,450	101,450
Tuition	4,100,000	3,900,000
Other Revenue	1,500,000	1,655,000
Rentals and Leases	650,000	600,000
Investment Income	300,000	175,000
Total Revenue	56,360,248	54,559,525

SCHOOL DISTRICT NO. 69 (QUALICUM)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

NOTE 17 BUDGET FIGURES (continued)

Expenses

Instruction	\$ 44,360,275	\$ 42,719,862
District Administration	2,298,251	2,131,659
Operations and Maintenance	7,927,273	7,906,027
Transportation and Housing	2,005,849	1,978,942
Total Expenses	56,591,648	54,736,490
Net Expenses	(231,400)	(176,965)
Budgeted Allocation of Surplus	333,077	292,619
Budgeted Surplus for the year	\$ 101,677	\$ 115,654

NOTE 18 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 19 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, 2019

NOTE 19 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.

School District No. 69 (Qualicum)

Schedule 1

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	2,133,654		18,330,368	20,464,022	19,009,862
Changes for the year					
Surplus (Deficit) for the year	(48,675)		(436,807)	(485,482)	1,454,160
Interfund Transfers	(100,677)		100,677	-	
Tangible Capital Assets Purchased	(149,352)	-	(336,130)	(485,482)	1,454,160
Net Changes for the year	<u>1,984,302</u>	<u>-</u>	<u>17,994,238</u>	<u>19,978,540</u>	<u>20,464,022</u>

Accumulated Surplus (Deficit), end of year - Statement 2

School District No. 69 (Qualicum)

Schedule of Operating Operations

Year Ended June 30, 2019

Schedule 2

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	42,632,537	42,964,166	42,090,288
Other	101,450	169,625	140,779
Tuition	4,100,000	4,005,703	3,952,621
Other Revenue	150,000	159,387	149,497
Rentals and Leases	650,000	699,144	627,262
Investment Income	300,000	287,405	191,037
Total Revenue	47,933,987	48,285,430	47,151,484
Expenses			
Instruction	38,660,796	38,920,838	37,018,731
District Administration	2,298,251	2,340,102	1,908,386
Operations and Maintenance	5,184,118	5,464,837	5,206,684
Transportation and Housing	1,705,349	1,608,328	1,575,656
Total Expense	47,848,514	48,334,105	45,709,457
Operating Surplus (Deficit) for the year	85,473	(48,675)	1,442,027
Budgeted Appropriation (Retirement) of Surplus (Deficit)	333,077		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(418,550)	(100,677)	(275,366)
Local Capital			(300,000)
Total Net Transfers	(418,550)	(100,677)	(575,366)
Total Operating Surplus (Deficit), for the year	-	(149,352)	866,661
Operating Surplus (Deficit), beginning of year		2,133,654	1,266,993
Operating Surplus (Deficit), end of year		1,984,302	2,133,654
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 14)		1,984,302	2,133,654
Total Operating Surplus (Deficit), end of year		1,984,302	2,133,654

School District No. 69 (Qualicum)

Schedule 2A

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	41,210,020	41,283,872	40,346,607
Other Ministry of Education Grants			
Pay Equity	936,176	936,176	936,176
Funding for Graduated Adults		9,687	4,618
Transportation Supplement	426,341	426,341	426,341
Economic Stability Dividend		46,945	25,226
Return of Administrative Savings			197,263
Carbon Tax Grant	60,000	58,640	55,272
Employer Health Tax Grant		108,720	
Strategic Priorities - Mental Health Grant		35,000	
Support Staff Benefits Grant		37,312	34,569
BCTEA - LEA Capacity Building Grant		6,850	
FSA Monitoring		8,187	8,187
Shoulder Tappers		5,000	17,079
SRG3 Assessments		1,436	38,950
Total Provincial Grants - Ministry of Education	42,632,537	42,964,166	42,090,288
Provincial Grants - Other	101,450	169,625	140,779
Tuition			
International and Out of Province Students	4,100,000	4,005,703	3,952,621
Total Tuition	4,100,000	4,005,703	3,952,621
Other Revenues			
Miscellaneous			
Transportation Revenue	50,000	60,184	52,730
Miscellaneous	100,000	90,598	89,548
Peard Dividend		8,605	7,219
Total Other Revenue	150,000	159,387	149,497
Rentals and Leases	650,000	699,144	627,262
Investment Income	300,000	287,405	191,037
Total Operating Revenue	47,933,987	48,285,430	47,151,484

School District No. 69 (Qualicum)

Schedule 2B

Schedule of Operating Expense by Object

Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
Salaries			
Teachers	18,033,301	18,349,632	17,548,271
Principals and Vice Principals	2,982,403	2,979,831	2,752,423
Educational Assistants	3,594,542	3,256,262	3,034,138
Support Staff	4,836,586	4,732,464	4,671,567
Other Professionals	1,630,241	1,713,084	1,446,325
Substitutes	1,386,855	1,812,702	1,638,698
Total Salaries	32,463,928	32,843,975	31,091,422
Employee Benefits	8,654,667	8,529,200	7,981,178
Total Salaries and Benefits	41,118,595	41,373,175	39,072,600
Services and Supplies			
Services	2,965,330	3,183,414	3,195,774
Student Transportation	1,000		-
Professional Development and Travel	549,085	503,771	534,557
Rentals and Leases	5,000	10,553	4,407
Dues and Fees	71,000	74,419	69,944
Insurance	164,000	149,560	134,173
Interest	-		
Supplies	1,958,504	2,140,818	1,756,799
Utilities	1,016,000	898,395	941,203
Total Services and Supplies	6,729,919	6,960,930	6,636,857
Total Operating Expense	47,848,514	48,334,105	45,709,457

School District No. 69 (Qualicum)

Operating Expense by Function, Program and Object
Year Ended June 30, 2019

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	15,050,536	532,940		16,720		1,174,564	16,774,760
1.03 Career Programs	179,639			38,967			218,606
1.07 Library Services	591,516	23,418		226,171		4,222	845,327
1.08 Counselling	711,454	6,511					717,965
1.10 Special Education	1,515,269	208,860	3,016,097	37,082	60,047	275,088	5,112,443
1.30 English Language Learning	60,762						60,762
1.31 Aboriginal Education	41,439	115,865	240,165	7,218			404,687
1.41 School Administration		1,843,320		998,295		31,177	2,872,792
1.62 International and Out of Province Students	199,017	248,917		56,011	196,484		700,429
1.64 Other					44,468		44,468
Total Function 1	18,349,632	2,979,831	3,256,262	1,380,464	300,999	1,485,051	27,752,239
4 District Administration							
4.11 Educational Administration					529,187		529,187
4.40 School District Governance					125,605		125,605
4.41 Business Administration				308,273	474,076	764	783,113
Total Function 4	-	-	-	308,273	1,128,868	764	1,437,905
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				52,348	227,266	4,792	284,406
5.50 Maintenance Operations				1,977,655		205,466	2,183,121
5.52 Maintenance of Grounds				169,626			169,626
5.56 Utilities							-
Total Function 5	-	-	-	2,199,629	227,266	210,258	2,637,153
7 Transportation and Housing							
7.41 Transportation and Housing Administration				54,086	55,951		110,037
7.70 Student Transportation				790,012		116,629	906,641
7.73 Housing							-
Total Function 7	-	-	-	844,098	55,951	116,629	1,016,678
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	18,349,632	2,979,831	3,256,262	4,732,464	1,713,084	1,812,702	32,843,975

School District No. 69 (Qualicum)

Operating Expense by Function, Program and Object
Year Ended June 30, 2019

Schedule 2C

	Total Salaries \$	Employee Benefits \$	Total Salaries and Benefits \$	Services and Supplies \$	2019 Actual \$	2019 Budget \$	2018 Actual \$
1 Instruction							
1.02 Regular Instruction	16,774,760	4,235,900	21,010,660	965,480	21,976,140	21,573,536	21,207,997
1.03 Career Programs	218,606	55,805	274,411	565,293	839,704	725,589	789,942
1.07 Library Services	845,327	231,669	1,076,996	20,289	1,097,285	1,097,100	817,880
1.08 Counselling	717,965	181,907	899,872		899,872	949,346	985,686
1.10 Special Education	5,112,443	1,581,437	6,693,880	66,754	6,760,634	6,900,979	6,247,545
1.30 English Language Learning	60,762	18,509	79,271		79,271	77,193	75,050
1.31 Aboriginal Education	404,687	109,337	514,024	51,848	565,872	569,848	579,590
1.41 School Administration	2,872,792	726,949	3,599,741	80,636	3,680,377	3,743,212	3,403,209
1.62 International and Out of Province Students	700,429	179,566	879,995	2,097,111	2,977,106	2,977,228	2,869,387
1.64 Other	44,468	109	44,577		44,577	46,765	42,445
Total Function 1	27,752,239	7,321,188	35,073,427	3,847,411	38,920,838	38,660,796	37,018,731
4 District Administration							
4.11 Educational Administration	529,187	75,936	605,123	83,910	689,033	584,950	526,267
4.40 School District Governance	125,605	12,318	137,923	93,883	231,806	243,843	173,419
4.41 Business Administration	783,113	181,303	964,416	454,847	1,419,263	1,469,458	1,208,700
Total Function 4	1,437,905	269,557	1,707,462	632,640	2,340,102	2,298,251	1,908,386
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	284,406	56,523	340,929	263,111	604,040	537,714	564,099
5.50 Maintenance Operations	2,183,121	548,847	2,731,968	801,391	3,533,359	3,219,715	3,335,701
5.52 Maintenance of Grounds	169,626	46,152	215,778	84,957	300,735	290,689	263,965
5.56 Utilities	-	-	-	1,026,703	1,026,703	1,136,000	1,042,919
Total Function 5	2,637,153	651,522	3,288,675	2,176,162	5,464,837	5,184,118	5,206,684
7 Transportation and Housing							
7.41 Transportation and Housing Administration	110,037	20,831	130,868	4,506	135,374	157,870	107,511
7.70 Student Transportation	906,641	266,102	1,172,743	292,411	1,465,154	1,529,479	1,456,595
7.73 Housing	-	-	-	7,800	7,800	18,000	11,550
Total Function 7	1,016,678	286,933	1,303,611	304,717	1,608,328	1,705,349	1,575,656
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	32,843,975	8,529,200	41,373,175	6,960,930	48,334,105	47,848,514	45,709,457

School District No. 69 (Qualicum)

Schedule 3

Schedule of Special Purpose Operations

Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	4,548,825	4,542,363	3,882,781
Other Revenue	1,350,000	1,308,049	1,347,159
Total Revenue	<u>5,898,825</u>	<u>5,850,412</u>	<u>5,229,940</u>
Expenses			
Instruction	5,699,479	5,651,066	5,030,594
Operations and Maintenance	199,346	199,346	199,346
Total Expense	<u>5,898,825</u>	<u>5,850,412</u>	<u>5,229,940</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. 69 (Qualicum)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2019

Schedule 3A

Deferred Revenue, beginning of year

Add: Restricted Grants
Provincial Grants - Ministry of Education
Other

Less: Allocated to Revenue

Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education
Other Revenue

Expenses

Salaries
Teachers
Principals and Vice Principals
Educational Assistants
Support Staff
Other Professionals

Employee Benefits
Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Net Revenue (Expense)

Annual Facility Grant	Learning Improvement Fund	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Coding and Curriculum Implementation
\$	\$	\$	\$	\$	\$	\$	\$	\$
199,346	159,201	25,000	531,030					5,000
				96,000	19,600	124,427	372,025	
199,346	159,201	-	1,424,042	96,000	19,600	124,427	372,025	-
199,346	159,201	25,000	1,308,049	96,000	19,600	124,427	372,025	5,000
-	-	-	647,023	-	-	-	-	-
199,346	159,201	25,000	1,308,049	96,000	19,600	124,427	372,025	5,000
199,346	159,201	25,000	1,308,049	96,000	19,600	124,427	372,025	5,000
147,777	125,355			52,079			29,293	
							226,784	
147,777	125,355	19,685	-	-	-	52,079	256,077	-
34,600	33,846	5,315	-	-	-	14,061	63,815	-
16,969			1,308,049	96,000	19,600	58,287	52,133	5,000
199,346	159,201	25,000	1,308,049	96,000	19,600	124,427	372,025	5,000
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

School District No. 69 (Qualicum)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2019

Deferred Revenue, beginning of year

Add: Restricted Grants
Provincial Grants - Ministry of Education
Other

Less: Allocated to Revenue

Deferred Revenue, end of year

Revenues

Provincial Grants - Ministry of Education
Other Revenue

Expenses

Salaries

Teachers

Principals and Vice Principals

Educational Assistants

Support Staff

Other Professionals

Employee Benefits

Services and Supplies

Net Revenue (Expense) before Interfund Transfers

Interfund Transfers

Net Revenue (Expense)

Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	TOTAL
\$	\$	\$	\$
		14,591	575,621
449,716	3,059,773	32,659	4,512,747
		1,424,042	
449,716	3,059,773	32,659	5,936,789
449,716	3,059,773	32,275	5,850,412
-	-	14,975	661,998
449,716	3,059,773	32,275	4,542,363
		1,308,049	
449,716	3,059,773	32,275	5,850,412
	2,417,537	32,275	2,501,891
			29,293
			352,139
351,498			499,275
			19,685
351,498	2,417,537	32,275	3,402,283
98,218	642,236		892,091
			1,556,038
449,716	3,059,773	32,275	5,850,412
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

School District No. 69 (Qualicum)

Schedule 4

Schedule of Capital Operations

Year Ended June 30, 2019

		2019 Actual			
	2019 Budget	Invested in Tangible Capital Assets	Local Capital	Fund Balance	2018 Actual
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education	250,000	662,571		662,571	620,614
Other		24,197		24,197	23,378
Investment Income			22,205	22,205	12,380
Gain (Loss) on Disposal of Tangible Capital Assets				-	419,201
Amortization of Deferred Capital Revenue	2,277,436	2,277,437		2,277,437	2,207,106
Total Revenue	<u>2,527,436</u>	<u>2,964,205</u>	<u>22,205</u>	<u>2,986,410</u>	<u>3,282,679</u>
Expenses					
Operations and Maintenance	250,000	686,768	142,140	828,908	757,550
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,293,809	2,291,136		2,291,136	2,281,426
Transportation and Housing	300,500	303,173		303,173	231,570
Total Expense	<u>2,844,309</u>	<u>3,281,077</u>	<u>142,140</u>	<u>3,423,217</u>	<u>3,270,546</u>
Capital Surplus (Deficit) for the year	<u>(316,873)</u>	<u>(316,872)</u>	<u>(119,935)</u>	<u>(436,807)</u>	<u>12,133</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	418,550	100,677		100,677	275,366
Local Capital				-	300,000
Total Net Transfers	<u>418,550</u>	<u>100,677</u>	<u>-</u>	<u>100,677</u>	<u>575,366</u>
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		24,384	(24,384)	-	
Total Other Adjustments to Fund Balances		<u>24,384</u>	<u>(24,384)</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>101,677</u>	<u>(191,811)</u>	<u>(144,319)</u>	<u>(336,130)</u>	<u>587,499</u>
Capital Surplus (Deficit), beginning of year		17,424,713	905,655	18,330,368	17,742,869
Capital Surplus (Deficit), end of year		<u>17,232,902</u>	<u>761,336</u>	<u>17,994,238</u>	<u>18,330,368</u>

School District No. 69 (Qualicum)

Schedule 4C

Deferred Capital Revenue

Year Ended June 30, 2019

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	44,351,844	915,818	73,596	45,341,258
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,977,061	105,277		2,082,338
	1,977,061	105,277	-	2,082,338
Decrease:				
Amortization of Deferred Capital Revenue	2,233,769	34,082	9,586	2,277,437
	2,233,769	34,082	9,586	2,277,437
Net Changes for the Year	(256,708)	71,195	(9,586)	(195,099)
Deferred Capital Revenue, end of year	44,095,136	987,013	64,010	45,146,159
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	44,095,136	987,013	64,010	45,146,159

School District No. 69 (Qualicum)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2019

Schedule 4D

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	242,622	105,277	-	195,000	-	542,899
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	2,437,719					2,437,719
Provincial Grants - Other	3,825		33,601	5,265		33,601
Investment Income	2,441,544	-	33,728	5,265	-	2,480,537
Decrease:						
Transferred to DCR - Capital Additions	1,977,061	105,277				2,082,338
Purchase of Services and Supplies	662,571		24,197			686,768
	2,639,632	105,277	24,197	-	-	2,769,106
Net Changes for the Year	(198,088)	(105,277)	9,531	5,265	-	(288,569)
Balance, end of year	44,534	-	9,531	200,265	-	254,330