

SCHOOL DISTRICT AUDITED CONSOLIDATED FINANCIAL STATEMENTS FISCAL YEAR 2009/2010

SCHOOL DISTRICT NUMBER 37	NAME OF SCHOOL DISTRICT Delta	YEAR 2009/2010
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 Dianne Turner	NAME OF SECRETARY-TREASURER Joe Strain (Acting)	

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, 2010.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION Dale Saip	DATE SIGNED September 21, 2010
SIGNATURE OF SUPERINTENDENT Dianne Turner	DATE SIGNED September 21, 2010
SIGNATURE OF SECRETARY-TREASURER Joe Strain	DATE SIGNED September 21, 2010

**SCHOOL DISTRICT No. 37 (DELTA)
2009/2010 AUDITED CONSOLIDATED FINANCIAL STATEMENTS**

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September 21, 2010

Auditors' Report

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

We have audited the consolidated statements of financial position, the consolidated statements of 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, 2010. The supplementary information included in Schedules A through C 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 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, 2010 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, 2010

Statement 1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2010	TOTAL 2009
ASSETS					
Current Assets					
Cash and Cash Equivalents (Note 3b)	\$ 5,414,841	\$ 2,861,095	\$ 176,406	\$ 8,452,342	\$ 10,803,153
Short Term Investments (Note 3c)	16,082,424	12,530	1,930,284	18,025,238	14,161,485
Accounts Receivable					
Due from Province - Ministry of Education (Note 3d, 3j)	40,741			40,741	144,674
Due from Province - Other (Note 3d, 3j)	146,498			146,498	129,762
Due from LEA/Direct Funding (Note 3d, 3j)	187,875			187,875	194,337
Other Receivables (Note 3d, 3j, 5)	1,102,652	13,361	23,420	1,139,433	1,146,111
Interfund Loans		1,645,321	309,955		
Prepaid Expenses (Note 3e)	539,714			539,714	533,978
	<u>23,514,745</u>	<u>4,532,307</u>	<u>2,440,065</u>	<u>28,531,841</u>	<u>27,113,500</u>
Capital Assets - Net (Note 3f, 6)			109,385,901	109,385,901	110,787,468
TOTAL ASSETS	\$ 23,514,745	\$ 4,532,307	\$ 111,825,966	\$ 137,917,742	\$ 137,900,968
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Accounts Payable and Accrued Liabilities					
Due to Province - Ministry of Education (Note 3j)	111,970			111,970	
Due to Province - Other (Note 3j)	4,130			4,130	
Other (Note 3j)	8,263,022	12,816	135,646	8,411,484	7,324,357
Bank Loans - Current Portion (Note 9)			586,112	586,112	374,937
Capital Lease Obligations - Current Portion (Note 3g, 10)			306,780	306,780	325,931
Interfund Loans	1,955,276				
Other Current Liabilities (Note 3j, 7)	3,406,843	3,600		3,410,443	3,622,499
	<u>13,741,241</u>	<u>16,416</u>	<u>1,028,538</u>	<u>12,830,919</u>	<u>11,647,724</u>
Deferred Contributions					
Ministry of Education (Note 8)	559,810	1,527,176	1,452,739	3,539,725	4,379,380
Province - Other (Note 8)	99,608			99,608	35,195
Other (Note 8)	196,868	2,988,714		3,185,582	3,179,545
Accrued Employee Future Benefits (Note 3m, 11)	2,656,840			2,656,840	2,532,616
Deferred Capital Contributions (Note 8)			77,730,881	77,730,881	80,515,480
Bank Loans (Note 9)			1,311,371	1,311,371	306,114
Capital Lease Obligations (Note 3g, 10)			477,612	477,612	699,952
TOTAL LIABILITIES	17,254,367	4,532,306	82,001,141	101,832,538	103,296,006
Fund Balances					
Invested in Capital Assets			29,086,824	29,086,824	28,565,054
Internally Restricted (Note 3n, 13)	5,706,261	1	738,001	6,444,263	5,485,791
Unrestricted (Note 13)	554,117			554,117	554,117
TOTAL FUND BALANCES	6,260,378	1	29,824,825	36,085,204	34,604,962
TOTAL LIABILITIES AND FUND BALANCES	\$ 23,514,745	\$ 4,532,307	\$ 111,825,966	\$ 137,917,742	\$ 137,900,968

SCHOOL DISTRICT No. 37 (DELTA)
CONSOLIDATED STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2010

Statement 2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2010	TOTAL 2009
REVENUE					
Provincial Grants - Ministry of Education	\$ 127,136,708	\$ 4,489,471		\$ 131,626,179	\$ 131,085,475
Provincial Grants - Other	1,251,086			1,251,086	736,883
Federal Grants	228,846			228,846	157,256
Other Revenue	6,705,226	6,137,380		12,842,606	13,295,399
Rentals and Leases	577,066			577,066	546,056
Investment Income (Note 22)	176,899	8,111	15,054	200,064	779,382
Amortization of Deferred Capital Contributions			3,161,921	3,161,921	3,014,051
	<u>136,075,831</u>	<u>10,634,962</u>	<u>3,176,975</u>	<u>149,887,768</u>	<u>149,614,502</u>
EXPENSE					
Salaries					
Teachers	64,855,028	1,184,655		66,039,683	65,479,255
Principals and Vice Principals	6,607,626	210,164		6,817,790	6,713,272
Educational Assistants	9,410,129	75,035		9,485,164	9,567,662
Support Staff	11,164,654	668,020		11,832,674	12,061,792
Other Professionals	2,521,306	15,023		2,536,329	2,545,141
Substitutes	3,995,055	39,052		4,034,107	4,270,697
	<u>98,553,798</u>	<u>2,191,949</u>	<u>-</u>	<u>100,745,747</u>	<u>100,637,819</u>
Employee Benefits	22,378,203	437,462		22,815,665	22,964,984
Services and Supplies	12,514,797	7,945,991		20,460,788	23,176,635
Amortization of Capital Assets			4,319,979	4,319,979	4,276,088
Write-off/down of Buildings and Sites				-	234,514
Interest on Capital Leases and Loans (Note 22)			64,591	64,591	56,290
Minor Building Work			756	756	5,798
	<u>133,446,798</u>	<u>10,575,402</u>	<u>4,385,326</u>	<u>148,407,526</u>	<u>151,352,128</u>
NET REVENUE (EXPENSE)	<u>\$ 2,629,033</u>	<u>\$ 59,560</u>	<u>\$ (1,208,351)</u>	<u>\$ 1,480,242</u>	<u>\$ (1,737,626)</u>

SCHOOL DISTRICT No. 37 (DELTA)
CONSOLIDATED STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2010

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2010	TOTAL 2009
FUND BALANCES, BEGINNING OF YEAR	\$ 5,251,702	\$ 1	\$ 29,353,259	\$ 34,604,962	\$ 36,342,587
Changes for the Year					
Net Revenue (Expense) for the Year	2,629,033	59,560	(1,208,351)	1,480,242	(1,737,626)
Interfund Transfers					
Capital Assets Purchased (Note 14)	(688,180)	(21,500)	709,680	-	
Local Capital (Note 14)	(1,098)		1,098	-	
Other (Note 14)	(931,079)	(38,060)	969,139	-	
Related Company Common Shares				-	1
Net Changes for the Year	<u>1,008,676</u>	<u>-</u>	<u>471,566</u>	<u>1,480,242</u>	<u>(1,737,625)</u>
FUND BALANCES, END OF YEAR	<u>\$ 6,260,378</u>	<u>\$ 1</u>	<u>\$ 29,824,825</u>	<u>\$ 36,085,204</u>	<u>\$ 34,604,962</u>

**SCHOOL DISTRICT No. 37 (DELTA)
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2010**

Statement 4.1

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2010	TOTAL 2009
CASH PROVIDED BY (USED FOR)					
OPERATIONS					
Net Revenue (Expense) for the Year	\$ 2,629,033	\$ 59,560	\$ (1,208,351)	\$ 1,480,242	\$ (1,737,626)
Changes in Non-Cash Working Capital					
Decrease (Increase)					
Short Term Investments	(1,933,241)	(228)	(1,930,284)	(3,863,753)	(11,161,485)
Accounts Receivable	98,095	(8,135)	10,378	100,338	(114,702)
Interfund Loans	(624,149)	563,408	60,742	1	
Prepaid Expenses	(5,736)			(5,736)	(278,391)
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	1,098,725	(2,966)	107,467	1,203,226	(797,064)
Other Current Liabilities	(212,656)	600		(212,056)	(27,247)
Deferred Contributions	55,002	(596,575)		(541,573)	(1,049,690)
Accrued Employee Future Benefits	124,223			124,223	218,675
Items Not Involving Cash					
Amortization of Capital Assets			4,319,979	4,319,979	4,276,088
Amortization of Deferred Capital Contributions			(3,161,921)	(3,161,921)	(3,014,051)
Write-off/down of Buildings and Sites				-	234,514
Interfund Transfers	(1,620,357)	(59,560)	1,679,917	-	
	(391,061)	(43,896)	(122,073)	(557,030)	(13,450,979)
FINANCING					
Bank Loan Received			1,610,000	1,610,000	
Bank Loan Paid			(393,568)	(393,568)	(374,541)
Deferred Contributions Received - Capital			149,690	149,690	5,294,269
Capital Lease - Principal Repayment			(388,407)	(388,407)	(307,677)
	-	-	977,715	977,715	4,612,051
INVESTING					
Capital Assets Purchased - Operating			(688,180)	(688,180)	(29,032)
Capital Assets Purchased - Special Purpose			(21,500)	(21,500)	(35,206)
Capital Assets Purchased - Deferred Contributions - Capital			(377,322)	(377,322)	(4,329,157)
WIP: Projects funded through AFG, Special Purpose and from LCR			(188,174)	(188,174)	(787,543)
WIP: Projects funded from Loan Proceeds			(1,496,320)	(1,496,320)	
	-	-	(2,771,496)	(2,771,496)	(5,180,938)
NET INCREASE (DECREASE) IN CASH	\$ (391,061)	\$ (43,896)	\$ (1,915,854)	\$ (2,350,811)	\$ (14,019,866)

SCHOOL DISTRICT No. 37 (DELTA)
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2010

Statement 4.2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2010	TOTAL 2009
NET INCREASE (DECREASE) IN CASH	\$ (391,061)	\$ (43,896)	\$ (1,915,854)	\$ (2,350,811)	\$ (14,019,866)
Net Cash, Beginning of Year	5,805,902	2,904,991	2,092,260	10,803,153	24,823,019
NET CASH, END OF YEAR	\$ 5,414,841	\$ 2,861,095	\$ 176,406	\$ 8,452,342	\$ 10,803,153
Cash	\$ 5,414,841	\$ 2,861,095	\$ 176,406	\$ 8,452,342	\$ 8,886,594
Cash Equivalents				-	1,916,559
NET CASH, END OF YEAR	\$ 5,414,841	\$ 2,861,095	\$ 176,406	\$ 8,452,342	\$ 10,803,153



NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2010

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, 2009, the School District adopted Section 4400, Financial Statement Presentation by Not-For-Profit Organizations. Recent amendments to Section 4400 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. This standard has impacted the presentation of the statement of revenues, expense and distributions; however, has not affected the School District's results or financial position.

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 balance 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.
 - Endowment funds.
 - Funds collected and used at the school level (i.e. school-generated funds).
 - Controlled and/or related entities.
- 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, 2010**

**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.

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.

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 3a. 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 8.0 years.

The most recent valuation of the obligation was performed at March 31, 2010 and projected to June 30, 2014. The next valuation will be performed at March 31, 2013 for use at June 30, 2013. 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

Delta Global Campus Limited is wholly-owned by the School District. 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.

NOTE 4 FUTURE ACCOUNTING CHANGES

Future Accounting Changes

In September 2009, the Public Sector Accounting Standards Board (PSAB) announced that government not-for-profit organizations may be required to follow the existing Public Sector Accounting (PSA) Handbook, or potentially a modified version of the PSA Handbook supplemented by existing guidance under Section 4400 of the Canadian Handbook. The effective date for NPOs has yet to be established. Existing requirements in the PSA Handbook for NPOs will be retained until PSAB have completed their deliberations and established timeliness for transition.

NOTE 5 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2010	2009
Due from Federal Government	\$ 222,931	\$ 208,769
Other	916,502	937,342
	<u>\$1,139,433</u>	<u>\$1,146,111</u>

NOTE 6 CAPITAL ASSETS

	2010		2009	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Sites	\$ 10,718,525	\$	\$ 10,718,525	\$ 10,718,525
Buildings	168,320,325	75,306,683	93,013,642	96,351,014
Buildings – work in progress	230,940		230,940	
Furniture & Equipment	5,333,288	2,899,471	2,433,817	2,806,358
Vehicles	857,086	144,861	712,225	572,065
Computer Software	133,240	56,625	76,615	48,548
Computer Hardware	2,381,846	228,320	2,153,526	290,958
Computer Hardware – work in progress	46,611		46,611	
	<u>\$ 188,021,861</u>	<u>\$ 78,635,960</u>	<u>\$ 109,385,901</u>	<u>\$ 110,787,468</u>

Included in capital assets are maintenance vehicles and equipment under capital lease with a cost of \$2,136,874 and accumulated amortization of \$859,170.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 7 DEFERRED REVENUE

Deferred Tuitions totalling \$2,166,730 for fiscal year 2009/2010 (\$2,266,279 for 2008/2009) have been reported in Other Current Liabilities to reflect their short-term nature.

NOTE 8 DEFERRED CONTRIBUTIONS

Deferred Contributions - Ministry of Education:

	2010				2009
	Operating Fund	Special Purpose Fund	Capital Fund	Total	Total
Balance, beginning of year	\$ 655,249	\$ 2,043,760	\$ 1,680,371	\$ 4,379,380	\$ 4,993,658
Increases:					
Provincial grants - MEd	597,661	3,972,885	16,379	4,586,925	10,621,436
Med – PRP Trust Funds Surplus Recovery					(105,693)
MEd Restricted Portion of Proceeds					
Investment income		6,432		6,432	64,457
Other (Purch.Card Comm.)		668		668	472
	597,661	3,979,985	16,379	4,594,025	10,580,672
Decreases:					
Transfers to Revenue	693,100	4,496,569	244,011	5,433,680	11,194,950
Transfers to DCC - capital additions					
Transfer to invested in capital assets - sites					
Other					
	693,100	4,496,569	244,011	5,433,680	11,194,950
Net Changes for the year	(95,439)	(516,584)	(227,632)	(839,655)	(614,278)
Balance, end of the year	\$ 559,810	\$ 1,527,176	\$ 1,452,739	\$ 3,539,725	\$ 4,379,380



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010**

NOTE 8 DEFERRED CONTRIBUTIONS (Continued)

Deferred Contributions - Province - Other:

	2010			2009
	Operating Fund	Special Purpose Fund	Capital Fund	Total
Balance, beginning of year	\$ 35,195	\$	\$	\$ 35,195
Increases:				
Provincial grants - other	303,312			303,312
Investment income				
Other				
	<u>303,312</u>			<u>303,312</u>
Decreases:				
Transfers to Revenue	238,899			238,899
Transfers to DCC - capital additions				
Transfer to invested in capital assets - sites				
Other				
	<u>238,899</u>			<u>238,899</u>
Net Changes for the year	64,413			64,413
Balance, end of the year	<u>\$ 99,608</u>	<u>\$</u>	<u>\$</u>	<u>\$ 99,608</u>

Deferred Contributions - Other:

	2010			2009
	Operating Fund	Special Purpose Fund	Capital Fund	Total
Balance, beginning of year	\$ 110,840	\$ 3,068,705	\$	\$ 3,179,545
Increases:				
Federal Grants				
Grants from municipalities				
Investment income		2,123		2,123
Other (Non-Provincial)	149,581	6,056,279		6,205,860
	<u>149,581</u>	<u>6,058,402</u>		<u>6,207,983</u>
Decreases:				
Transfers to Revenue	63,553	6,138,393		6,201,946
Transfers to DCC - capital additions				
Transfer to invested in capital assets - sites				
Other				
	<u>63,553</u>	<u>6,138,393</u>		<u>6,201,946</u>
Net Changes for the year	86,028	(79,991)		6,037
Balance, end of the year	<u>\$ 196,868</u>	<u>\$ 2,988,714</u>	<u>\$</u>	<u>\$ 3,185,582</u>



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010**

NOTE 8 DEFERRED CONTRIBUTIONS (Continued)

Deferred Capital Contributions:

	2010		2009	
	Special Purpose Fund	Capital Fund	Total	
Balance, beginning of year	\$	\$ 80,515,480	\$ 80,515,480	\$ 79,206,563
Increases:				
Transfers from DC - capital additions		133,311	133,311	164,129
Other (Transfer from DC – WIP)		244,011	244,011	4,165,026
		<u>377,322</u>	<u>377,322</u>	<u>4,329,155</u>
Decreases:				
Amortization		3,161,921	3,161,921	3,014,051
Disposals/write-off/down				6,187
Other				
		<u>3,161,921</u>	<u>3,161,921</u>	<u>3,020,238</u>
Net Changes for the year		<u>(2,784,599)</u>	<u>(2,784,599)</u>	<u>1,308,917</u>
Balance, end of the year	<u>\$</u>	<u>\$ 77,730,881</u>	<u>\$ 77,730,881</u>	<u>\$ 80,515,480</u>



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010**

NOTE 9 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
Jul 14, 2006	2007/2008	RBP minus 0.5%	40 months	\$1,200,000	\$ 912,517	\$ 287,483
Dec 7, 2009	2009/2010	Fixed 3.55%	60 months	\$1,610,000	\$ 0	\$1,610,000
Total				\$2,810,000	\$ 912,517	\$1,897,483

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 minimum principal payments required for the \$1,200,000 facility are:
2010/2011 - \$287,483

The \$1,610,000 facility is an unsecured loan, which has blended payments of principal and interest with payments that will commence in July 2010. The principal portion of the loan is to be repaid in full by June 2015.

The minimum principal payments required for the \$1,610,000 facility are:
2010/2011 - \$298,629
2011/2012 - \$309,835
2012/2013 - \$321,542
2013/2014 - \$333,692
2014/2015 - \$346,302



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010**

NOTE 10 CAPITAL LEASES

The District has ten (10) leases (with terms ranging from 10 months to 4 years, 8 months) for maintenance fleet vehicles and equipment. These leases bear interest rates averaging 6.01% with monthly principal and interest payments of \$20,934. The leases are secured with the vehicles and equipment and have a \$1 purchase option at the termination of the lease.

	2009/10	2008/09
Long Term obligation as of June 30	\$477,612	\$699,952
Current Portion	\$306,780	\$325,931
Total principal of obligation	<u>\$784,392</u>	<u>\$1,025,883</u>

Lease commitments for the next five years are as follows:

2010/2011	\$ 375,379
2011/2012	\$ 356,206
2012/2013	\$ 113,580
2013/2014	\$ 33,132
2014/2015	\$ 8,554

Less interest implicit in lease payments:	<u>\$ (102,459)</u>
Balance of lease obligations:	\$ 784,392



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010**

NOTE 11 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. The portion of these benefits that have not been provided for is identified as Unfunded Accrued Employee Future Benefits on Statement 1 (Statement of Financial Position).

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

	2010	2009
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 2,956,735	\$ 3,049,061
Service Cost	236,408	257,570
Interest Cost	212,927	174,133
Benefit Payments	(240,187)	(251,589)
Actuarial (Gain)/Loss	(227,274)	(272,440)
Accrued Benefit Obligation – March 31	\$ 2,938,609	\$ 2,956,735
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 2,938,609	\$ 2,956,735
Market Value of Plan Assets – March 31	0	0
Funded Status - Surplus/(Deficit)	(2,938,609)	(2,956,735)
Employer Contributions After Measurement Date	199,209	112,470
Unamortized Net Actuarial (Gain)/Loss	82,560	311,649
Accrued Benefit Asset/(Liability) – June 30	\$ (2,656,840)	\$ (2,532,616)
Components of Net Benefit Expense		
Service Cost	\$ 236,408	\$ 257,570
Interest Cost	212,927	174,133
Amortization of Net Actuarial (Gain)/Loss	1,815	35,793
Net Benefit Expense (Income)	\$ 451,150	\$ 467,496

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

Discount Rate – April 1	7.00%	5.50%
Discount Rate – March 31	5.00%	7.00%
Long Term Salary Growth – April 1	3.25% + seniority	3.25% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	3.25% + seniority
EARSL – March 31	8	8.8



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010**

NOTE 12 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 27,000 retired members from school districts. The Municipal Plan has about 158,000 active members, of which approximately 23,000 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, 2008 indicated a \$291 million unfunded liability for basic pension benefits. The next valuation will be as at December 31, 2011 with results available in late 2012. 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 \$11,553,320 for employer contributions to these plans in the year ended June 30, 2010.

NOTE 13 OPERATING FUND BALANCE, END OF YEAR

Internally Restricted (appropriated) by Board for:	
Restricted for 2010/11 Operations	\$935,406
Restricted for specific Operations initiatives	3,051,145
Restricted for Operations beyond 2010/11	1,719,710
Subtotal Internally Restricted	\$ 5,706,261
Unrestricted Operating Surplus (Deficit)	554,117
Total Available for Future Operations	\$ 6,260,378

NOTE 14 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, 2010, transfers were as follows:

- **Capital Lease Principal:** A transfer to the Capital Fund of \$388,407 consisting of \$385,407 from the Operating Fund and \$3,000 from Special Purpose Funds covered the 2009/10 short-term principal portion of the district's capital leases.
- **Capital Loan Principal:** A transfer to the Capital Fund of \$393,568 was made from the Operating Fund to pay for the 2009/10 principal portion payable on the district's capital loan.
- **Capital Lease Interest:** A transfer in the amount of \$41,474 was made from the Operating Fund to the Capital Fund for the payment of capital lease interest.
- **Capital Loan Interest:** A transfer in the amount of \$23,117 was made from the Operating Fund to the Capital Fund for the payment of capital loan interest.
- **Purchase of Capital Assets:** A transfer in the amount of \$688,180 from the Operating Fund and \$21,500 from Special Purpose Funds were transferred to the Capital Fund for the purchase of capital items, including computer software and hardware, commercial boilers, custodial equipment, metal lathes, a stair-lift, and a passenger bus.
- **Capital Projects:** A transfer to the Capital Fund of \$42,000 was made from the Operating Fund to fund the construction of a resource room for hearing impaired students of which only \$40,902 were spent so far leaving \$1,098 in the Local Capital Reserve, and a transfer in the amount of \$46,611 was made to fund the upgrade of a phone system.
- **Work-In Progress Projects:** A transfer to the Capital Fund of \$35,060 was made from Special Purpose Funds, consisting of \$28,838 for the Pinewood Seismic Mitigation Project, and \$6,222 for minor building work.

NOTE 15 RELATED PARTY TRANSACTIONS

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

NOTE 16 CONTRACTUAL OBLIGATIONS

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

NOTE 17 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 2, 2010.

NOTE 18 CONTINGENCIES

Outstanding Labour Relations and Human Resources related matters may result in imposed or agreed to settlements. The potential amount of the loss to Delta, while not determinable, is not expected to exceed \$300,000.

NOTE 19 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, 2010, the School District has no liabilities related to asset retirement obligations.

NOTE 20 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”.

NOTE 21 COMPARATIVE FIGURES

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

Specifically, certain revenues have changed categories. The prior year’s revenues have been reclassified. Provincial Grants, and Other Revenues in the categories of Continuing Education, Academy Fees, Miscellaneous and Other Grants are affected. As well, some amounts have been reclassified among Ministry of Education revenue lines.

Per Section 4400.46 of the CICA Handbook, effective, June 30, 2010, the Statement of Cash Flows has been prepared in accordance with Handbook section 1540. As such, net cash, beginning of the year, have been restated to exclude the June 2009 Short Term Investment balance on Statement 4.2. The change is shown as “Increase in Short-Term Investments” on Statement 4.1.



**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010**

NOTE 22 SUPPLEMENTARY CASH FLOW INFORMATION

	2010				2009
	Operating Fund	Special Purpose Fund	Capital Fund	Total	Total
Interest received	\$ 170,196	\$ 7,811	\$ 14,430	\$ 192,437	\$ 866,057
Interest paid – Capital Loan			\$ 31,909	\$ 31,909	\$ 27,819
Interest paid – Capital Lease			\$ 41,474	\$ 41,474	\$ 56,290

SCHOOL DISTRICT No. 37 (DELTA)
OPERATING FUND
SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2010

Schedule A1

	2010	2010	2009
	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
REVENUE			
Provincial Grants - Ministry of Education	\$ 127,136,708	\$ 126,673,231	\$ 124,691,115
Provincial Grants - Other	1,251,086	1,249,855	808,085
Federal Grants	228,846	159,106	157,256
Other Revenue	6,705,226	6,529,024	6,795,541
Rentals and Leases	577,066	640,000	546,056
Investment Income	176,899	225,000	654,227
	<u>136,075,831</u>	<u>135,476,216</u>	<u>133,652,280</u>
EXPENSE			
Salaries			
Teachers	64,855,028	64,586,276	64,232,772
Principals and Vice Principals	6,607,626	6,628,036	6,609,544
Educational Assistants	9,410,129	9,712,101	9,429,169
Support Staff	11,164,654	10,990,649	11,407,714
Other Professionals	2,521,306	2,491,338	2,528,010
Substitutes	3,995,055	3,934,672	4,218,170
	<u>98,553,798</u>	<u>98,343,072</u>	<u>98,425,379</u>
Employee Benefits	22,378,203	22,400,411	22,469,711
Services and Supplies	12,514,797	14,754,528	13,596,075
	<u>133,446,798</u>	<u>135,498,011</u>	<u>134,491,165</u>
NET REVENUE (EXPENSE), FOR THE YEAR	2,629,033	(21,795)	(838,885)
INTERFUND TRANSFERS			
Capital Assets Purchased	(688,180)	(379,835)	(29,032)
Local Capital	(1,098)		
Other	(931,079)	(392,114)	(735,508)
OTHER ADJUSTMENTS TO OPERATING FUND BALANCE			
BUDGETED ALLOCATION (RETIREMENT) OF SURPLUS (DEFICIT)		793,744	
SURPLUS (DEFICIT), FOR THE YEAR	<u>1,008,676</u>	<u>\$ -</u>	<u>(1,603,425)</u>
SURPLUS (DEFICIT), BEGINNING OF YEAR	5,251,702		6,855,127
SURPLUS (DEFICIT), END OF YEAR			
(Section 156 (12) of School Act)	<u>\$ 6,260,378</u>		<u>\$ 5,251,702</u>
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	5,706,261		
Unrestricted	554,117		
	<u>\$ 6,260,378</u>		

SCHOOL DISTRICT No. 37 (DELTA)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2010

Schedule A2

	2010	2010	2009
	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
PROVINCIAL GRANTS - MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	\$ 124,167,815	\$ 123,809,680	\$ 121,053,105
INAC/LEA Recovery	(250,500)	(259,116)	(259,116)
Other Ministry of Education Grants			
Summer Fee Reimbursement			117,298
Labour Market Adjustment			426,482
Pay Equity	2,171,545	2,171,545	2,171,545
Community Link, Ready Set Learn, Literacy	254,171	36,108	640,461
Other Grants - AVID, French Federal Grant	489,377	638,138	313,405
Early Learning	51,071	-	32,051
Strong Start	253,229	276,876	195,884
	<u>127,136,708</u>	<u>126,673,231</u>	<u>124,691,115</u>
PROVINCIAL GRANTS - OTHER	<u>1,251,086</u>	<u>1,249,855</u>	<u>808,085</u>
FEDERAL GRANTS	<u>228,846</u>	<u>159,106</u>	<u>157,256</u>
OTHER REVENUE			
Other School District/Education Authorities	89,323	-	57,223
Summer School Fees	37,135	-	22,006
Continuing Education	1,346,563	1,422,794	1,429,672
Offshore Tuition Fees	2,918,308	2,760,000	3,194,673
LEA/Direct Funding from First Nations	250,500	259,116	259,116
Miscellaneous			
Instructional Cafeteria	321,357	365,000	295,070
Municipal Grant - Crossing Guard	93,443	100,000	104,405
Administration Fees	25,000	25,000	25,000
Provincial Outreach Program (POP) Teacher Training	295,119	575,222	331,142
Academy Fees	438,320	474,002	354,531
Miscellaneous	483,138	50,000	383,081
Other Grants	407,020	497,890	339,622
	<u>6,705,226</u>	<u>6,529,024</u>	<u>6,795,541</u>
RENTALS AND LEASES	<u>577,066</u>	<u>640,000</u>	<u>546,056</u>
INVESTMENT INCOME	<u>176,899</u>	<u>225,000</u>	<u>654,227</u>
TOTAL OPERATING REVENUE	<u>\$ 136,075,831</u>	<u>\$ 135,476,216</u>	<u>\$ 133,652,280</u>

SCHOOL DISTRICT No. 37 (DELTA)
OPERATING FUND
COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2010

Schedule A3

	2010	2010	2009
	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
SALARIES			
Teachers	\$ 64,855,028	\$ 64,586,276	\$ 64,232,772
Principals and Vice Principals	6,607,626	6,628,036	6,609,544
Educational Assistants	9,410,129	9,712,101	9,429,169
Support Staff	11,164,654	10,990,649	11,407,714
Other Professionals	2,521,306	2,491,338	2,528,010
Substitutes	3,995,055	3,934,672	4,218,170
	<u>98,553,798</u>	<u>98,343,072</u>	<u>98,425,379</u>
EMPLOYEE BENEFITS	<u>22,378,203</u>	<u>22,400,411</u>	<u>22,469,711</u>
TOTAL SALARIES AND BENEFITS	<u>120,932,001</u>	<u>120,743,483</u>	<u>120,895,090</u>
SERVICES AND SUPPLIES			
Services	3,321,719	3,545,504	3,715,109
Student Transportation	1,569,789	1,758,946	1,888,694
Professional Development and Travel	571,808	666,383	601,281
Rentals and Leases	60,186	98,845	50,824
Dues and Fees	177,830	120,709	210,298
Insurance	300,127	319,410	315,777
Supplies	4,523,188	5,769,915	4,515,902
Utilities	1,990,150	2,474,816	2,298,190
TOTAL SERVICES AND SUPPLIES	<u>12,514,797</u>	<u>14,754,528</u>	<u>13,596,075</u>
TOTAL OPERATING EXPENSE	<u>\$ 133,446,798</u>	<u>\$ 135,498,011</u>	<u>\$ 134,491,165</u>

SCHOOL DISTRICT No. 37 (DELTA)
OPERATING FUND
EXPENSE BY FUNCTION, PROGRAM AND OBJECT
YEAR ENDED JUNE 30, 2010

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	\$ 47,458,075	\$ 1,006,703	\$ 360,763	\$ 20,000		\$ 2,409,106	\$ 51,254,647
1.03 Career Programs	573,816	4,450	217,922	29,238		9,410	834,836
1.07 Library Services	1,727,113	58,931		156,167		63,330	2,005,541
1.08 Counselling	2,311,574					804	2,312,378
1.10 Special Education	9,371,725	252,457	8,401,263	114,888		726,412	18,866,745
1.30 English as a Second Language	1,778,808	25,553	32,713			49,812	1,886,886
1.31 Aboriginal Education	12,786	1,506	209,800	6,527		96,366	326,985
1.41 School Administration		4,879,383		2,578,989	10,968	119,610	7,588,950
1.60 Summer School	208,968					4,076	213,044
1.61 Continuing Education	836,332	169,236	46,423	174,452	94,453	36,954	1,357,850
1.62 Off Shore Students	325,670	110,770	119,588	152,875		11,903	720,806
1.64 Other	250,161	78,910	21,657	331,734	2,856	28,584	713,902
Total Function 1	64,855,028	6,587,899	9,410,129	3,564,870	108,277	3,556,367	88,082,570
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration		19,727		13,617	541,393	657	575,394
4.40 School District Governance					142,451		142,451
4.41 Business Administration				689,359	953,217	5,288	1,647,864
Total Function 4	-	19,727	-	702,976	1,637,061	5,945	2,365,709
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration				274,364	640,826	14,639	929,829
5.50 Maintenance Operations				6,029,480	81,251	257,497	6,368,228
5.52 Maintenance of Grounds				544,912		86,245	631,157
5.56 Utilities				31,496			31,496
Total Function 5	-	-	-	6,880,252	722,077	358,381	7,960,710
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration				16,556	53,891		70,447
7.70 Student Transportation						74,362	74,362
Total Function 7	-	-	-	16,556	53,891	74,362	144,809
9 DEBT SERVICES (OPERATING)							
Total Function 9	-	-	-	-	-	-	-
TOTAL FUNCTIONS 1 - 9	\$ 64,855,028	\$ 6,607,626	\$ 9,410,129	\$ 11,164,654	\$ 2,521,306	\$ 3,995,055	\$ 98,553,798

SCHOOL DISTRICT No. 37 (DELTA)
OPERATING FUND
EXPENSE BY FUNCTION, PROGRAM AND OBJECT
YEAR ENDED JUNE 30, 2010

Schedule A4.2

	TOTAL SALARIES	EMPLOYEE BENEFITS	TOTAL SALARIES AND BENEFITS	SERVICES AND SUPPLIES	2010 ACTUAL	2010 AMENDED ANNUAL BUDGET	2009 ACTUAL
1 INSTRUCTION							
1.02 Regular Instruction	\$ 51,254,647	\$ 11,641,796	\$ 62,896,443	\$ 2,468,325	\$ 65,364,768	\$ 65,479,606	\$ 64,480,013
1.03 Career Programs	834,836	186,360	1,021,196	57,404	1,078,600	1,171,430	1,178,107
1.07 Library Services	2,005,541	450,727	2,456,268	78,937	2,535,205	2,672,365	2,739,141
1.08 Counselling	2,312,378	485,546	2,797,924	9,155	2,807,079	2,835,653	2,919,326
1.10 Special Education	18,866,745	4,526,302	23,393,047	675,060	24,068,107	24,565,266	23,587,261
1.30 English as a Second Language	1,886,886	404,981	2,291,867	17,730	2,309,597	2,420,279	2,376,171
1.31 Aboriginal Education	326,985	72,146	399,131	64,476	463,607	560,666	574,479
1.41 School Administration	7,588,950	1,677,254	9,266,204	165,560	9,431,764	9,561,590	9,565,092
1.60 Summer School	213,044	32,622	245,666	25,007	270,673	260,343	367,154
1.61 Continuing Education	1,357,850	287,632	1,645,482	372,071	2,017,553	1,840,656	2,092,705
1.62 Off Shore Students	720,806	158,885	879,691	552,063	1,431,754	1,898,814	1,618,532
1.64 Other	713,902	130,509	844,411	1,124,796	1,969,207	1,967,761	1,830,824
Total Function 1	88,082,570	20,054,760	108,137,330	5,610,584	113,747,914	115,234,429	113,328,805
4 DISTRICT ADMINISTRATION							
4.11 Educational Administration	575,394	138,528	713,922	178,869	892,791	898,765	1,081,138
4.40 School District Governance	142,451	3,006	145,457	92,127	237,584	294,594	242,443
4.41 Business Administration	1,647,864	340,354	1,988,218	417,325	2,405,543	2,425,108	2,536,864
Total Function 4	2,365,709	481,888	2,847,597	688,321	3,535,918	3,618,467	3,860,445
5 OPERATIONS AND MAINTENANCE							
5.41 Operations and Maintenance Administration	929,829	221,012	1,150,841	478,039	1,628,880	1,675,785	1,791,907
5.50 Maintenance Operations	6,368,228	1,491,060	7,859,288	1,896,710	9,755,998	9,690,718	9,960,279
5.52 Maintenance of Grounds	631,157	109,686	740,843	170,844	911,687	870,125	1,127,805
5.56 Utilities	31,496	3,032	34,528	2,183,888	2,218,416	2,610,127	2,475,812
Total Function 5	7,960,710	1,824,790	9,785,500	4,729,481	14,514,981	14,846,755	15,355,803
7 TRANSPORTATION AND HOUSING							
7.41 Transportation and Housing Administration	70,447	12,969	83,416		83,416	83,778	82,572
7.70 Student Transportation	74,362	3,796	78,158	1,486,411	1,564,569	1,714,582	1,863,540
Total Function 7	144,809	16,765	161,574	1,486,411	1,647,985	1,798,360	1,946,112
9 DEBT SERVICES (OPERATING)							
Total Function 9	-	-	-	-	-	-	-
TOTAL FUNCTIONS 1 - 9	\$ 98,553,798	\$ 22,378,203	\$ 120,932,001	\$ 12,514,797	\$ 133,446,798	\$ 135,498,011	\$ 134,491,165

**SCHOOL DISTRICT No. 37 (DELTA)
OPERATING FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2010**

Schedule A5

BALANCE, BEGINNING OF YEAR	\$ 801,284
Changes for the Year	
Increase:	
Provincial Grants - Ministry of Education	597,661
Provincial Grants - Other	303,312
Other Revenue	149,581
	<u>1,050,554</u>
Decrease:	
Allocated to Revenue	
Provincial Grants - Ministry of Education	693,100
Provincial Grants - Other	238,899
Other Revenue	63,553
	<u>995,552</u>
Net Changes for the Year	<u>55,002</u>
BALANCE, END OF YEAR	<u><u>\$ 856,286</u></u>

**SCHOOL DISTRICT No. 37 (DELTA)
SPECIAL PURPOSE FUNDS
SUMMARY OF CHANGES
YEAR ENDED JUNE 30, 2010**

Schedule B1

	MINISTRY OF EDUCATION DESIGNATED	OTHER	SCHOOL GENERATED FUNDS	RELATED ENTITIES	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 2,043,761	\$ 358,600	\$ 2,706,763	\$ 3,341	\$ 5,112,465
Add: Contributions Received					
Provincial Grants - Ministry of Education	3,972,885				3,972,885
Other	668	487,468	5,556,811	12,000	6,056,947
Investment Income	6,432	2,119		4	8,555
	3,979,985	489,587	5,556,811	12,004	10,038,387
Less: Allocated to Revenue	4,496,569	301,894	5,821,563	14,936	10,634,962
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 1,527,177	\$ 546,293	\$ 2,442,011	\$ 409	\$ 4,515,890
REVENUE AND EXPENSE					
REVENUE					
Provincial Grants - Ministry of Education	\$ 4,489,471				\$ 4,489,471
Other Revenue	668	300,213	5,821,563	14,936	6,137,380
Investment Income	6,430	1,681			8,111
	4,496,569	301,894	5,821,563	14,936	10,634,962
EXPENSE					
Salaries					
Teachers	1,184,655				1,184,655
Principals and Vice Principals	210,164				210,164
Educational Assistants	75,035				75,035
Support Staff	668,020				668,020
Other Professionals		15,023			15,023
Substitutes	15,353	23,699			39,052
	2,153,227	38,722	-	-	2,191,949
Employee Benefits	437,462				437,462
Services and Supplies	1,846,320	263,172	5,821,563	14,936	7,945,991
	4,437,009	301,894	5,821,563	14,936	10,575,402
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	59,560	-	-	-	59,560
INTERFUND TRANSFERS					
Capital Assets Purchased	(21,500)				(21,500)
Other	(38,060)				(38,060)
	(59,560)	-	-	-	(59,560)
NET REVENUE (EXPENSE)	\$ -	\$ -	\$ -	\$ -	\$ -

SCHOOL DISTRICT No. 37 (DELTA)
SPECIAL PURPOSE FUNDS
CHANGES IN MINISTRY OF EDUCATION DESIGNATED SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2010

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	\$ 1,936,451	\$ 418	\$ 97,626	\$ 9,224	\$ 42	\$ -	\$ 2,043,761
Add: Contributions Received							
Provincial Grants - Ministry of Education	1,472,278		38,555			2,462,052	3,972,885
Other						668	668
Investment Income	6,044	2	386				6,432
	1,478,322	2	38,941	-	-	2,462,720	3,979,985
Less: Allocated to Revenue	1,918,274	-	40,686	8,792	-	2,528,817	4,496,569
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 1,496,499	\$ 420	\$ 95,881	\$ 432	\$ 42	\$ (66,097)	\$ 1,527,177
REVENUE AND EXPENSE							
REVENUE							
Provincial Grants - Ministry of Education	\$ 1,912,230		\$ 40,300	\$ 8,792		\$ 2,528,149	\$ 4,489,471
Other Revenue						668	668
Investment Income	6,044		386				6,430
	1,918,274	-	40,686	8,792	-	2,528,817	4,496,569
EXPENSE							
Salaries							
Teachers						1,184,655	1,184,655
Principals and Vice Principals						210,164	210,164
Educational Assistants						75,035	75,035
Support Staff	452,517					215,503	668,020
Substitutes						15,353	15,353
	452,517	-	-	-	-	1,700,710	2,153,227
Employee Benefits	98,085					339,377	437,462
Services and Supplies	1,332,612		19,186	8,792		485,730	1,846,320
	1,883,214	-	19,186	8,792	-	2,525,817	4,437,009
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	35,060	-	21,500	-	-	3,000	59,560
INTERFUND TRANSFERS							
Capital Assets Purchased			(21,500)				(21,500)
Other	(35,060)					(3,000)	(38,060)
	(35,060)	-	(21,500)	-	-	(3,000)	(59,560)
NET REVENUE (EXPENSE)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**SCHOOL DISTRICT No. 37 (DELTA)
SPECIAL PURPOSE FUNDS
CHANGES IN OTHER SPECIAL PURPOSE FUNDS
YEAR ENDED JUNE 30, 2010**

Schedule B3

	449 SCHOLARSHIPS	648 GENESIS THEATRE	NETWORKPERF BASEDSCHLS (NPBS)	ABORIGINAL ENHSCHLS (AESN-Prov)	TOTAL
DEFERRED CONTRIBUTIONS					
DEFERRED CONTRIBUTIONS, BEGINNING OF YEAR	\$ 200,766	\$ 157,834	\$ -	\$ -	\$ 358,600
Add: Contributions Received					
Other	44,428	39,831	324,710	78,499	487,468
Investment Income	1,027	605	383	104	2,119
	45,455	40,436	325,093	78,603	489,587
Less: Allocated to Revenue	65,825	48,439	151,015	36,615	301,894
DEFERRED CONTRIBUTIONS, END OF YEAR	\$ 180,396	\$ 149,831	\$ 174,078	\$ 41,988	\$ 546,293
REVENUE AND EXPENSE					
REVENUE					
Other Revenue	65,236	47,834	150,632	36,511	300,213
Investment Income	589	605	383	104	1,681
	65,825	48,439	151,015	36,615	301,894
EXPENSE					
Salaries					
Other Professionals		15,023			15,023
Substitutes		23,699			23,699
Services and Supplies	-	38,722	-	-	38,722
	65,825	9,717	151,015	36,615	263,172
	65,825	48,439	151,015	36,615	301,894
NET REVENUE (EXPENSE) BEFORE INTERFUND TRANSFERS	-	-	-	-	-
INTERFUND TRANSFERS					
	-	-	-	-	-
NET REVENUE (EXPENSE)	\$ -	\$ -	\$ -	\$ -	\$ -

SCHOOL DISTRICT No. 37 (DELTA)
CAPITAL FUND
CAPITAL ASSETS
YEAR ENDED JUNE 30, 2010

Schedule C1

	SITES	BUILDINGS	FURNITURE AND EQUIPMENT	VEHICLES	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
COST, BEGINNING OF YEAR	\$ 10,718,525	\$ 167,975,602	\$ 5,347,110	\$ 1,722,935	\$ 87,644	\$ 517,202	\$ 186,369,018
Changes for the Year							
Increase:							
Purchases from:							
Deferred Contributions - Other			103,488			29,823	133,311
Operating Fund			118,051	84,668	45,596	439,865	688,180
Special Purpose Funds			21,500				21,500
Capital Leases				245,613			245,613
HST Adjustment re Leased Assets			(80,869)	(17,827)			(98,696)
Transferred from Work in Progress		344,723				1,496,320	1,841,043
	-	344,723	162,170	312,454	45,596	1,966,008	2,830,951
Decrease:							
Deemed Disposals			175,992	1,178,303		101,364	1,455,659
	-	-	175,992	1,178,303	-	101,364	1,455,659
COST, END OF YEAR	10,718,525	168,320,325	5,333,288	857,086	133,240	2,381,846	187,744,310
WORK IN PROGRESS, END OF YEAR		230,940				46,611	277,551
COST AND WORK IN PROGRESS, END OF YEAR	\$ 10,718,525	\$ 168,551,265	\$ 5,333,288	\$ 857,086	\$ 133,240	\$ 2,428,457	\$ 188,021,861
ACCUMULATED AMORTIZATION, BEGINNING OF YEAR		\$ 71,814,678	\$ 2,540,752	\$ 1,150,870	\$ 39,096	\$ 226,244	\$ 75,771,640
Changes for the Year							
Increase: Amortization for the Year		3,492,005	534,711	172,294	17,529	103,440	4,319,979
Decrease:							
Deemed Disposals			175,992	1,178,303		101,364	1,455,659
	-	-	175,992	1,178,303	-	101,364	1,455,659
ACCUMULATED AMORTIZATION, END OF YEAR	\$ -	\$ 75,306,683	\$ 2,899,471	\$ 144,861	\$ 56,625	\$ 228,320	\$ 78,635,960
CAPITAL ASSETS - NET	\$ 10,718,525	\$ 93,244,582	\$ 2,433,817	\$ 712,225	\$ 76,615	\$ 2,200,137	\$ 109,385,901

SCHOOL DISTRICT No. 37 (DELTA)
CAPITAL FUND
CAPITAL ASSETS - WORK IN PROGRESS
YEAR ENDED JUNE 30, 2010

Schedule C2

	BUILDINGS	FURNITURE AND EQUIPMENT	COMPUTER SOFTWARE	COMPUTER HARDWARE	TOTAL
WORK IN PROGRESS, BEGINNING OF YEAR	\$ 190,090	\$ -	\$ -	\$ -	\$ 190,090
Changes for the Year					
Increase					
Deferred Contributions - Bylaw	244,011				244,011
Operating Fund	40,902			46,611	87,513
Special Purpose Funds	35,060				35,060
Local Capital	65,600				65,600
Loan Proceeds				1,496,320	1,496,320
	<u>385,573</u>	<u>-</u>	<u>-</u>	<u>1,542,931</u>	<u>1,928,504</u>
Decrease					
Transferred to Capital Assets	344,723			1,496,320	1,841,043
	<u>344,723</u>	<u>-</u>	<u>-</u>	<u>1,496,320</u>	<u>1,841,043</u>
Net Changes for the Year	<u>40,850</u>	<u>-</u>	<u>-</u>	<u>46,611</u>	<u>87,461</u>
WORK IN PROGRESS, END OF YEAR	<u>\$ 230,940</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,611</u>	<u>\$ 277,551</u>

SCHOOL DISTRICT No. 37 (DELTA)
CAPITAL FUND
DEFERRED CAPITAL CONTRIBUTIONS
YEAR ENDED JUNE 30, 2010

Schedule C3

	BYLAW CAPITAL	OTHER PROVINCIAL	OTHER CAPITAL	TOTAL CAPITAL
DEFERRED CAPITAL CONTRIBUTIONS, BEGINNING OF YEAR	\$ 79,467,564	\$ 180,500	\$ 867,416	\$ 80,515,480
Changes for the Year				
Increase				
Transferred from Deferred Contributions - Capital Additions			133,311	133,311
Transferred from Work in Progress	243,449			243,449
	<u>243,449</u>	-	<u>133,311</u>	<u>376,760</u>
Decrease				
Amortization of Deferred Capital Contributions	3,019,779	4,750	137,392	3,161,921
	<u>3,019,779</u>	<u>4,750</u>	<u>137,392</u>	<u>3,161,921</u>
Net Changes for the Year	<u>(2,776,330)</u>	<u>(4,750)</u>	<u>(4,081)</u>	<u>(2,785,161)</u>
DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>\$ 76,691,234</u>	<u>\$ 175,750</u>	<u>\$ 863,335</u>	<u>\$ 77,730,319</u>
WORK IN PROGRESS, BEGINNING OF YEAR	\$ -	\$ -	\$ -	\$ -
Changes for the Year				
Increase				
Transferred from Deferred Contributions - Work in Progress	244,011			244,011
	<u>244,011</u>	-	-	<u>244,011</u>
Decrease				
Transferred to Deferred Capital Contributions	243,449			243,449
	<u>243,449</u>	-	-	<u>243,449</u>
Net Changes for the Year	<u>562</u>	<u>-</u>	<u>-</u>	<u>562</u>
WORK IN PROGRESS, END OF YEAR	<u>\$ 562</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 562</u>
TOTAL DEFERRED CAPITAL CONTRIBUTIONS, END OF YEAR	<u>\$ 76,691,796</u>	<u>\$ 175,750</u>	<u>\$ 863,335</u>	<u>\$ 77,730,881</u>

**SCHOOL DISTRICT No. 37 (DELTA)
CAPITAL FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2010**

Schedule C4

	BYLAW CAPITAL	MINISTRY OF EDUCATION RESTRICTED CAPITAL	OTHER PROVINCIAL CAPITAL	LAND CAPITAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	\$ 1,598,881	\$ 81,490	\$ -	\$ -	\$ -	\$ 1,680,371
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	16,379					16,379
Capital Assets donated by PAC's and other external Non-Prov					133,311	133,311
	16,379	-	-	-	133,311	149,690
Decrease:						
Transferred to DCC - Capital Additions					133,311	133,311
Transferred to DCC - Work in Progress	244,011					244,011
	244,011	-	-	-	133,311	377,322
Net Changes for the Year	(227,632)	-	-	-	-	(227,632)
BALANCE, END OF YEAR	\$ 1,371,249	\$ 81,490	\$ -	\$ -	\$ -	\$ 1,452,739

SCHOOL DISTRICT No. 37 (DELTA)
CAPITAL FUND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2010

Schedule C5

	INVESTED IN CAPITAL ASSETS	LOCAL CAPITAL	FUND BALANCE
BALANCE, BEGINNING OF YEAR	\$ 28,565,054	\$ 788,205	\$ 29,353,259
Changes for the Year			
Investment Income		15,054	15,054
Amortization of Deferred Capital Contributions	3,161,921		3,161,921
Interfund Transfers - Capital Assets Purchased	709,680		709,680
Interfund Transfers - Capital Assets WIP	122,573		122,573
Interfund Transfers - Local Capital		1,098	1,098
Amortization of Capital Assets	(4,319,979)		(4,319,979)
Capital Lease Principal Payment	388,407	(388,407)	-
Capital Lease Interest Expense		(41,474)	(41,474)
Capital Loan Interest Expense		(23,117)	(23,117)
Capital Loan Principal Payment	393,568	(393,568)	-
WIP Purchased from Local Capital	65,600	(65,600)	-
Interfund Transfer - Capital Lease/Loan Payment		846,566	846,566
Minor Building Work		(756)	(756)
Net Changes for the Year	521,770	(50,204)	471,566
BALANCE, END OF YEAR	\$ 29,086,824	\$ 738,001	\$ 29,824,825