

SCHOOL DISTRICT AUDITED CONSOLIDATED FINANCIAL STATEMENTS FISCAL YEAR 2008/2009

SCHOOL DISTRICT NUMBER 37	NAME OF SCHOOL DISTRICT Delta	YEAR 2008/2009
OFFICE LOCATION 4585 Harvest Drive		TELEPHONE NUMBER 604-946-4101
CITY/PROVINCE Delta, BC		POSTAL CODE V4K 5B4
WEBSITE ADDRESS http://web.deltasd.bc.ca		
NAME OF SUPERINTENDENT Steve Cardwell		NAME OF SECRETARY-TREASURER Michelle Miller

DECLARATION AND SIGNATURES

SCHOOL DISTRICT MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements and supporting schedules of The Board of Education of School District No. 37 (Delta) ("the Board") have been prepared by school district management which has responsibility for their preparation, integrity and objectivity. The consolidated financial statements and schedules, including notes, have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school district's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that the accounting records may be relied upon to properly reflect the school district's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

The Board's Responsibility

The ultimate responsibility for the consolidated financial statements lies with the Board. The Board has reviewed and approved the consolidated financial statements.

External Auditors

The Board appoints external auditors to audit the consolidated financial statements. The external auditors have full and free access to school district records, and present their report to the Board.

Declaration of Management and Board Chairperson

To the best of our knowledge and belief, these consolidated financial statements and supporting schedules reflect, in all material respects, the financial position, revenue and expense, changes in fund balances, and cash flows for the year in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

We, the undersigned, certify that the attached is a correct and true copy of the Audited Consolidated Financial Statements of School District No. 37 (Delta) for the year ended June 30, 2009.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION	DATE SIGNED
SIGNATURE OF SUPERINTENDENT	DATE SIGNED
SIGNATURE OF SECRETARY-TREASURER	DATE SIGNED

SCHOOL DISTRICT No. 37 (DELTA)
2008/2009 AUDITED CONSOLIDATED FINANCIAL STATEMENTS

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September 22, 2009

Auditors' Report

To the Board of Education of School District No. 37 (DELTA)

We have audited the consolidated statements of financial position, revenue and expense, changes in fund balances, and cash flows, comprising Statements 1 to 4, of School District No. 37 (DELTA) as at June 30, 2009. The attached supplementary information included in Schedules A1 to A5, B1 to B3 and C1 to C5 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. These financial statements are the responsibility of the School District No. 37 (DELTA) management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of School District No. 37 (DELTA) as at June 30, 2009 and the results of its operations, changes in fund balances and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

Chartered Accountants

SCHOOL DISTRICT No. 37 (DELTA)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2009

Statement 1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2009	TOTAL 2008
ASSETS					
Current Assets					
Cash and Cash Equivalents (Note 3b)	\$ 5,805,902	\$ 2,904,991	\$ 2,092,260	\$ 10,803,153	\$ 24,823,019
Short Term Investments (Note 3c)	14,149,183	12,302		14,161,485	3,000,000
Accounts Receivable (Note 3d, 3j)					
Due from Province - Ministry of Education	144,674			144,674	55,840
Due from Province - Other	129,762			129,762	68,675
Due from LEA/Direct Funding	194,337			194,337	180,164
Other Receivables (Note 5)	1,107,088	5,225	33,798	1,146,111	1,195,499
Interfund Loans		2,208,729	370,697		
Prepaid Expenses (Note 3e)	533,978			533,978	255,586
	<u>22,064,924</u>	<u>5,131,247</u>	<u>2,496,755</u>	<u>27,113,500</u>	<u>29,578,783</u>
Capital Assets - Net (Note 3f, 6)			110,787,468	110,787,468	110,156,382
	<u>22,064,924</u>	<u>5,131,247</u>	<u>113,284,223</u>	<u>137,900,968</u>	<u>139,735,165</u>
TOTAL ASSETS					
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Accounts Payable and Accrued Liabilities					
Due to Province - Other				0	2,043
Other	7,280,397	15,781	28,179	7,324,357	8,188,375
Bank Loans (Note 10)			374,937	374,937	354,330
Capital Lease Obligations (Note 3g, 11)			325,931	325,931	299,166
Interfund Loans	2,579,426				
Other Current Liabilities (Note 8)	3,619,499	3,000		3,622,499	3,649,746
	<u>13,479,322</u>	<u>18,781</u>	<u>729,047</u>	<u>11,647,724</u>	<u>12,493,660</u>
Deferred Contributions					
Ministry of Education (Note 9)	655,249	2,043,760	1,680,371	4,379,380	4,993,658
Province - Other (Note 9)	35,195			35,195	
Other (Note 9)	110,840	3,068,705		3,179,545	2,685,037
Accrued Employee Future Benefits (Note 3m, 12)	2,532,616			2,532,616	2,313,941
Deferred Capital Contributions (Note 9)			80,515,480	80,515,480	79,206,563
Bank Loans (Note 10)			306,114	306,114	701,262
Capital Lease Obligations (Note 3g, 11)			699,952	699,952	998,457
	<u>16,813,222</u>	<u>5,131,246</u>	<u>83,930,964</u>	<u>103,296,006</u>	<u>103,392,578</u>
TOTAL LIABILITIES					
Fund Balances					
Invested in Capital Assets			28,565,054	28,565,054	28,527,606
Internally Restricted (Note 14, 3n)	4,697,585	1	788,205	5,485,791	7,260,865
Unrestricted (Note 14)	554,117			554,117	554,116
	<u>5,251,702</u>	<u>1</u>	<u>29,353,259</u>	<u>34,604,962</u>	<u>36,342,587</u>
TOTAL FUND BALANCES					
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 22,064,924</u>	<u>\$ 5,131,247</u>	<u>\$ 113,284,223</u>	<u>\$ 137,900,968</u>	<u>\$ 139,735,165</u>

SCHOOL DISTRICT No. 37 (DELTA)
CONSOLIDATED STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2009

Statement 2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2009	TOTAL 2008
REVENUE					
Provincial Grants - Ministry of Education	\$ 124,691,115	\$ 6,394,360		\$ 131,085,475	\$ 127,288,905
Provincial Grants - Other	736,883			736,883	926,814
Federal Grants	157,256			157,256	131,328
Other Revenue	6,866,743	6,428,656		13,295,399	11,564,961
Rentals and Leases	546,056			546,056	536,926
Investment Income (Note 22)	654,227	69,142	56,013	779,382	1,279,689
Amortization of Deferred Capital Contributions			3,014,051	3,014,051	2,856,846
	<u>133,652,280</u>	<u>12,892,158</u>	<u>3,070,064</u>	<u>149,614,502</u>	<u>144,585,469</u>
EXPENSE					
Salaries					
Teachers	64,232,772	1,246,483		65,479,255	62,473,477
Principals and Vice Principals	6,609,544	103,728		6,713,272	6,313,751
Educational Assistants	9,429,169	138,493		9,567,662	9,314,967
Support Staff	11,407,714	654,078		12,061,792	12,084,412
Other Professionals	2,528,010	17,131		2,545,141	2,605,393
Substitutes	4,218,170	52,527		4,270,697	5,010,433
	<u>98,425,379</u>	<u>2,212,440</u>	<u>0</u>	<u>100,637,819</u>	<u>97,802,433</u>
Employee Benefits	22,469,711	495,273		22,964,984	22,273,340
Services and Supplies	13,596,075	9,580,560		23,176,635	22,469,138
Amortization of Capital Assets			4,276,088	4,276,088	4,075,200
Write-off/down of Buildings and Sites (Note 7)			234,514	234,514	
Interest on Capital Leases (Note 22)			56,290	56,290	66,586
Minor Building Work			5,798	5,798	78,871
	<u>134,491,165</u>	<u>12,288,273</u>	<u>4,572,690</u>	<u>151,352,128</u>	<u>146,765,568</u>
NET REVENUE (EXPENSE)	\$ (838,885)	\$ 603,885	\$ (1,502,626)	\$ (1,737,626)	\$ (2,180,099)

SCHOOL DISTRICT No. 37 (DELTA)
CONSOLIDATED STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2009	TOTAL 2008
FUND BALANCES, BEGINNING OF YEAR	\$ 6,855,127		\$ 29,487,460	\$ 36,342,587	\$ 38,416,584
Changes in Accounting Policies/ Prior Period Adjustments				0	106,102
Correction re: 06/07 EFB Mercer Liability					
FUND BALANCES, BEGINNING OF YEAR, AS RESTATED	6,855,127	0	29,487,460	36,342,587	38,522,686
Changes for the Year					
Net Revenue (Expense) for the Year	(838,885)	603,885	(1,502,626)	(1,737,626)	(2,180,099)
Interfund Transfers					
Capital Assets Purchased (Note 15)	(29,032)	(35,206)	64,238	0	
Other (Note 15)	(735,508)	(568,679)	1,304,187	0	
Related Company - Common Shares		1		1	
Net Changes for the Year	(1,603,425)	1	(134,201)	(1,737,625)	(2,180,099)
FUND BALANCES, END OF YEAR	\$ 5,251,702	\$ 1	\$ 29,353,259	\$ 34,604,962	\$ 36,342,587

SCHOOL DISTRICT No. 37 (DELTA)
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2009

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2009	TOTAL 2008
CASH PROVIDED BY (USED FOR)					
OPERATIONS					
Net Revenue (Expense) for the Year	\$ (838,885)	\$ 603,885	\$ (1,502,626)	\$ (1,737,626)	\$ (2,180,099)
Changes in Non-Cash Working Capital					
Decrease (Increase)					
Accounts Receivable	(180,355)	52,269	13,384	(114,702)	(66,187)
Interfund Loans	(876,015)	1,553,167	(677,152)	0	
Prepaid Expenses	(281,391)	3,000		(278,391)	88,698
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	(719,736)	(4,487)	(72,841)	(797,064)	755,716
Other Current Liabilities	(30,247)	3,000		(27,247)	(37,029)
Deferred Revenue				0	(81,415)
Deferred Contributions	153,591	(1,203,281)		(1,049,690)	1,626,896
Accrued Employee Future Benefits	218,675			218,675	(25,757)
Items Not Involving Cash					
Amortization of Capital Assets			4,276,088	4,276,088	4,075,200
Amortization of Deferred Capital Contributions			(3,014,051)	(3,014,051)	(2,856,846)
Write-off/down of Buildings and Sites			234,514	234,514	
Interfund Transfers	(764,540)	(603,885)	1,368,425	0	
	<u>(3,318,903)</u>	<u>403,668</u>	<u>625,741</u>	<u>(2,289,494)</u>	<u>1,299,177</u>
FINANCING					
Bank Loan Received				0	295,000
Bank Loan Paid			(374,541)	(374,541)	(144,408)
Deferred Contributions Received - Capital			5,294,269	5,294,269	7,189,394
Capital Lease - Principal Repayment			(307,677)	(307,677)	(291,692)
	<u>0</u>	<u>0</u>	<u>4,612,051</u>	<u>4,612,051</u>	<u>7,048,294</u>
INVESTING					
Capital Assets Purchased - Operating			(29,032)	(29,032)	(190,706)
Capital Assets Purchased - Special Purpose			(35,206)	(35,206)	(44,777)
Capital Assets Purchased - Local Capital				0	(7,464)
Capital Assets Purchased - Deferred Contributions - Capital			(4,329,157)	(4,329,157)	(6,426,706)
WIP: Loan \$601,653; Local Capital \$2,312				0	(603,965)
WIP: Projects funded through AFG, Special Purpose & from LCR			(787,543)	(787,543)	
	<u>0</u>	<u>0</u>	<u>(5,180,938)</u>	<u>(5,180,938)</u>	<u>(7,273,618)</u>
NET INCREASE (DECREASE) IN CASH	<u>\$ (3,318,903)</u>	<u>\$ 403,668</u>	<u>\$ 56,854</u>	<u>\$ (2,858,381)</u>	<u>\$ 1,073,853</u>

SCHOOL DISTRICT No. 37 (DELTA)
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2009

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2009	TOTAL 2008
NET INCREASE (DECREASE) IN CASH	\$ (3,318,903)	\$ 403,668	\$ 56,854	\$ (2,858,381)	\$ 1,073,853
Net Cash, Beginning of Year	23,273,988	2,513,625	2,035,406	27,823,019	26,643,064
Changes in Accounting Policies/ Prior Period Adjustments				0	106,102
Correction re: 06/07 EFB Mercer Liability					
Net Cash, Beginning of Year, as Restated	23,273,988	2,513,625	2,035,406	27,823,019	26,749,166
NET CASH, END OF YEAR	\$ 19,955,085	\$ 2,917,293	\$ 2,092,260	\$ 24,964,638	\$ 27,823,019
Cash	\$ 5,805,902	\$ 2,904,991	\$ 175,701	\$ 8,886,594	\$ 8,979,685
Cash Equivalents			1,916,559	1,916,559	15,843,334
Short Term Investments	14,149,183	12,302		14,161,485	3,000,000
NET CASH, END OF YEAR	\$ 19,955,085	\$ 2,917,293	\$ 2,092,260	\$ 24,964,638	\$ 27,823,019



NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2009

NOTE 1 AUTHORITY AND PURPOSE

The School District 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. 37 (Delta)", and operates as "School District No. 37 (Delta)." A board of education (Board) elected for a three-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.

NOTE 2 ADOPTION OF NEW ACCOUNTING STANDARDS

On July 1, 2008, the School District adopted Section 1535, Capital Disclosures. This section establishes disclosure requirements concerning capital such as qualitative information about the School District's objectives, policies and process for managing capital.

On July 1, 2007, the School District adopted Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3855, Financial Instruments - Recognition and Measurement; and Section 3865, Hedges. As permitted by the CICA, the School District has elected to continue disclosure and presentation of financial instruments under section 3861 instead of the new sections 3862 and 3863.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements were prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP) for not-for-profit organizations. These principles are consistent with those used in prior years.

The deferral method of accounting for contributions, which includes government grants, is used. Results are reported in the operating fund, special purpose funds and capital fund. Revenues and expenses are recorded on a gross and accrual basis.

Statement 2 (Statement of Revenue and Expense), Statement 3 (Statement of Changes in Fund Balances) and Statement 4 (Statement of Cash Flows) present annual results of each fund, changes in fund balances and cash flows for the year. Statement 1 (Statement of Financial Position) presents the assets, liabilities and fund balances as at June 30th. Interfund transfers and loans are recognized in each fund and eliminated in the consolidated totals.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Continued)

a) Fund Accounting

The resources and operations of the School District are segregated into various funds for accounting and financial reporting purposes based on the types of restrictions on the use of contributions by governments or other granting agencies, and appropriations or other internal restrictions by the Board. While separate accounts are maintained for each fund, for financial reporting purposes, funds with similar characteristics are grouped together:

- Operating fund reports assets, liabilities, revenues and expenses for general operations.
- Special purpose funds report assets, liabilities, revenues and expenses for:
 - Contributions restricted in use by the *School Act* or Ministry of Education.
 - Contributions restricted in use by other external bodies.
 - Funds collected and used at the school level (i.e. school-generated funds).
- Capital fund reports assets, liabilities, revenues and expenses for capital. Contributions of other funds used for capital purposes are transferred to the capital fund.

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities with original terms to maturity of three months or less when purchased.

c) Short Term Investments

Short Term investments include securities with terms to maturity of greater than three months and less than one year.

d) Accounts Receivable

Accounts receivable are shown net of allowance for doubtful accounts.

e) Prepaid Expenses

Prepaid expenses include:

- Materials and supplies for Facilities use are included as a prepaid expense and stated at acquisition cost
- Insurance for fleet vehicles
- Annual software support agreements
- Prepaid memberships, subscriptions and registration fees
- Prepaid utility costs.



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Continued)

f) Capital Assets

The following criteria apply:

- Capital assets acquired or constructed are recorded at cost. Donated capital assets are recorded at their fair market value on the date of donation.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Sites and buildings that no longer contribute to the ability of the district to provide services are written-down to residual value.
- Buildings that are demolished or destroyed are written-off.
- Amortization is recorded on a straight-line basis over the estimated useful life of the asset, commencing in the year after acquisition. Estimated useful life is as follows:

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

g) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of property to the Board are considered capital leases. These are accounted for as an asset and an obligation in the capital fund, although future funding will be from operating funds.

h) Revenue Recognition

Unrestricted operating government grants, are recognized as revenue when received. Such grants, if contributed for a future period, are deferred and reported as deferred contributions until that future period. Other unrestricted revenue, including tuition fees and sales of services/products are reported as revenue when services are provided or products delivered.

Externally restricted contributions, grants, and donations are reported as revenue depending on the nature of restrictions imposed on the use of the funds by the contributors:

- Non-capital contributions for specific purposes are recorded as deferred contributions and recognized as revenue in the year related expenses are incurred.
- Contributions restricted for capital purposes are recorded as deferred contributions until the amount is invested in capital assets.
 - If the capital asset is a site, the amount invested is recorded as a direct increase to net assets invested in capital assets.
 - If the capital asset is not a site, the amount invested is recorded as a deferred capital contribution and amortized over the useful life of the asset.
 - Donated capital assets are recorded at fair market value and treated as a deferred capital contribution.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Continued)

i) Expenditures

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

- Allocation of Costs
 - Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to regular 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 identification of program.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Continued)

j) Financial Instruments

Under Section 3855, all financial instruments are classified as one of the following: held-to-maturity, loans and receivables, held-for-trading, or available-for-sale. Financial assets and liabilities held-for-trading are measured at fair value with gains and losses recognized in net earnings. Financial assets held-to-maturity, loans and receivables, and financial liabilities other than those held-for-trading are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income. The standard also permits any non-derivative financial instruments to be designated as held-for-trading upon initial recognition.

The School District's implementation of Section 3855 included the following:

- I) Cash is recorded at fair value.
- II) Accounts receivable are recorded at amortized cost using the effective interest rate method.
- III) Accounts payable and accrued liabilities, and other current liabilities, are classified as other financial liabilities and are recorded at amortized cost using the effective interest rate method.
- IV) The School District has analyzed its contracts and determined that no embedded derivatives exist which, under the new accounting standards, would be separated from their host contract and measured at fair value with gains and losses recognized immediately in net income.
- V) Transaction costs are expensed as they are incurred.

Section 3865 specifies the criteria under which hedge accounting can be applied and how hedge accounting can be executed for each of the permitted hedging strategies. The School District has not designated any agreements as hedges.

k) Managing Capital

The School District defines its capital as externally restricted deferred contributions and the amounts in its fund balances which include unrestricted, internally and externally restricted funds. The School District's objective when managing its capital is to safeguard its ability to continue as a going concern so that it can continue to fulfill its mission as described in note 1. The School District does have external restrictions imposed by contributors and Board imposed internal restrictions on its fund balances and deferred contributions, as described in note 3. The School District has internal control processes in place to ensure that these restrictions are met prior to the utilization of these resources and has been in compliance with these restrictions throughout the year. Under the School Act, the School District is required to obtain approval from the Ministry of Education if a fund balance is in a deficit position.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Continued)

l) Use of Estimates

Preparation of financial statements in accordance with Canadian Generally Accepted Accounting Principles requires management to make estimates and assumptions that impact reported amounts for 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.

m) Employee Future Benefits

The School District provides certain post-employment benefits including a portion of accumulated sick banks, vacation pay, and overtime banks for certain employees pursuant to certain contracts and union agreements.

The School District accrues its obligations and related costs under employee future benefit plans. The future benefits cost is actuarially determined using the projected unit credit method pro-rata on service and using management's best estimate of expected salary escalation, termination and retirement rates and mortality. The discount rate used to measure obligations is based on market rates at the measurement date.

The excess of cumulative unrecognized actuarial gains (losses) over 10 percent of the accrued benefit obligation is amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan. The EARSL for employees of the School District is 8.8 years.

The most recent valuation of the obligation was performed at March 31, 2007 and projected to June 30, 2011. The next valuation will be performed at March 31, 2010 for use at June 30, 2010. 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.

n) Controlled entity

On July 18, 2008, the School District incorporated Delta Global Campus Limited to market educational services to an international market. In accordance with the BC School Act, the School District is the holder of the one (1) issued School District No. 37 Business Company common voting share. Delta Global Campus Limited is reported in the special purpose fund and is accounted for using the consolidation method.



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

NOTE 4 FUTURE ACCOUNTING CHANGES

The following standards will be implemented by the School District on July 1, 2009:

Section 4400, Financial Statement Presentation by Not-For-Profit Organizations

Recent amendments to Section 4400 will modify the requirements with respect to various elements of financial statement presentation. Areas that may impact the School District are the requirement to report revenues and expenses at their gross amount when the School District is acting as a principal in the transaction, and the requirement to include an accounting policy note on the allocation of expenses. The new standard applies to financial statements relating to fiscal years beginning on or after January 1, 2009, specifically the year ended June 30, 2010 for the School District. This standard will impact presentation of the statement of revenues, expenses and distributions; however, it will not affect the School District's results or financial position.

NOTE 5 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2009	2008
Due from Federal Government	\$ 208,769	\$ 248,746
Other	937,342	946,753
Allowance for Doubtful Accounts	0	0
	<u>\$1,146,111</u>	<u>\$1,195,499</u>

NOTE 6 CAPITAL ASSETS

	2009		2008	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$ 10,718,525	\$	\$ 10,718,525	\$ 10,718,525
Buildings	168,165,692	71,814,678	96,351,014	95,048,655
Furniture & Equipment	5,347,110	2,540,752	2,806,358	3,145,433
Vehicles	1,722,935	1,150,870	572,065	704,821
Computer Software	87,644	39,096	48,548	66,077
Computer Hardware	517,202	226,244	290,958	472,871
	<u>\$186,559,108</u>	<u>\$ 75,771,640</u>	<u>\$110,787,468</u>	<u>\$110,156,382</u>

Included in capital assets are maintenance vehicles and equipment under capital lease with a cost of \$1,989,955 and accumulated amortization of \$660,175.



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

NOTE 7 WRITE-OFF OF BUILDING

During fiscal year 2008/2009, the School District wrote off the Delta Resource Centre property located at 4900 – 96th Street, Delta, BC, which was at the end of its service life. The net book value at the time of write-off was \$240,701. The property was acquired in 1955 for \$45,792 and was added to in three (3) stages in years 1977, 1986, and 1987 for amounts of \$30,937, \$89,587 and \$436,531 respectively.

NOTE 8 DEFERRED REVENUE

Deferred Tuitions totaling \$2,266,279 for fiscal year 2008/2009 have been reported in Other Current Liabilities to reflect their short-term nature. In the prior year, Deferred Tuitions were reported under Deferred Revenues. The 2007/2008 Deferred Revenue ending balance of \$2,266,279 has therefore been restated to conform with the current year’s presentation.

NOTE 9 DEFERRED CONTRIBUTIONS

Deferred Contributions - Ministry of Education:

	2009				2008
	Operating Fund	Special Purpose Fund	Capital Fund	Total	Total
Balance, beginning of year	\$ 597,323	\$ 3,681,078	\$ 715,257	\$4,993,658	\$ 3,003,495
Prior Period Adjustment: Trsf re: 05/06 WIP					(290,100)
Balance, beginning of year – as restated					\$ 2,713,395
Increases:					
Provincial grants - MEd	643,256	4,848,040	5,130,140	10,621,436	14,161,697
MEd - PRP Trust Funds Surplus Recovery		(105,693)		(105,693)	
MEd Restricted Portion of Proceeds					
Investment income		64,457		64,457	74,565
Other (Purch.Card Comm.)		472		472	123
	643,256	4,807,276	5,130,140	10,580,672	14,236,385
Decreases:					
Transfers to Revenue	585,330	6,444,594	4,165,026	11,194,950	11,956,122
Transfers to DCC - capital additions					
Transfer to invested in capital assets - sites					
Other					
	585,330	6,444,594	4,165,026	11,194,950	11,956,122
Net Changes for the year	57,926	(1,637,318)	965,114	(614,278)	2,280,263
Balance, end of the year	\$ 655,249	\$ 2,043,760	\$ 1,680,371	\$4,379,380	\$ 4,993,658

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009

NOTE 9 DEFERRED CONTRIBUTIONS (Continued)

Deferred Contributions - Province - Other:

	2009				2008
	Operating Fund	Special Purpose Fund	Capital Fund	Total	Total
Balance, beginning of year	\$	\$	\$	\$	\$ 29,303
Increases:					
Provincial grants - other	183,241			183,241	
Investment income					
Other (Non-Provincial)					283,194
	183,241			183,241	283,194
Decreases:					
Transfers to Revenue	148,046			148,046	
Transfers to DCC - capital additions					283,194
Transfer to invested in capital assets - sites					
Other (Transfer to DC – WIP)					11,384
Reclass (Transfer to DC – Other)					17,919
	148,046			148,046	312,497
Net Changes for the year	35,195			35,195	(29,303)
Balance, end of the year	\$ 35,195	\$	\$ 0	\$ 35,195	\$ 0

Deferred Contributions - Other:

	2009				2008
	Operating Fund	Special Purpose Fund	Capital Fund	Total	Total
Balance, beginning of year	\$ 50,369	\$2,634,668	\$ 0	\$2,685,037	\$ 2,546,413
Increases:					
Federal Grants					
Grants from municipalities					
Investment income		5,716		5,716	11,320
Other (Non-Provincial)	162,691	6,875,885		7,038,576	6,018,824
Reclass (Transfer to DC – Other)					16,000
	162,691	6,881,601		7,044,292	6,046,144
Decreases:					
Transfers to Revenue	102,220	6,447,564		6,549,784	5,907,520
Transfers to DCC - capital additions					
Transfer to invested in capital assets - sites					
Other (Transfer to DCC – WIP)					
	102,220	6,447,564		6,549,784	5,907,520
Net Changes for the year	60,471	434,037		494,508	138,624
Balance, end of the year	\$ 110,840	\$ 3,068,705	\$	\$3,179,545	\$ 2,685,037



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

NOTE 9 DEFERRED CONTRIBUTIONS (Continued)

Deferred Capital Contributions:

	2009		2008
	Special Purpose Fund	Capital Fund	Total
Balance, beginning of year	\$	\$79,206,563	\$79,206,563
Prior Period Adjustment: Trsf re: 05/06 WIP			290,100
Balance, beginning of year – as restated			<u>\$75,636,703</u>
Increases:			
Transfers from DC - capital additions		164,129	164,129
Other (Transfer from DC - WIP)		4,165,026	4,165,026
		<u>4,329,155</u>	<u>4,329,155</u>
Decreases:			
Amortization		3,014,051	3,014,051
Disposals/write-off/down		6,187	6,187
Other (specify)			
		<u>3,020,238</u>	<u>3,020,238</u>
Net Changes for the year		<u>1,308,917</u>	<u>1,308,917</u>
Balance, end of the year	<u>\$</u>	<u>\$ 80,515,480</u>	<u>\$ 80,515,480</u>



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

NOTE 10 CAPITAL BANK LOANS PAYABLE

The following loans approved under Section 144 of the *School Act* are outstanding:

Approval Date	Year Borrowed	Interest Rate	Term of Years	Amount Borrowed	Amount Paid	Balance Outstanding
July 14, 2006	2007/2008	RBP minus 0.5%	40 months	\$1,200,000	\$ 518,949	\$ 681,051

The \$1,200,000 facility is an unsecured loan, which has blended payments of principal and interest with payments that commenced in February 2008. The principal portion of the loan is to be repaid in full by May 2011.

The following are the minimum principal payments required:

2009/2010 - \$374,937

2010/2011 - \$306,114



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

NOTE 11 CAPITAL LEASES

The District has seven (7) leases (with terms ranging from 1 year, 10 months to 4 years, 1 month) for maintenance fleet vehicles and equipment. These leases bear interest rates averaging 6.43% with monthly principal and interest payments of \$18,182. The leases are secured with the vehicles and equipment and have a \$1 purchase option at the termination of the lease.

	2008/09	2007/08
Remaining obligation as of June 30	\$699,952	\$ 998,457
Current Portion	\$325,931	\$299,166
Total principal of obligation	<u>\$1,025,883</u>	<u>\$1,297,623</u>

Lease commitments for the next five years are as follows:

2009/2010	\$368,195
2010/2011	\$361,660
2011/2012	\$317,437
2012/2013	\$57,284
2013/2014	\$ 2,916

Less interest implicit in lease payments:	<u>\$ (81,609)</u>
Balance of lease obligations:	\$1,025,883



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

NOTE 12 EMPLOYEE FUTURE BENEFITS

The accrued benefit obligation for employee future benefits is not funded as funding is provided when the benefits are paid. Accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits through annual operating budgets.

The period of amortization is equal to the expected average remaining service lifetime (EARSL) of active employees.

Fiscal Year	2009	2008
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	3,049,061	2,984,324
Service Cost	257,570	259,492
Interest Cost	174,133	155,677
Benefit Payments	(251,589)	(313,185)
Increase (Decrease) in obligation due to curtailment	0	0
Actuarial (Gain)/Loss	(272,440)	(37,247)
Accrued Benefit Obligation – March 31	2,956,735	3,049,061
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	2,956,735	3,049,061
Market Value of Plan Assets - March 31	0	0
Funded Status - Surplus/(Deficit)	(2,956,735)	(3,049,061)
Employer Contributions After Measurement Date	112,470	115,238
Unamortized Net Actuarial (Gain)/Loss	311,649	619,881
Accrued Benefit Asset/(Liability) - June 30	(2,532,616)	(2,313,942)
Components of Net Benefit Expense		
Service Cost	257,570	259,492
Interest Cost	174,133	155,677
Curtailment (Gain)/Loss	0	0
Amortization of Net Actuarial (Gain)/Loss	35,793	45,987
Net Benefit Expense (Income)	467,496	461,156

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

Discount Rate – April 1	5.50%	5.00%
Discount Rate – March 31	7.00%	5.50%
Long Term Salary Growth – April 1	3.25% + seniority	3.25% + seniority
Long Term Salary Growth – March 31	3.25% + seniority	3.25% + seniority
EARSL – March 31	8.8	8.8



NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2009

NOTE 13 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trustee pension plans. The boards of trustees for these plans represent plan members and employers and are responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are defined. The Teachers' Pension Plan has about 48,000 active members from school districts, and approximately 26,000 retired members from school districts. The Municipal Plan has about 150,000 active members, of which approximately 22,000 are from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent valuation of the Teachers' Plan as at December 31, 2005 indicated a \$904 million unfunded liability for basic pension benefits. The next valuation will be as at December 31, 2008 with results available in late 2009. The most recent valuation for the Municipal Pension Plan as at December 31, 2006 indicated a surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of the unfunded liability to individual employers. The School District No. 37 (Delta) paid \$11,456,780 for employer contributions to these plans in the year ended June 30, 2009.



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

NOTE 14 OPERATING FUND BALANCE, END OF YEAR

Internally Restricted (appropriated) by Board for:		
Restricted for 2009/10 Operations	\$394,939	
Restricted for specific 2009/10 initiatives	2,698,648	
Restricted for Operations beyond 2009/10	<u>1,603,998</u>	
Subtotal Internally Restricted Operating		\$4,697,585
Unrestricted Operating Surplus (Deficit)		<u>554,117</u>
Total Available for Future Operations		<u><u>\$5,251,702</u></u>

NOTE 15 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds are reported on Statement 3 (Statement of Changes in Fund Balances). For the year ended June 30, 2009, transfers were as follows:

- **Capital Lease Principal:** A transfer to the Capital Fund of \$307,677 consisting of \$304,677 from the Operating Fund and \$3,000 from Special Purpose Funds covered the 2008/09 short-term principal portion of the district's capital leases.
- **Capital Loan Principal:** A transfer to the Capital Fund of \$374,541 was made from the Operating Fund to pay for the 2008/09 principal portion payable on the district's capital loan.
- **Capital Lease Interest:** A transfer in the amount of \$56,290 was made from the Operating Fund to the Capital Fund for the payment of capital lease interest.
- **Purchase of Capital Assets:** A transfer in the amount of \$29,032 from the Operating Fund and \$35,206 from Special Purpose Funds were transferred to the Capital Fund for the purchase of capital items, including computer software and hardware, a hot water heater, a teaching cafeteria dishwasher and two convection ovens, a theatre stage-system, and automotive shop equipment.
- **Work-In Progress Projects:** A transfer to the Capital Fund of \$565,679 was made from Special Purpose Funds, consisting of \$546,837 for the Pinewood Seismic Mitigation Project, \$14,689 for a Ministry Funded Fiber renewal project and \$4,153 for minor building work.



NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2009

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 generally considered to be in the normal course of operations and are recorded at the exchange amount.

NOTE 17 CONTRACTUAL OBLIGATIONS

The District enters into contracts through the normal course of operations.

NOTE 18 BUDGET FIGURES

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an amended annual budget on February 17, 2009.

NOTE 19 CONTINGENCIES

CUPE has filed for arbitration regarding the contracting out of labour on capital projects in excess of \$250,000. The Ministry of Education requires that seismic mitigation and other capital projects in excess of this amount be publicly tendered. The potential cost to the District is estimated at \$479,000. The outcome is uncertain.

NOTE 20 ASSET RETIREMENT OBLIGATION

In accordance with CICA Handbook section 3110, legal liabilities may exist for the removal/disposal of asbestos in schools that will undergo major renovations or demolition. As at June 30, 2009, the School District has no liabilities related to asset retirement obligations.

NOTE 21 ECONOMIC DEPENDENCE

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 in accordance with Canadian GAAP for not-for-profit organizations. This contemplates continuation of the School District as a “going concern”.



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2009**

NOTE 22 SUPPLEMENTAL CASHFLOW

	Operating Funds	Special Purpose Funds	Capital Funds
Interest received	\$739,744	\$69,458	\$56,855
Interest paid – Capital Loan			\$27,819
Interest paid – Capital Leases			\$56,290

NOTE 23 COMPARATIVE FIGURES

Certain of the prior year's figures have been reclassified to conform with the current year's presentation.

SCHOOL DISTRICT No. 37 (DELTA)
OPERATING FUND
SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2009

Schedule A1

	2009	2009	2008
	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
REVENUE			
Provincial Grants - Ministry of Education	\$ 124,691,115	\$ 124,528,981	\$ 122,096,966
Provincial Grants - Other	736,883	646,550	926,814
Federal Grants	157,256	159,106	131,328
Other Revenue	6,866,743	6,248,160	5,884,643
Rentals and Leases	546,056	561,880	536,926
Investment Income	654,227	750,000	1,104,054
	133,652,280	132,894,677	130,680,731
EXPENSE			
Salaries			
Teachers	64,232,772	63,299,075	61,460,344
Principals and Vice Principals	6,609,544	6,771,200	6,210,844
Educational Assistants	9,429,169	9,295,321	8,970,561
Support Staff	11,407,714	11,757,271	11,326,059
Other Professionals	2,528,010	2,385,264	2,605,393
Substitutes	4,218,170	4,142,757	4,943,659
	98,425,379	97,650,888	95,516,860
Employee Benefits	22,469,711	22,756,461	21,824,537
Services and Supplies	13,596,075	14,820,269	14,295,020
	134,491,165	135,227,618	131,636,417
NET REVENUE (EXPENSE), FOR THE YEAR	(838,885)	(2,332,941)	(955,686)
INTERFUND TRANSFERS			
Capital Assets Purchased	(29,032)	(366,519)	(190,706)
Local Capital			(512)
Other	(735,508)	(340,000)	(499,683)
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
BUDGETED ALLOCATION (RETIREMENT) OF SURPLUS (DEFICIT)		3,039,460	
SURPLUS (DEFICIT), FOR THE YEAR	(1,603,425)	\$ 0	(1,646,587)
SURPLUS (DEFICIT), BEGINNING OF YEAR	6,855,127		8,395,612
Changes in Accounting Policies/Prior Period Adjustments			
Correction re: 06/07 EFB Mercer Liability			106,102
SURPLUS (DEFICIT), BEGINNING OF YEAR, AS RESTATED	6,855,127		8,501,714
SURPLUS (DEFICIT), END OF YEAR			
(Section 156 (12) of School Act)	\$ 5,251,702		\$ 6,855,127
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	4,697,585		
Unrestricted	554,117		
	\$ 5,251,702		

SCHOOL DISTRICT No. 37 (DELTA)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2009

Schedule A2

	2009	2009	2008
	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	\$ 121,053,105	\$ 120,578,428	\$ 118,486,144
INAC Recovery	(259,116)	(238,313)	(240,219)
Other Ministry of Education Grants			
Summer Fee Reimbursement	117,298	280,994	73,950
Labour Market Adjustment	426,482		518,720
Pay Equity	2,171,545	2,171,000	2,171,544
Community Link, Ready Set Learn, Literacy	640,461	535,788	691,074
Other Grants - AVID, French Federal Grant	313,405	795,277	279,700
Early Learning	32,051	195,807	39,420
Strong Start	195,884	210,000	76,633
	<u>124,691,115</u>	<u>124,528,981</u>	<u>122,096,966</u>
PROVINCIAL GRANTS - OTHER			
	<u>736,883</u>	<u>646,550</u>	<u>926,814</u>
FEDERAL GRANTS			
	<u>157,256</u>	<u>159,106</u>	<u>131,328</u>
OTHER REVENUE			
Other School District/Education Authorities	57,223		8,970
Summer School Fees	22,006	22,006	121,967
Continuing Education	1,369,122	1,476,740	999,819
Offshore Tuition Fees	3,194,673	3,060,000	2,820,168
LEA/Direct Funding from First Nations	259,116	238,313	240,219
Miscellaneous			
Instructional Cafeteria	295,070	365,000	300,751
Municipal Grant - Crossing Guard	104,405	83,000	106,991
Administration Fees	25,000	25,000	25,000
Provincial Outreach Program (POP) Teacher Training	331,142	200,000	305,711
Academy Fees	415,081	258,399	225,540
Miscellaneous	550,006	40,000	556,861
Other Grants	243,899	479,702	172,646
	<u>6,866,743</u>	<u>6,248,160</u>	<u>5,884,643</u>
RENTALS AND LEASES			
	<u>546,056</u>	<u>561,880</u>	<u>536,926</u>
INVESTMENT INCOME			
	<u>654,227</u>	<u>750,000</u>	<u>1,104,054</u>
TOTAL OPERATING REVENUE			
	<u>\$ 133,652,280</u>	<u>\$ 132,894,677</u>	<u>\$ 130,680,731</u>

SCHOOL DISTRICT No. 37 (DELTA)
OPERATING FUND
COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2009

Schedule A3

	2009		
	2009 ACTUAL	AMENDED ANNUAL BUDGET	2008 ACTUAL
SALARIES			
Teachers	\$ 64,232,772	\$ 63,299,075	\$ 61,460,344
Principals and Vice Principals	6,609,544	6,771,200	6,210,844
Educational Assistants	9,429,169	9,295,321	8,970,561
Support Staff	11,407,714	11,757,271	11,326,059
Other Professionals	2,528,010	2,385,264	2,605,393
Substitutes	4,218,170	4,142,757	4,943,659
	<u>98,425,379</u>	<u>97,650,888</u>	<u>95,516,860</u>
EMPLOYEE BENEFITS	22,469,711	22,756,461	21,824,537
TOTAL SALARIES AND BENEFITS	<u>120,895,090</u>	<u>120,407,349</u>	<u>117,341,397</u>
SERVICES AND SUPPLIES			
Services	3,715,109	3,264,861	3,491,104
Student Transportation	1,888,694	2,006,244	1,939,804
Professional Development and Travel	601,281	693,015	721,981
Rentals and Leases	50,824	70,625	90,304
Dues and Fees	210,298	130,802	182,008
Insurance	315,777	296,400	293,326
Supplies	4,515,902	5,841,843	5,150,008
Utilities	2,298,190	2,516,479	2,426,485
TOTAL SERVICES AND SUPPLIES	<u>13,596,075</u>	<u>14,820,269</u>	<u>14,295,020</u>
TOTAL OPERATING EXPENSE	<u><u>\$ 134,491,165</u></u>	<u><u>\$ 135,227,618</u></u>	<u><u>\$ 131,636,417</u></u>

**SCHOOL DISTRICT No. 37 (DELTA)
OPERATING FUND
EXPENSE BY FUNCTION, PROGRAM AND OBJECT
YEAR ENDED JUNE 30, 2009**

Schedule A4.1

	TEACHERS SALARIES	PRINCIPALS & VICE PRINCIPALS SALARIES	EDUCATIONAL ASSISTANTS SALARIES	SUPPORT STAFF SALARIES	OTHER PROFESSIONALS SALARIES	SUBSTITUTES SALARIES	TOTAL SALARIES
1 INSTRUCTION							
1.02 Regular Instruction	\$ 46,505,672	\$ 975,410	\$ 497,793	\$ 1,000	\$ 100	\$ 2,511,860	\$ 50,491,835
1.03 Career Programs	602,590	43,134	218,003			7,313	871,040
1.07 Library Services	1,770,326	40,963		223,142		80,794	2,115,225
1.08 Counselling	2,400,151					4,582	2,404,733
1.10 Special Education	9,430,360	264,420	8,107,002	116,230		672,644	18,590,656
1.30 English as a Second Language	1,677,267	19,991	179,949			43,310	1,920,517
1.31 Aboriginal Education	32,282	15,337	231,734			99,587	378,940
1.41 School Administration		4,865,095		2,553,233	11,288	233,642	7,663,258
1.60 Summer School	256,891					2,298	259,189
1.61 Continuing Education	868,770	280,315	45,876	186,595	98,711	16,253	1,496,520
1.62 Off Shore Students	423,726	104,879	111,173	152,076		12,059	803,913
1.64 Other	264,737		37,639	251,613	2,748	25,280	582,017
Total Function 1	64,232,772	6,609,544	9,429,169	3,483,889	112,847	3,709,622	87,577,843
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration				48,730	672,258	2,112	723,100
4.40 School District Governance					134,449		134,449
4.41 Business Administration				836,467	839,156	11,362	1,686,985
Total Function 4				885,197	1,645,863	13,474	2,544,534
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration				350,357	647,987	25,749	1,024,093
5.50 Maintenance Operations				6,078,392	67,282	285,710	6,431,384
5.52 Maintenance of Grounds				573,795		107,422	681,217
5.56 Utilities				20,140			20,140
Total Function 5				7,022,684	715,269	418,881	8,156,834
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration				15,944	54,031		69,975
7.70 Student Transportation						76,193	76,193
Total Function 7				15,944	54,031	76,193	146,168
9 DEBT SERVICES (OPERATING)							
Total Function 9							
TOTAL FUNCTIONS 1 - 9	\$ 64,232,772	\$ 6,609,544	\$ 9,429,169	\$ 11,407,714	\$ 2,528,010	\$ 4,218,170	\$ 98,425,379

**SCHOOL DISTRICT No. 37 (DELTA)
OPERATING FUND
EXPENSE BY FUNCTION, PROGRAM AND OBJECT
YEAR ENDED JUNE 30, 2009**

Schedule A4.2

	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2009 ACTUAL	2009 AMENDED ANNUAL BUDGET	2008 ACTUAL
1 INSTRUCTION							
1.02 Regular Instruction	\$ 50,491,835	\$ 11,453,205	\$ 61,945,040	\$ 2,534,973	\$ 64,480,013	\$ 64,314,690	\$ 63,945,025
1.03 Career Programs	871,040	196,156	1,067,196	110,911	1,178,107	1,332,685	1,236,269
1.07 Library Services	2,115,225	474,665	2,589,890	149,251	2,739,141	2,775,831	2,685,302
1.08 Counselling	2,404,733	503,806	2,908,539	10,787	2,919,326	2,935,051	2,734,404
1.10 Special Education	18,590,656	4,437,735	23,028,391	558,870	23,587,261	23,833,538	21,886,132
1.30 English as a Second Language	1,920,517	431,006	2,351,523	24,648	2,376,171	2,459,626	2,327,698
1.31 Aboriginal Education	378,940	81,395	460,335	114,144	574,479	493,207	530,694
1.41 School Administration	7,663,258	1,719,067	9,382,325	182,767	9,565,092	9,605,584	9,467,568
1.60 Summer School	259,189	32,940	292,129	75,025	367,154	208,223	252,843
1.61 Continuing Education	1,496,520	297,965	1,794,485	298,220	2,092,705	1,560,668	1,736,019
1.62 Off Shore Students	803,913	181,847	985,760	632,772	1,618,532	2,032,541	1,588,114
1.64 Other	582,017	106,082	688,099	1,142,725	1,830,824	1,850,712	1,677,387
Total Function 1	87,577,843	19,915,869	107,493,712	5,835,093	113,328,805	113,402,356	110,067,455
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration	723,100	156,325	879,425	201,713	1,081,138	981,653	1,047,614
4.40 School District Governance	134,449	3,023	137,472	104,971	242,443	265,018	442,196
4.41 Business Administration	1,686,985	360,215	2,047,200	489,664	2,536,864	2,671,101	2,308,310
Total Function 4	2,544,534	519,563	3,064,097	796,348	3,860,445	3,917,772	3,798,120
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration	1,024,093	225,186	1,249,279	542,628	1,791,907	1,824,887	1,746,027
5.50 Maintenance Operations	6,431,384	1,642,643	8,074,027	1,886,252	9,960,279	10,459,265	10,369,646
5.52 Maintenance of Grounds	681,217	145,277	826,494	301,311	1,127,805	938,498	1,090,683
5.56 Utilities	20,140	4,624	24,764	2,451,048	2,475,812	2,649,285	2,567,448
Total Function 5	8,156,834	2,017,730	10,174,564	5,181,239	15,355,803	15,871,935	15,773,804
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration	69,975	12,597	82,572		82,572	82,240	81,344
7.70 Student Transportation	76,193	3,952	80,145	1,783,395	1,863,540	1,953,315	1,915,694
Total Function 7	146,168	16,549	162,717	1,783,395	1,946,112	2,035,555	1,997,038
9 DEBT SERVICES (OPERATING)							
Total Function 9							
TOTAL FUNCTIONS 1 - 9	\$ 98,425,379	\$ 22,469,711	\$ 120,895,090	\$ 13,596,075	\$ 134,491,165	\$ 135,227,618	\$ 131,636,417

SCHOOL DISTRICT No. 37 (DELTA)
OPERATING FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2009

Schedule A5

BALANCE, BEGINNING OF YEAR	\$	647,693
 Changes for the Year		
Increase:		
Provincial Grants - Ministry of Education		643,256
Provincial Grants - Other		183,241
Other Revenue		162,692
		989,189
Decrease:		
Allocated to Revenue		
Provincial Grants - Ministry of Education		585,331
Provincial Grants - Other		148,046
Other Revenue		102,221
		835,598
 Net Changes for the Year		 153,591
 BALANCE, END OF YEAR	 \$	 801,284

SCHOOL DISTRICT No. 37 (DELTA)
SPECIAL PURPOSE FUNDS
SUMMARY OF CHANGES
YEAR ENDED JUNE 30, 2009

Schedule B1

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 3,681,078	\$ 292,725	\$ 2,341,943		\$ 6,315,746
Add: Contributions Received					
Provincial Grants - Ministry of Education	4,848,040	14,689			4,862,729
Other	473	175,407	6,644,154	41,635	6,861,669
Investment Income	64,457	5,715			70,172
	4,912,970	195,811	6,644,154	41,635	11,794,570
Less: Allocated to Revenue	6,444,594	129,936	6,279,334	38,294	12,892,158
Recovered	105,693				105,693
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 2,043,761	\$ 358,600	\$ 2,706,763	\$ 3,341	\$ 5,112,465
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	\$ 6,379,671	\$ 14,689			\$ 6,394,360
Other Revenue	473	110,555	6,279,334	38,294	6,428,656
Investment Income	64,450	4,692			69,142
	6,444,594	129,936	6,279,334	38,294	12,892,158
EXPENSE					
Salaries					
Teachers	1,246,483				1,246,483
Principals and Vice Principals	103,728				103,728
Educational Assistants	138,493				138,493
Support Staff	654,078				654,078
Other Professionals		17,131			17,131
Substitutes	23,078	29,449			52,527
	2,165,860	46,580	0	0	2,212,440
Employee Benefits	495,273				495,273
Services and Supplies	3,200,781	62,151	6,279,334	38,294	9,580,560
	5,861,914	108,731	6,279,334	38,294	12,288,273
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	582,680	21,205	0	0	603,885
INTERFUND TRANSFERS					
Capital Assets Purchased	(28,690)	(6,516)			(35,206)
Other	(553,990)	(14,689)			(568,679)
	(582,680)	(21,205)	0	0	(603,885)
NET REVENUE (EXPENSE)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

SCHOOL DISTRICT No. 37 (DELTA)
SPECIAL PURPOSE FUNDS
CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2009

Schedule B2

	207 Annual Facility Grant	231 Aboriginal Education Technology	250 Special Education Equipment	290 Debt Services	303 PRP Residential School	304 PRP Assessment Unit	TOTAL
DEFERRED CONTRIBUTIONS							
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 3,495,634	\$ 411	\$ 78,448	\$ 0	\$ 105,693	\$ 892	\$ 3,681,078
Add: Contributions Received							
Provincial Grants - Ministry of Education	2,283,709		36,517	37,043	314,311	2,176,460	4,848,040
Other						473	473
Investment Income	63,008	7	1,442				64,457
	2,346,717	7	37,959	37,043	314,311	2,176,933	4,912,970
Less: Allocated to Revenue	3,905,900	0	18,781	27,819	314,269	2,177,825	6,444,594
Recovered					105,693		105,693
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 1,936,451	\$ 418	\$ 97,626	\$ 9,224	\$ 42	\$ 0	\$ 2,043,761
REVENUE AND EXPENSE							
REVENUE							
Provincial Grants - Ministry of Education	\$ 3,842,892		\$ 17,339	\$ 27,819	\$ 314,269	\$ 2,177,352	\$ 6,379,671
Other Revenue						473	473
Investment Income	63,008		1,442				64,450
	3,905,900	0	18,781	27,819	314,269	2,177,825	6,444,594
EXPENSE							
Salaries							
Teachers					56,583	1,189,900	1,246,483
Principals and Vice Principals						103,728	103,728
Educational Assistants					138,493		138,493
Support Staff	463,121				14,304	176,653	654,078
Substitutes					18,895	4,183	23,078
	463,121	0	0	0	228,275	1,474,464	2,165,860
Employee Benefits	126,746				56,068	312,459	495,273
Services and Supplies	2,736,353		18,781	27,819	29,926	387,902	3,200,781
	3,326,220	0	18,781	27,819	314,269	2,174,825	5,861,914
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	579,680	0	0	0	0	3,000	582,680
INTERFUND TRANSFERS							
Capital Assets Purchased	(28,690)						(28,690)
Other	(550,990)					(3,000)	(553,990)
	(579,680)	0	0	0	0	(3,000)	(582,680)
NET REVENUE (EXPENSE)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

SCHOOL DISTRICT No. 37 (DELTA)
SPECIAL PURPOSE FUNDS
CHANGES IN OTHER SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2009

Schedule B3

	449	648	PLNetFunded FiberRenewal Project	TOTAL
	Scholarships	Genesis Theatre		
DEFERRED CONTRIBUTIONS				
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 169,179	\$ 123,546	\$ 0	\$ 292,725
Add: Contributions Received				
Provincial Grants - Ministry of Education			14,689	14,689
Other	73,651	101,756		175,407
Investment Income	3,222	2,493		5,715
	76,873	104,249	14,689	195,811
Less: Allocated to Revenue	45,286	69,961	14,689	129,936
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 200,766	\$ 157,834	\$ 0	\$ 358,600
REVENUE AND EXPENSE				
REVENUE				
Provincial Grants - Ministry of Education			\$ 14,689	\$ 14,689
Other Revenue	43,087	67,468		110,555
Investment Income	2,199	2,493		4,692
	45,286	69,961	14,689	129,936
EXPENSE				
Salaries				
Other Professionals		17,131		17,131
Substitutes		29,449		29,449
	0	46,580	0	46,580
Services and Supplies	45,286	16,865		62,151
	45,286	63,445	0	108,731
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	0	6,516	14,689	21,205
INTERFUND TRANSFERS				
Capital Assets Purchased		(6,516)		(6,516)
Other			(14,689)	(14,689)
	0	(6,516)	(14,689)	(21,205)
NET REVENUE (EXPENSE)	\$ 0	\$ 0	\$ 0	\$ 0

**SCHOOL DISTRICT No. 37 (DELTA)
CAPITAL FUND
CAPITAL ASSETS
YEAR ENDED JUNE 30, 2009**

Schedule C1

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	\$ 10,718,525	\$ 160,141,680	\$ 5,675,035	\$ 1,686,998	\$ 87,644	\$ 983,009	\$ 179,292,891
Changes for the Year							
Increase:							
Purchases from:							
Deferred Contributions - Other			164,129				164,129
Operating Fund			29,032				29,032
Special Purpose Funds			35,206				35,206
Capital Leases				35,937			35,937
Transferred from Work in Progress		8,436,769				14,689	8,451,458
	0	8,436,769	228,367	35,937	0	14,689	8,715,762
Decrease:							
Deemed Disposals			556,292			480,496	1,036,788
Written-off/down During Year		602,847					602,847
	0	602,847	556,292	0	0	480,496	1,639,635
COST, END OF YEAR	10,718,525	167,975,602	5,347,110	1,722,935	87,644	517,202	186,369,018
WORK IN PROGRESS, END OF YEAR		190,090					190,090
COST AND WORK IN PROGRESS, END OF YEAR	\$ 10,718,525	\$ 168,165,692	\$ 5,347,110	\$ 1,722,935	\$ 87,644	\$ 517,202	\$ 186,559,108
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR		\$ 68,851,003	\$ 2,529,602	\$ 982,177	\$ 21,567	\$ 510,138	\$ 72,894,487
Changes for the Year							
Increase: Amortization for the Year		3,325,822	567,442	168,693	17,529	196,602	4,276,088
Decrease:							
Deemed Disposals			556,292			480,496	1,036,788
Written-off During Year		362,147					362,147
	0	362,147	556,292	0	0	480,496	1,398,935
ACCUMULATED AMORTIZATION, END OF YEAR	\$ 0	\$ 71,814,678	\$ 2,540,752	\$ 1,150,870	\$ 39,096	\$ 226,244	\$ 75,771,640
CAPITAL ASSETS - NET	\$ 10,718,525	\$ 96,351,014	\$ 2,806,358	\$ 572,065	\$ 48,548	\$ 290,958	\$ 110,787,468

**SCHOOL DISTRICT No. 37 (DELTA)
CAPITAL FUND
CAPITAL ASSETS - WORK IN PROGRESS
YEAR ENDED JUNE 30, 2009**

Schedule C2

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
WORK IN PROGRESS, BEGINNING OF YEAR	\$ 3,757,978				\$ 3,757,978
Changes for the Year					
Increase					
Deferred Contributions - Bylaw	4,165,026				4,165,026
Special Purpose Funds	550,991			14,689	565,680
Local Capital	221,864				221,864
Extinguishment of Asbestos Liability (projects complete)	(69,000)				(69,000)
	<u>4,868,881</u>	0	0	14,689	<u>4,883,570</u>
Decrease					
Transferred to Capital Assets	8,436,769			14,689	8,451,458
	<u>8,436,769</u>	0	0	14,689	<u>8,451,458</u>
Net Changes for the Year	<u>(3,567,888)</u>	0	0	0	<u>(3,567,888)</u>
WORK IN PROGRESS, END OF YEAR	<u>\$ 190,090</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 190,090</u>

SCHOOL DISTRICT No. 37 (DELTA)
CAPITAL FUND
DEFERRED CAPITAL CONTRIBUTIONS
YEAR ENDED JUNE 30, 2009

Schedule C3

	BYLAW CAPITAL (NET)	OTHER PROVINCIAL (NET)	OTHER CAPITAL (NET)	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	\$ 74,510,381	\$ 185,250	\$ 824,266	\$ 75,519,897
Changes for the Year				
Increase				
Transferred from Deferred Contributions - Capital Additions			164,129	164,129
Transferred from Work in Progress	7,851,692			7,851,692
	7,851,692	0	164,129	8,015,821
Decrease				
Amortization of Deferred Capital Contributions	2,888,322	4,750	120,979	3,014,051
Revenue Recognized on Write-off/down of Buildings	6,187			6,187
	2,894,509	4,750	120,979	3,020,238
Net Changes for the Year	4,957,183	(4,750)	43,150	4,995,583
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	\$ 79,467,564	\$ 180,500	\$ 867,416	\$ 80,515,480
WORK IN PROGRESS, BEGINNING OF YEAR				
	\$ 3,686,666			\$ 3,686,666
Changes for the Year				
Increase				
Transferred from Deferred Contributions - Work in Progress	4,165,026			4,165,026
	4,165,026	0	0	4,165,026
Decrease				
Transferred to Deferred Capital Contributions	7,851,692			7,851,692
	7,851,692	0	0	7,851,692
Net Changes for the Year	(3,686,666)	0	0	(3,686,666)
WORK IN PROGRESS, END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	\$ 79,467,564	\$ 180,500	\$ 867,416	\$ 80,515,480

**SCHOOL DISTRICT No. 37 (DELTA)
CAPITAL FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2009**

Schedule C4

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	\$ 633,767	\$ 81,490				\$ 715,257
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	5,130,140					5,130,140
Capital Assets donated by PAC's and other external Non-Prov					164,129	164,129
	5,130,140	0	0	0	164,129	5,294,269
Decrease:						
Transferred to DCC - Capital Additions					164,129	164,129
Transferred to DCC - Work in Progress	4,165,026					4,165,026
	4,165,026	0	0	0	164,129	4,329,155
Net Changes for the Year	965,114	0	0	0	0	965,114
BALANCE, END OF YEAR	\$ 1,598,881	\$ 81,490	\$ 0	\$ 0	\$ 0	\$ 1,680,371

SCHOOL DISTRICT No. 37 (DELTA)
CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2009

Schedule C5

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	\$ 28,527,606	\$ 959,854	\$ 29,487,460
Changes for the Year			
Investment Income		56,013	56,013
Write-off/down of Buildings and Sites	(234,514)		(234,514)
Amortization of Deferred Capital Contributions	3,014,051		3,014,051
Interfund Transfers - Capital Assets Purchased	64,238		64,238
Interfund Transfers - Capital Assets WIP	565,679		565,679
Amortization of Capital Assets	(4,276,088)		(4,276,088)
Capital Lease Principal Payment	307,677	(307,677)	0
Capital Lease Interest Expense		(56,290)	(56,290)
Capital Loan Principal Payment	374,541	(374,541)	0
WIP Purchased from Local Capital	221,864	(221,864)	0
Interfund Transfer - Capital Lease/Loan payment		738,508	738,508
Minor Building Work		(5,798)	(5,798)
Net Changes for the Year	<u>37,448</u>	<u>(171,649)</u>	<u>(134,201)</u>
BALANCE, END OF YEAR	<u>\$ 28,565,054</u>	<u>\$ 788,205</u>	<u>\$ 29,353,259</u>