

Audited Financial Statements of

School District No. 19 (Revelstoke)

And Independent Auditors' Report thereon

June 30, 2022

School District No. 19 (Revelstoke)

June 30, 2022

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School District No. 19 (Revelstoke)

MANAGEMENT REPORT

Version: 4308-3562-1580

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 19 (Revelstoke) 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.

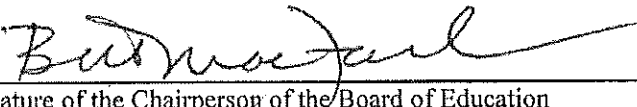
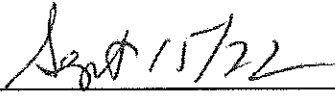
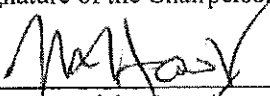
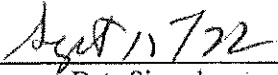
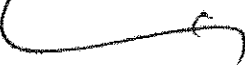
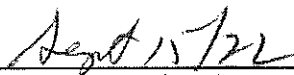
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 19 (Revelstoke) (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, BDO Canada LLP, 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. 19 (Revelstoke) 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. 19 (Revelstoke)

	
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 Auditor's Report

To the Board of Trustees of School District No. 19 (Revelstoke)

Opinion

We have audited the financial statements of School District No. 19 (Revelstoke) (the "School District"), which comprise the statement of financial position as at June 30, 2022, and the statements of operations, changes in net financial assets (debt), and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the School District as at and for the year ended June 30, 2022 are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia (the Act).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 to the financial statements which describes the basis of accounting. The financial statements are prepared in order for the School District to meet the reporting requirements of the Act referred to above. Note 2 to the Financial Statements discloses the impact of these differences between such basis of accounting and Canadian public sector accounting standards. Our opinion is not modified in respect of this matter.

Emphasis of Matter - Restated Comparative Information

Without modifying our conclusion, we draw attention to Note 19 to the financial statements, which describes that certain comparative information presented for the year ended June 30, 2021 has been restated.

Other Matters

We draw attention to the fact that the supplementary information included in Schedule 1 to 4 does not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

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

Management is responsible for the preparation of the financial statements in accordance with the Act, 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.

Auditor's 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 auditor's 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 auditor's 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 auditor's report. However future events or conditions may cause the School District to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the School District to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the School District audit. We remain solely responsible for our audit opinion.

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.

BDO Canada LLP

Chartered Professional Accountants

Revelstoke, British Columbia

September 16, 2022


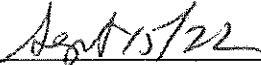
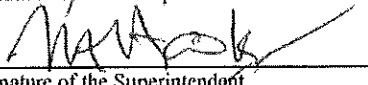

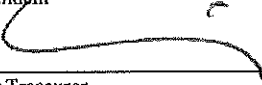

School District No. 19 (Revelstoke)

Statement of Financial Position

As at June 30, 2022

	2022 Actual	2021 Actual (Restated - Note 19)
	\$	\$
Financial Assets		
Cash and Cash Equivalents (Note 2)	4,670,513	5,144,759
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	50,000	
Other (Note 3)	128,112	277,936
Portfolio Investments (Note 4)	800,000	700,000
Total Financial Assets	<u>5,648,625</u>	<u>6,122,695</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	891,973	1,166,683
Unearned Revenue (Note 6)	27,391	20,584
Deferred Revenue (Note 7)	308,386	198,520
Deferred Capital Revenue (Note 8)	52,219,740	53,389,273
Employee Future Benefits (Note 9)	358,351	367,112
Total Liabilities	<u>53,805,841</u>	<u>55,142,172</u>
Net Debt	<u>(48,157,216)</u>	<u>(49,019,477)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 10)	55,560,923	56,400,517
Total Non-Financial Assets	<u>55,560,923</u>	<u>56,400,517</u>
Accumulated Surplus (Deficit)	<u>7,403,707</u>	<u>7,381,040</u>

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. 19 (Revelstoke)

Statement 2

Statement of Operations
Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 19)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	13,972,448	13,791,069	13,894,012
Other	67,599	81,349	99,420
Tuition			11,000
Other Revenue	627,632	867,325	498,526
Rentals and Leases	207,133	215,811	196,507
Investment Income	41,500	74,462	68,873
Amortization of Deferred Capital Revenue	1,990,113	1,980,792	1,970,956
Total Revenue	<u>16,906,425</u>	<u>17,010,808</u>	<u>16,739,294</u>
Expenses (Note 16)			
Instruction	12,270,489	12,137,320	11,749,018
District Administration	864,320	928,127	807,034
Operations and Maintenance	3,979,894	3,581,194	3,662,678
Transportation and Housing	345,462	341,500	274,405
Total Expense	<u>17,460,165</u>	<u>16,988,141</u>	<u>16,493,135</u>
Surplus (Deficit) for the year	<u>(553,740)</u>	<u>22,667</u>	<u>246,159</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		<u>7,381,040</u>	<u>7,134,881</u>
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>7,403,707</u></u>	<u><u>7,381,040</u></u>

School District No. 19 (Revelstoke)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 19)
	\$	\$	\$
Surplus (Deficit) for the year	<u>(553,740)</u>	<u>22,667</u>	<u>246,159</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(1,550,000)	(1,305,151)	(1,825,207)
Amortization of Tangible Capital Assets	2,134,234	2,144,745	2,115,353
Total Effect of change in Tangible Capital Assets	<u>584,234</u>	<u>839,594</u>	<u>290,146</u>
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>-</u>	<u>-</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>30,494</u>	<u>862,261</u>	<u>536,305</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>862,261</u>	<u>536,305</u>
Net Debt, beginning of year		(49,019,477)	(49,555,782)
Net Debt, end of year		<u>(48,157,216)</u>	<u>(49,019,477)</u>

School District No. 19 (Revelstoke)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2022

	2022 Actual	2021 Actual
		(Restated - Note 19)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	22,667	246,159
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	99,824	(43,104)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(274,710)	266,562
Unearned Revenue	6,807	(12,412)
Deferred Revenue	109,866	87,593
Employee Future Benefits	(8,761)	(387)
Amortization of Tangible Capital Assets	2,144,745	2,115,353
Amortization of Deferred Capital Revenue	(1,980,792)	(1,970,956)
Total Operating Transactions	<u>119,646</u>	<u>688,808</u>
Capital Transactions		
Tangible Capital Assets Purchased	(1,305,151)	(1,825,207)
Total Capital Transactions	<u>(1,305,151)</u>	<u>(1,825,207)</u>
Financing Transactions		
Capital Revenue Received	811,259	1,563,957
Total Financing Transactions	<u>811,259</u>	<u>1,563,957</u>
Investing Transactions		
Investments in Portfolio Investments	(100,000)	(100,000)
Total Investing Transactions	<u>(100,000)</u>	<u>(100,000)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(474,246)	327,558
Cash and Cash Equivalents, beginning of year	<u>5,144,759</u>	<u>4,817,201</u>
Cash and Cash Equivalents, end of year	<u>4,670,513</u>	<u>5,144,759</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	4,670,513	5,144,759
	<u>4,670,513</u>	<u>5,144,759</u>

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12, 1946 operates under authority of the School Act of British Columbia as a corporation under the name of "The Board of Education of School District No. 19 (Revelstoke)", and operates as "School District No. 19 (Revelstoke)." 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.19 (Revelstoke) 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. Under direction of the Provincial Health Officer, all schools suspended in-class instruction in March 2020 and the District remained open to continue to support students and families in a variety of ways. Parents were given the choice to send their children back to school on a gradual and part-time basis beginning June 1, 2020 and full-time beginning Sept 1, 2020 with new health and safety guidelines. 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 District is not practicable at this time.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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

As noted in notes 2(f) and 2(l), Section 23.1 of the Budget Transparency and Accountability Act and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense.

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Basis of Accounting (continued)

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
- 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 impact of this difference on the financial statements of the School District is as follows:

Year-ended June 30, 2021 – increase in annual surplus by \$389,426

June 30, 2021 – increase in accumulated surplus and decrease in deferred contributions by \$54,383,158.

Year-ended June 30, 2022 – decrease in annual surplus by \$1,169,533

June 30, 2022 – increase in accumulated surplus and decrease in deferred contributions by \$52,219,740.

b) Cash and cash equivalents

Cash and cash equivalents include cash on deposit with the Revelstoke Credit Union and the Ministry of Finance – Central Deposit Program that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value

c) Accounts Receivable

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

d) Portfolio Investments

The School District has investments in term deposits at the Revelstoke Credit Union. They have a maturity of greater than 3 months at the time of acquisition. Term deposits are reported at cost.

e) Unearned Revenue

Unearned revenue includes grants received for projects and programs that involve using the proceeds for services or products to be delivered in a future period. Revenue will be recognized in that future period when the projects and programs are provided.

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Deferred Revenue and Deferred Capital Revenue

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

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.

g) Employee Future Benefits

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

The most recent valuation of the obligation was performed at March 31, 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.

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

h) 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.

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.

i) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

j) Prepaid Expenses

Prepaid Expense are stated at acquisition cost and are charged to expense over the periods expected to benefit from it. There are no prepaid expenses for 2021/2022.

k) 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 12 – Interfund Transfers and Note 17 – Internally Restricted Surplus). Funds and reserves are disclosed on Schedules 2, 3 and 4.

l) 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.

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l) Revenue Recognition (continued)

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 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.

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

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m) 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.

n) Financial Instruments

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

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

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

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

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n) Financial Instruments (continued)

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

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

o) Measurement Uncertainty

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

p) Future Changes in Accounting Policies

PS 3280 Asset Retirement Obligations issued August 2018 establishes standards for recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets and is effective July 1, 2022. A liability will be 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.

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.

A modified retroactive application has been recommended by Government. Management is in the process of assessing the impact of adopting this standard on the School District's financial results.

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p) Future Changes in Accounting Policies (continued)

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:

- (a) has the authority to claim or retain an inflow of economic resources; and
- (b) 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.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2022	2021
Due from Federal Government	\$ 42,527	\$ 99,861
Due from Other School Districts	-	122,989
Other	85,585	55,086
	\$128,112	\$277,936

NOTE 4 PORTFOLIO INVESTMENTS

	2022	2021
Investments in the cost and amortized cost category:		
Term deposits	\$800,000	\$700,000

The term deposits earn interest that is receivable annually. There are two term deposits of \$400,000. One term deposit has a 1% interest rate, maturing on March 12, 2023. The second term deposit has an interest rate of 2.7%, maturing on April 29, 2023.

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	2022	2021
Trade payables	\$ 300,741	\$ 571,696
Salaries and benefits payable	355,030	407,359
Accrued vacation pay	111,646	63,072
Other	124,556	124,556
	\$ 891,973	\$1,166,683

NOTE 6 UNEARNED REVENUE

	2022	2021
Balance, beginning of year	\$ 20,584	\$ 32,996
Changes for the year:		
Increase:		
Grants received in advance of projects/programs	14,700	10,850
Decrease:		
Expenditures from grants- therapy, literacy and breakfast	(7,893)	(23,262)
Net changes for the year	6,807	(12,412)
Balance, end of year	\$ 27,391	\$ 20,584

NOTE 7 DEFERRED REVENUE

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

	2022	2021
Balance, beginning of year	\$ 198,520	\$ 110,927
Changes for the year:		
Increase:		
Grants: Provincial – Ministry of Education and Child Care	1,050,153	1,358,256
Other	50,587	45,482
Decrease:		
Allocated to Revenue:		
Grants: Provincial – Ministry of Education and Child Care	(959,345)	(1,306,145)
Other	(31,529)	(10,000)
Net changes for the year	109,866	87,593
Balance, end of year	\$ 308,386	\$ 198,520

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 8 DEFERRED CAPITAL REVENUE

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

	2022	2021
Deferred capital revenue - spent		
Balance, beginning of year	\$53,103,110	\$ 54,418,763
Prior period adjustment	-	(993,885)
Changes for the year:		
Increase:		
Capital additions	1,075,364	1,631,615
Decrease:		
Amortization	(1,980,792)	(1,953,383)
Net changes for the year	(905,428)	(1,315,653)
Balance, end of year	\$52,197,682	\$ 53,103,110
	2022	2021
Deferred capital revenue - unspent		
Balance, beginning of year	\$ 286,163	\$ 353,821
Changes for the year:		
Increase:		
Grants: Provincial – Ministry of Education and Child Care	811,259	1,563,957
Decrease:		
Transfer to deferred capital revenue - spent	(1,075,364)	(1,631,615)
Net changes for the year	(264,105)	(67,658)
Balance, end of year	\$ 22,058	\$ 286,163

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 9 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.

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	
Reconciliation of Accrued Benefit Obligation			
Accrued Benefit Obligation – April 1	\$255,289	\$253,647	
Service Cost	24,788	24,952	
Interest Cost	6,788	5,997	
Benefit Payments	(46,701)	(18,771)	
Actuarial (Gain) Loss	(23,104)	(10,536)	
Accrued Benefit Obligation – March 31	<u>217,060</u>	<u>255,289</u>	
Reconciliation of Funded Status at End of Fiscal Year			
Accrued Benefit Obligation - March 31	217,060	255,289	
Market Value of Plan Assets - March 31	0	0	
Funded Status - Surplus (Deficit)	(217,060)	(255,289)	
Employer Contributions After Measurement Date	0	16,025	
Benefits Expense After Measurement Date	(6,801)	(7,894)	
Unamortized Net Actuarial (Gain) Loss	(134,490)	(119,954)	
Accrued Benefit Asset (Liability) - June 30	<u>(358,351)</u>	<u>(367,112)</u>	
Reconciliation of Change in Accrued Benefit Liability			
Accrued Benefit Liability (Asset) - July 1	367,112	367,499	
Net Expense for Fiscal Year	21,915	22,099	
Employer Contributions	(30,676)	(22,486)	
Accrued Benefit Liability (Asset) - June 30	<u>358,351</u>	<u>367,112</u>	
Components of Net Benefit Expense			
Service Cost	23,528	24,911	
Interest Cost	6,955	6,195	
Amortization of Net Actuarial (Gain)/Loss	(8,568)	(9,007)	
Net Benefit Expense (Income)	<u>\$21,915</u>	<u>\$22,099</u>	
Assumptions			
Discount Rate - April 1	2.50%	2.25%	
Discount Rate - March 31	3.25%	2.50%	
Long Term Salary Growth - April 1	2.50%	2.50%	+seniority
Long Term Salary Growth - March 31	2.50%	2.50%	+seniority
EARSLS - March 31	11.5	10.5	

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 10 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2022	Net Book Value 2021 (Restated-Note 19)
Sites	\$ 1,491,417	\$ 1,491,417
Buildings	53,185,256	54,194,828
Furniture & Equipment	432,361	321,023
Vehicles	206,351	244,996
Computer Hardware	245,538	148,253
Total	\$55,560,923	\$56,400,517

June 30, 2022

	Opening Cost	Additions	Disposals	Total 2022
Sites	\$ 1,491,417	\$ -	\$ -	\$ 1,491,417
Buildings	83,844,055	915,703	-	84,759,758
Furniture & Equipment	1,180,292	214,725	(507,578)	887,439
Vehicles	461,198	7,868	-	469,066
Computer Hardware	291,697	166,855	(54,557)	403,995
Total	\$87,268,659	\$1,305,151	\$(562,135)	\$88,011,675

	Opening Accumulated Amortization	Additions	Disposals	Total 2022
Buildings	\$29,649,227	\$1,925,275	\$ -	\$31,574,502
Furniture & Equipment	859,269	103,387	(507,578)	455,078
Vehicles	216,202	46,513	-	262,715
Computer Hardware	143,444	69,570	(54,557)	158,457
Total	\$30,868,142	\$2,144,745	\$(562,135)	\$32,450,752

June 30, 2021, as restated

	Opening Cost	Additions	Disposals	Total 2021
Sites	\$ 1,491,417	\$ -	\$ -	\$ 1,491,417
Buildings	82,126,253	1,717,802	-	83,844,055
Furniture & Equipment	1,113,275	48,553	(1,015)	1,180,292
Vehicles	448,715	12,483	-	461,198
Computer Hardware	275,426	46,369	(30,098)	291,697
Total	\$85,474,565	\$1,825,207	\$(31,113)	\$87,268,659

	Opening Accumulated Amortization	Additions	Disposals	Total 2021
Buildings	\$27,751,736	\$1,897,491	\$ -	\$29,649,227
Furniture & Equipment	744,631	115,653	(1,015)	859,269
Vehicles	170,706	45,496	-	216,202
Computer Hardware	116,830	56,713	(30,098)	143,444
Total	\$28,783,903	\$3,161,267	\$(31,113)	\$30,868,142

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 11 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trusteed 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, 2021, the Teachers' Pension Plan has about 50,000 active members and approximately 40,000 retired members. As of December 31, 2021, the Municipal Pension Plan has about 227,000 active members, including approximately 29,000 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.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The school district paid \$1,081,697 for employer contributions to the plans for the year ended June 30, 2022 (2021: \$1,063,485).

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, 2021, with results available in 2022.

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

NOTE 12 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2022, were as follows:

- Capital Assets purchased and transferred from Operating \$199,035
- Capital Assets purchased and transferred from Special Purpose Funds \$ 30,752

**SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 13 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 14 CONTRACTUAL OBLIGATIONS

1. As part of the reconstruction of its two largest schools, the School District entered into a multiple-year contractual agreement to purchase thermal energy from Revelstoke Community Energy Corporation in September 2010 for a term expiring in 2034. In the event that the School District decides to terminate this agreement, the School District would be required to pay any liabilities accrued up the date of termination. Estimated payments for the next five years and thereafter under the terms of the Agreement are as follows:

<u>Year</u>	<u>Amount</u>
2023	67,301
2024	68,647
2025	70,020
2026	71,420
2027	72,849
Thereafter	<u>361,283</u>
Total	<u>\$711,520</u>

2. The district has a signed contract with VVI Construction Ltd in the amount of \$576,180 for interior renovations to Arrow Heights Elementary School. The project started on July 5, 2021 and is experiencing significant delays in its completion.
3. The district has a signed contract with Martech Electric Ltd in the amount of \$176,172 for a lighting upgrade at Begbie View Elementary School. The project will start in October 2022 and is expected to be completed by the end of November 2022.
4. The district has a signed contract with Western Roofing (Master Roofers) LTD in the amount of \$287,400 for a partial roof replacement at Arrow Heights Elementary School. The project started on August 2, 2022 and is expected to be completed by August 31, 2022.

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 15

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 23, 2022.

	Amended Budget February 2022	Original (Preliminary) Budget June 2021	Change
Revenue			
Provincial Grants			
Ministry of Education	\$13,972,448	13,734,634	237,814
Other	67,599	40,500	27,099
Tuition	-	175,000	(175,000)
Other Revenue	627,632	520,457	107,175
Rental and Leases	207,133	210,610	(3,477)
Investment Income	41,500	70,000	(28,500)
Amortization of Deferred Capital Revenue	1,990,113	1,969,554	20,559
Total Revenue	16,906,425	16,720,755	185,670
Expenses			
Instruction	12,270,489	12,074,243	196,246
District Administration	864,320	845,432	18,888
Operations and Maintenance	3,979,894	4,052,486	(72,592)
Transportation and Housing	345,462	331,055	14,407
Total Expense	17,460,165	17,303,216	156,949
Budget Net Surplus (Deficit), for the year	(553,740)	(582,461)	28,721
Budget allocation of Surplus	446,119	451,562	(5,443)
Budget Surplus (Deficit), for the year	\$(107,621)	\$(130,899)	\$23,278

**SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 16 EXPENSE BY OBJECT

	2022	2021 <small>(Restated Note-19)</small>
Salaries and benefits	\$12,804,482	\$12,560,719
Services and supplies	2,035,914	1,806,548
Amortization	2,144,745	2,125,868
	<u>\$ 16,988,141</u>	<u>\$ 16,493,135</u>

NOTE 17 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted Surplus by Board from Operating Fund:

	2022	2021
Literacy Planning	\$ 4,261	\$ 4,261
Therapies Grant	22,306	26,399
Farwell Building Reserve	72,136	53,869
Screen Smart	13,700	17,057
Additional Support for Community Links	27,701	27,701
Additional Support for Ready Set Learn	11,116	11,116
Additional Support for Strong Start	11,089	11,089
Additional Support for Mental Health programs	31,189	31,189
Scholarships and Bursaries	4,689	4,892
CPR Technology	23,025	23,025
School Generated Funds	198,504	188,603
Support for Education Plan	7,810	7,810
Professional Development – Per Contracts	145,005	147,085
Health and Wellness – Breakfast Program	45,992	38,755
Aboriginal Targeted Surplus	30,481	26,302
School and Department Surpluses	119,942	93,023
Vehicle Appropriation	<u>20,000</u>	<u>20,000</u>
Total of Internally Restricted Surplus	\$788,946	\$732,176
Unrestricted Operating Surplus	<u>837,921</u>	<u>978,682</u>
Total Accumulated Operating Surplus at Year End	<u>\$1,626,867</u>	<u>\$1,710,858</u>

NOTE 18 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.

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

NOTE 19 PRIOR PERIOD ADJUSTMENT

On May 28, 2021, the Office of the Comptroller General directed all school districts to apply the half-year rule method of amortization beginning in the fiscal year an asset is placed into service. This directive applies to both past and future purchases. Prior to this directive, the district did not recognize amortization in the first partial service year. The School District has made a retroactive adjustment to recognize amortization of all assets and deferred capital contributions beginning in the first service year. The impact of the prior period adjustment on the June 30, 2021 comparative amounts is as follows:

	Increase (Decrease)
Tangible Capital Assets	\$(1,069,449)
Deferred Capital Revenue	(993,885)
Accumulated Surplus (Deficit)	(75,564)
Amortization of Deferred Capital Revenue	17,570
Operations & Maintenance Expense – Asset amortization	23,535
Accumulated Surplus – beginning of the year July 1, 2020	(69,602)

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, amounts receivable and investments.

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

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

SCHOOL DISTRICT NO 19 (REVELSTOKE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

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 the foreign exchange rates. It is management's opinion that the School District is not exposed to significant currency risk, as amounts held, and purchases made in foreign currency are insignificant.

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

c) Liquidity risk:

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

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

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance. There have been no changes to risk exposure from 2021 related to credit, market or liquidity risks.

School District No. 19 (Revelstoke)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2022

	Operating Fund	Special Purpose Fund	Capital Fund	2022 Actual	2021 Actual (Restated - Note 19)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	1,710,858		5,670,182	7,381,040	7,204,483
Prior Period Adjustments					(69,602)
Accumulated Surplus (Deficit), beginning of year, as restated	<u>1,710,858</u>	-	<u>5,670,182</u>	<u>7,381,040</u>	<u>7,134,881</u>
Changes for the year					
Surplus (Deficit) for the year	140,044	30,752	(148,129)	22,667	246,159
Interfund Transfers					
Tangible Capital Assets Purchased	(199,035)	(30,752)	229,787	-	
Local Capital	(25,000)		25,000	-	
Net Changes for the year	<u>(83,991)</u>	-	<u>106,658</u>	<u>22,667</u>	<u>246,159</u>
Accumulated Surplus (Deficit), end of year - Statement 2	<u>1,626,867</u>	-	<u>5,776,840</u>	<u>7,403,707</u>	<u>7,381,040</u>

School District No. 19 (Revelstoke)

Schedule 2 (Unaudited)

Schedule of Operating Operations
Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 19)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	12,800,270	12,831,724	12,587,867
Other	36,070	49,820	89,420
Tuition			11,000
Other Revenue	627,632	867,325	498,526
Rentals and Leases	207,133	215,811	196,507
Investment Income	30,000	58,138	48,767
Total Revenue	<u>13,701,105</u>	<u>14,022,818</u>	<u>13,432,087</u>
Expenses			
Instruction	11,466,287	11,363,526	10,713,145
District Administration	797,585	861,392	740,299
Operations and Maintenance	1,571,510	1,362,869	1,416,697
Transportation and Housing	286,842	294,987	229,534
Total Expense	<u>14,122,224</u>	<u>13,882,774</u>	<u>13,099,675</u>
Operating Surplus (Deficit) for the year	<u>(421,119)</u>	<u>140,044</u>	<u>332,412</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>446,119</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(199,035)	(145,039)
Local Capital	(25,000)	(25,000)	(25,000)
Total Net Transfers	<u>(25,000)</u>	<u>(224,035)</u>	<u>(170,039)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(83,991)</u>	<u>162,373</u>
Operating Surplus (Deficit), beginning of year		1,710,858	1,548,485
Operating Surplus (Deficit), end of year		<u>1,626,867</u>	<u>1,710,858</u>
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 17)		788,946	732,176
Unrestricted		837,921	978,682
Total Operating Surplus (Deficit), end of year		<u>1,626,867</u>	<u>1,710,858</u>

School District No. 19 (Revelstoke)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 19)
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	12,631,053	12,662,973	12,069,557
Other Ministry of Education and Child Care Grants			
Pay Equity	101,498	101,498	101,498
Student Transportation Fund	49,847	49,847	49,847
Support Staff Benefits Grant	12,460	11,994	11,644
Teachers' Labour Settlement Funding			314,296
Early Career Mentorship Funding			25,000
FSA Scorer Grant	4,094	4,094	4,094
Inquiry Grant			3,000
Early Learning Framework	1,318	1,318	1,318
PLNet Grant			7,613
Total Provincial Grants - Ministry of Education and Child Care	12,800,270	12,831,724	12,587,867
Provincial Grants - Other	36,070	49,820	89,420
Tuition			
International and Out of Province Students			11,000
Total Tuition	-	-	11,000
Other Revenues			
Other School District/Education Authorities	299,232	444,906	238,276
Miscellaneous			
Miscellaneous	5,000	51,040	49,722
ArtStart Program	5,400	5,400	5,400
School Generated Funds	300,000	289,899	147,605
Breakfast Program		76,080	57,523
Interior Health	18,000		
Total Other Revenue	627,632	867,325	498,526
Rentals and Leases	207,133	215,811	196,507
Investment Income	30,000	58,138	48,767
Total Operating Revenue	13,701,105	14,022,818	13,432,087

School District No. 19 (Revelstoke)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object
Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 19)
	\$	\$	\$
Salaries			
Teachers	5,864,964	5,981,060	5,686,868
Principals and Vice Principals	923,850	936,638	914,384
Educational Assistants	884,727	801,788	768,985
Support Staff	1,073,207	989,140	992,958
Other Professionals	617,714	691,458	643,690
Substitutes	355,826	341,655	373,368
Total Salaries	9,720,288	9,741,739	9,380,253
Employee Benefits	2,302,645	2,251,196	2,141,486
Total Salaries and Benefits	12,022,933	11,992,935	11,521,739
Services and Supplies			
Services	557,888	537,523	486,025
Student Transportation	40,960	47,009	8,544
Professional Development and Travel	159,973	167,561	106,937
Rentals and Leases	700	2,186	793
Dues and Fees	59,089	57,740	51,428
Insurance	63,051	47,236	51,550
Supplies	810,590	664,077	506,694
Utilities	407,040	366,507	365,965
Total Services and Supplies	2,099,291	1,889,839	1,577,936
Total Operating Expense	14,122,224	13,882,774	13,099,675

School District No. 19 (Revelstoke)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object
Year Ended June 30, 2022

	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	4,153,633	229,808		106,929		269,258	4,759,628
1.03 Career Programs	114,147						114,147
1.07 Library Services	271,721	18,034		62,781		2,091	354,627
1.08 Counselling	276,633			5,574			282,207
1.10 Special Education	1,065,405	146,938	801,788	12,219	108,170	21,611	2,156,131
1.30 English Language Learning	47,966						47,966
1.31 Indigenous Education	51,555			62,264	1,250		115,069
1.41 School Administration		522,058		172,685		9,029	703,772
Total Function 1	5,981,060	916,838	801,788	422,452	109,420	301,989	8,533,547
4 District Administration							
4.11 Educational Administration				7,108	194,084		201,192
4.40 School District Governance					75,493		75,493
4.41 Business Administration				90,602	161,071		251,673
Total Function 4	-	-	-	97,710	430,648	-	528,358
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration		19,800		8,945	109,459		138,204
5.50 Maintenance Operations				352,721		15,088	367,809
5.52 Maintenance of Grounds				31,131		12,121	43,252
5.56 Utilities							-
Total Function 5	-	19,800	-	392,797	109,459	27,209	549,265
7 Transportation and Housing							
7.41 Transportation and Housing Administration					41,931		41,931
7.70 Student Transportation				76,181		12,457	88,638
Total Function 7	-	-	-	76,181	41,931	12,457	130,569
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	5,981,060	936,638	801,788	989,140	691,458	341,655	9,741,739

School District No. 19 (Revelstoke)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2022 Actual	2022 Budget	2021 Actual (Restated - Note 19)
	\$	\$	\$	\$	\$	\$	\$
I Instruction							
1.02 Regular Instruction	4,759,628	1,171,395	5,931,023	671,940	6,602,963	6,513,056	6,117,778
1.03 Career Programs	114,147	27,731	141,878	13,457	155,335	260,695	151,977
1.07 Library Services	354,627	83,479	438,106	16,673	454,779	376,442	412,547
1.08 Counselling	282,207	61,185	343,392	-	343,392	324,103	305,347
1.10 Special Education	2,156,131	492,790	2,648,921	21,018	2,669,939	2,826,897	2,600,725
1.30 English Language Learning	47,966	10,806	58,772	-	58,772	74,898	54,113
1.31 Indigenous Education	115,069	22,741	137,810	17,640	155,450	185,931	154,847
1.41 School Administration	703,772	154,567	858,339	64,557	922,896	904,265	915,811
Total Function 1	8,533,547	2,024,694	10,558,241	805,285	11,363,526	11,466,287	10,713,145
4 District Administration							
4.11 Educational Administration	201,192	36,397	237,589	24,174	261,763	248,229	194,106
4.40 School District Governance	75,493	5,602	81,095	29,893	110,988	118,878	97,370
4.41 Business Administration	251,673	35,667	287,340	201,301	488,641	430,478	448,823
Total Function 4	528,358	77,666	606,024	255,368	861,392	797,585	740,299
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	138,204	22,800	161,004	36,997	198,001	206,029	187,075
5.50 Maintenance Operations	367,809	88,398	456,207	199,080	655,287	805,348	702,090
5.52 Maintenance of Grounds	43,252	7,159	50,411	92,663	143,074	153,093	161,557
5.56 Utilities	-	-	-	366,507	366,507	407,040	365,975
Total Function 5	549,265	118,357	667,622	695,247	1,362,869	1,571,510	1,416,697
7 Transportation and Housing							
7.41 Transportation and Housing Administration	41,931	5,991	47,922	275	48,197	46,914	46,634
7.70 Student Transportation	88,638	24,488	113,126	133,664	246,790	239,928	182,900
Total Function 7	130,569	30,479	161,048	133,939	294,987	286,842	229,534
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	9,741,739	2,251,196	11,992,935	1,889,839	13,882,774	14,122,224	13,099,675

School District No. 19 (Revelstoke)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2022

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 19)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	947,178	959,345	1,306,145
Other	31,529	31,529	10,000
Total Revenue	<u>978,707</u>	<u>990,874</u>	<u>1,316,145</u>
Expenses			
Instruction	804,202	773,794	1,035,873
District Administration	66,735	66,735	66,735
Operations and Maintenance	107,770	119,593	164,984
Total Expense	<u>978,707</u>	<u>960,122</u>	<u>1,267,592</u>
Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>30,752</u>	<u>48,553</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(30,752)	(48,553)
Total Net Transfers	<u>-</u>	<u>(30,752)</u>	<u>(48,553)</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. 19 (Revelstoke)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2022

	Annual Facility Grant	Learning Improvement Fund	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	26,376	-	42,428	7,188	-	33,336	-	-	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	63,989	43,554	32,000	7,350	7,888	100,783	66,735	497,843	3,834
Provincial Grants - Other									
	63,989	43,554	32,000	7,350	7,888	100,783	66,735	497,843	3,834
Less: Allocated to Revenue	60,619	43,554	5,060	3,404	7,888	103,909	66,735	497,843	3,834
Deferred Revenue, end of year	29,746	-	69,368	11,134	-	30,210	-	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	60,619	43,554	5,060	3,404	7,888	103,909	66,735	497,843	3,834
Provincial Grants - Other									
	60,619	43,554	5,060	3,404	7,888	103,909	66,735	497,843	3,834
Expenses									
Salaries									
Teachers					6,462	17,051		404,918	
Principals and Vice Principals							12,508		
Educational Assistants		34,998				66,742			
Support Staff			4,130				17,676		
Substitutes							31,006		3,195
		34,998	4,130		6,462	83,793	61,190	404,918	3,195
Employee Benefits		8,556	930		1,426	19,367	3,250	92,925	639
Services and Supplies	60,619			3,404		749	2,295		
	60,619	43,554	5,060	3,404	7,888	103,909	66,735	497,843	3,834
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 19 (Revelstoke)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2022

Schedule 3A (Unaudited)

	Mental Health in Schools	Changing Results for Young Children	Safe Return to School / Restart: Health & Safety Grant	Federal Safe Return to Class / Ventilation Fund	Early Learning	Columbia Basin Trust	TOTAL
	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	27,815	16,899	-	-	8,996	35,482	198,520
Add: Restricted Grants							
Provincial Grants - Ministry of Education and Child Care	134,657	11,250	30,270	50,000			1,050,153
Provincial Grants - Other						50,587	50,587
	134,657	11,250	30,270	50,000	-	50,587	1,100,740
Less: Allocated to Revenue	105,853	1,672	30,270	28,704	-	31,529	990,874
Deferred Revenue, end of year	56,619	26,477	-	21,296	8,996	54,540	308,386
Revenues							
Provincial Grants - Ministry of Education and Child Care	105,853	1,672	30,270	28,704			959,345
Provincial Grants - Other						31,529	31,529
	105,853	1,672	30,270	28,704	-	31,529	990,874
Expenses							
Salaries							
Teachers	52,837						481,268
Principals and Vice Principals							12,508
Educational Assistants	1,273						103,013
Support Staff	10,648		4,019	551			37,024
Substitutes							34,201
	64,758	-	4,019	551	-	-	668,014
Employee Benefits	12,907		3,388	145			143,533
Services and Supplies	28,188	1,672	22,863	28,008		777	148,575
	105,853	1,672	30,270	28,704	-	777	960,122
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	30,752	30,752
Interfund Transfers							
Tangible Capital Assets Purchased						(30,752)	(30,752)
						(30,752)	(30,752)
Net Revenue (Expense)	-	-	-	-	-	-	-

School District No. 19 (Revelstoke)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2022

	2022 Budget	2022 Actual			2021 Actual (Restated - Note 19)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	225,000			-	
Investment Income	11,500		16,324	16,324	20,106
Amortization of Deferred Capital Revenue	1,990,113	1,980,792		1,980,792	1,970,956
Total Revenue	2,226,613	1,980,792	16,324	1,997,116	1,991,062
Expenses					
Operations and Maintenance	225,000		500	500	10,515
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,075,614	2,098,232		2,098,232	2,070,482
Transportation and Housing	58,620	46,513		46,513	44,871
Total Expense	2,359,234	2,144,745	500	2,145,245	2,125,868
Capital Surplus (Deficit) for the year	(132,621)	(163,953)	15,824	(148,129)	(134,806)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		229,787		229,787	193,592
Local Capital	25,000		25,000	25,000	25,000
Total Net Transfers	25,000	229,787	25,000	254,787	218,592
Total Capital Surplus (Deficit) for the year	(107,621)	65,834	40,824	106,658	83,786
Capital Surplus (Deficit), beginning of year		3,337,727	2,332,455	5,670,182	5,655,998
Prior Period Adjustments					(69,602)
Adjust to Opening Balance per change to half year amort					(69,602)
Capital Surplus (Deficit), beginning of year, as restated		3,337,727	2,332,455	5,670,182	5,586,396
Capital Surplus (Deficit), end of year		3,403,561	2,373,279	5,776,840	5,670,182

School District No. 19 (Revelstoke)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2022

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	1,491,417	83,844,055	1,180,292	461,198	-	291,697	87,268,659
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		915,703	159,661				1,075,364
Operating Fund			24,312	7,868		166,855	199,035
Special Purpose Funds			30,752				30,752
	-	915,703	214,725	7,868	-	166,855	1,305,151
Decrease:							
Deemed Disposals			507,578			54,557	562,135
	-	-	507,578	-	-	54,557	562,135
Cost, end of year	1,491,417	84,759,758	887,439	469,066	-	403,995	88,011,675
Work in Progress, end of year							-
Cost and Work in Progress, end of year	1,491,417	84,759,758	887,439	469,066	-	403,995	88,011,675
Accumulated Amortization, beginning of year		28,691,028	800,253	193,141		114,271	29,798,693
Prior Period Adjustments							
Adjustment to Opening balance per change to half year amort		958,199	59,016	23,061		29,173	1,069,449
Accumulated Amortization, beginning of year, as restated		29,649,227	859,269	216,202	-	143,444	30,868,142
Changes for the Year							
Increase: Amortization for the Year		1,925,275	103,387	46,513		69,570	2,144,745
Decrease:							
Deemed Disposals			507,578			54,557	562,135
			507,578	-	-	54,557	562,135
Accumulated Amortization, end of year		31,574,502	455,078	262,715	-	158,457	32,450,752
Tangible Capital Assets - Net	1,491,417	53,185,256	432,361	206,351	-	245,538	55,560,923

School District No. 19 (Revelstoke)

Schedule 4C (Unaudited)

Deferred Capital Revenue
Year Ended June 30, 2022

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	53,928,460	168,535		54,096,995
Prior Period Adjustments				
Adjustment of Opening Balance per change to half year amortization	(987,737)	(6,148)		(993,885)
Deferred Capital Revenue, beginning of year, as restated	<u>52,940,723</u>	<u>162,387</u>	-	<u>53,103,110</u>
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,075,364			1,075,364
	<u>1,075,364</u>	-	-	<u>1,075,364</u>
Decrease:				
Amortization of Deferred Capital Revenue	1,967,478	13,314		1,980,792
	<u>1,967,478</u>	<u>13,314</u>	-	<u>1,980,792</u>
Net Changes for the Year	<u>(892,114)</u>	<u>(13,314)</u>	-	<u>(905,428)</u>
Deferred Capital Revenue, end of year	<u>52,048,609</u>	<u>149,073</u>	-	<u>52,197,682</u>
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	<u>52,048,609</u>	<u>149,073</u>	-	<u>52,197,682</u>

School District No. 19 (Revelstoke)
 Changes in Unspent Deferred Capital Revenue
 Year Ended June 30, 2022

Schedule 4D (Unaudited)

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	277,293	8,870				286,163
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	811,259					811,259
Decrease:						
Transferred to DCR - Capital Additions	1,075,364					1,075,364
Net Changes for the Year	(264,105)					(264,105)
Balance, end of year	13,188	8,870				22,058