

Audited Financial Statements of

School District No. 37 (Delta)

And Independent Auditors' Report thereon

June 30, 2020

School District No. 37 (Delta)

June 30, 2020

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School District No. 37 (Delta)

MANAGEMENT REPORT

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 37 (Delta) have been prepared by management in accordance with Canadian public sector accounting standards and provincial reporting legislation and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 37 (Delta) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board.

The external auditors, PricewaterhouseCoopers LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 37 (Delta) and meet when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 37 (Delta)

Val Windsor	Original Document Signed	September 29, 2020
Signature of the Chairperson of the Board of Education		Date Signed
Doug Sheppard	Original Document Signed	September 29, 2020
Signature of the Superintendent		Date Signed
Nicola Christ	Original Document Signed	September 29, 2020
Signature of the Secretary Treasurer		Date Signed



Independent auditor's report

To the Board of Education of School District No. 37 (Delta) and
the Minister of Education, Province of British Columbia

Our opinion

In our opinion, the accompanying financial statements of School District No.37 (Delta) (the Organization) as at June 30, 2020 and for the year then ended are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

What we have audited

The Organization's financial statements comprise:

- the statement of financial position as at June 30, 2020;
 - the statement of operations for the year then ended;
 - the statement of changes in net debt for the year then ended;
 - the statement of cash flows for the year then ended; and
 - the notes to the financial statements, which include a summary of significant accounting policies.
-

Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - basis of accounting

We draw attention to note 2 to the financial statements, which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards. Note 2 to the financial statements discloses the impact of these differences. Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers LLP
Central City Tower, 13450 102 Avenue, Suite 1400, Surrey, British Columbia, Canada V3T 5X3
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Other information

Management is responsible for the other information. The other information comprises the Financial Statement Discussion and Analysis for the year ended June 30, 2020.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

(Signed) PricewaterhouseCoopers LLP

Chartered Professional Accountants

Surrey, British Columbia
September 29, 2020

School District No. 37 (Delta)

Statement of Financial Position

As at June 30, 2020

	2020 Actual \$	2019 Actual \$
Financial Assets		
Cash and Cash Equivalents	47,511,080	52,656,279
Accounts Receivable		
Due from Province - Ministry of Education	104,856	1,100,170
Due from Province - Other	22,516	59,415
Due from First Nations	249,850	271,643
Other (Note 3)	1,293,203	924,241
Total Financial Assets	49,181,505	55,011,748
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Other	49	304
Other (Note 4)	12,956,332	19,268,387
Unearned Revenue (Note 5)	5,761,661	9,211,533
Deferred Revenue (Note 6)	4,732,177	4,294,565
Deferred Capital Revenue (Note 7)	107,291,662	108,175,846
Employee Future Benefits (Note 8)	4,443,084	4,286,735
Capital Lease Obligations (Note 9)	4,798,686	5,198,843
Other Liabilities	1,334,646	1,047,657
Total Liabilities	141,318,297	151,483,870
Net Debt	(92,136,792)	(96,472,122)
Non-Financial Assets		
Tangible Capital Assets (Note 10)	141,660,003	144,112,448
Prepaid Expenses	767,256	708,021
Supplies Inventory	39,041	22,298
Total Non-Financial Assets	142,466,300	144,842,767
Accumulated Surplus (Deficit)	50,329,508	48,370,645

Contractual Obligations (Note 14)

Contingent Liabilities (Note 15)

Approved by the Board

Val Windsor	Original Document Signed	September 29, 2020
Signature of the Chairperson of the Board of Education		Date Signed
Doug Sheppard	Original Document Signed	September 29, 2020
Signature of the Superintendent		Date Signed
Nicola Christ	Original Document Signed	September 29, 2020
Signature of the Secretary Treasurer		Date Signed

School District No. 37 (Delta)

Statement of Operations
Year Ended June 30, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	163,876,811	165,474,518	157,930,321
Other	997,225	1,164,806	1,132,774
Federal Grants	957,146	922,700	980,006
Tuition	11,797,855	12,515,025	12,615,771
Other Revenue	7,359,108	7,865,959	8,801,498
Rentals and Leases	695,375	689,485	733,254
Investment Income	721,900	921,624	1,044,710
Amortization of Deferred Capital Revenue	4,290,845	4,290,845	4,196,213
Total Revenue	<u>190,696,265</u>	<u>193,844,962</u>	<u>187,434,547</u>
Expenses (Note 17)			
Instruction	161,731,130	160,583,051	154,923,598
District Administration	5,166,480	5,063,027	5,214,219
Operations and Maintenance	26,057,791	25,183,400	29,267,813
Transportation and Housing	1,065,399	843,506	1,044,317
Debt Services	212,858	213,115	231,127
Total Expense	<u>194,233,658</u>	<u>191,886,099</u>	<u>190,681,074</u>
Surplus (Deficit) for the year	<u>(3,537,393)</u>	<u>1,958,863</u>	<u>(3,246,527)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		48,370,645	51,617,172
Accumulated Surplus (Deficit) from Operations, end of year		<u>50,329,508</u>	<u>48,370,645</u>

School District No. 37 (Delta)

Statement of Changes in Net Debt

Year Ended June 30, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(3,537,393)</u>	<u>1,958,863</u>	<u>(3,246,527)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(5,820,691)	(4,681,660)	(5,755,335)
Amortization of Tangible Capital Assets	7,135,105	7,134,105	7,564,086
Total Effect of change in Tangible Capital Assets	<u>1,314,414</u>	<u>2,452,445</u>	<u>1,808,751</u>
Acquisition of Prepaid Expenses		(1,501,830)	(1,320,538)
Use of Prepaid Expenses		1,442,595	1,222,052
Acquisition of Supplies Inventory		(33,840)	(17,556)
Use of Supplies Inventory		17,097	24,357
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(75,978)</u>	<u>(91,685)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(2,222,979)</u>	<u>4,335,330</u>	<u>(1,529,461)</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>4,335,330</u>	<u>(1,529,461)</u>
Net Debt, beginning of year		<u>(96,472,122)</u>	<u>(94,942,661)</u>
Net Debt, end of year		<u>(92,136,792)</u>	<u>(96,472,122)</u>

School District No. 37 (Delta)

Statement of Cash Flows
Year Ended June 30, 2020

	2020 Actual \$	2019 Actual \$
Operating Transactions		
Surplus (Deficit) for the year	1,958,863	(3,246,527)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	685,044	(695,625)
Supplies Inventories	(16,743)	6,801
Prepaid Expenses	(59,235)	(98,486)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(6,312,310)	8,124,865
Unearned Revenue	(3,449,872)	379,937
Deferred Revenue	437,612	27,720
Employee Future Benefits	156,349	71,960
Other Liabilities	286,989	(79,152)
Amortization of Tangible Capital Assets	7,134,105	7,564,086
Amortization of Deferred Capital Revenue	(4,290,845)	(4,196,213)
Total Operating Transactions	<u>(3,470,043)</u>	<u>7,859,366</u>
Capital Transactions		
Tangible Capital Assets Purchased	(366,352)	(337,010)
Tangible Capital Assets -WIP Purchased	(4,315,308)	(5,418,325)
Total Capital Transactions	<u>(4,681,660)</u>	<u>(5,755,335)</u>
Financing Transactions		
Capital Revenue Received	3,406,661	4,976,985
Capital Lease Principal Repayment	(400,157)	(382,144)
Total Financing Transactions	<u>3,006,504</u>	<u>4,594,841</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(5,145,199)	6,698,872
Cash and Cash Equivalents, beginning of year	<u>52,656,279</u>	<u>45,957,407</u>
Cash and Cash Equivalents, end of year	<u><u>47,511,080</u></u>	<u><u>52,656,279</u></u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	47,511,080	52,656,279
	<u><u>47,511,080</u></u>	<u><u>52,656,279</u></u>



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12, 1946, operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 37 (Delta)", and operates as "School District No. 37 (Delta)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 37 (Delta) is exempt from federal and provincial corporate income taxes.

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020 and has had a significant financial, market and social dislocating impact worldwide. Under direction of the Provincial Health Officer, all schools suspended in-class instruction in March 2020 and the School District remained open to continue to support students and families in a variety of ways. Parents were given the choice to send their children back to school on a gradual and part-time basis beginning June 1 with new health and safety guidelines. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decreases in revenue, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the School District is not practicable at this time.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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

As noted in Notes 2(f) and 2(m), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue.



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Basis of Accounting (*Continued*)

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

- government transfers, which do not contain a stipulation that creates a liability, be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410; and
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100. The impact of this difference on the financial statements of the School District is as follows:

Year-ended June 30, 2019 - increase in annual surplus by \$399,297

June 30, 2019 - increase in accumulated surplus and decrease in deferred contributions by \$106,275,193

Year-ended June 30, 2020 – decrease in annual surplus by \$640,648

June 30, 2020 – increase in accumulated surplus and decrease in deferred contributions by \$105,634,545

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) Portfolio Investments

The School District does not currently have investments in term deposits that have a maturity of greater than 3 months at the time of acquisition.



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

e) Unearned Revenue

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

f) Deferred Revenue and Deferred Capital Revenue

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

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2(a) for the impact of this policy on these financial statements.

g) Employee Future Benefits

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

The most recent valuation of the obligation was performed at March 31, 2019 and projected to March 31, 2022. The next valuation will be performed at March 31, 2022 for use at June 30, 2022. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

g) Employee Future Benefits *(Continued)*

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

h) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work in progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the statement of operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

i) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the School District are considered capital leases. These leases are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.

All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

j) Prepaid Expenses

The following items are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from them.

- Insurance for fleet vehicles
- Annual software support agreements
- Prepaid memberships, subscriptions and registration fees
- Prepaid utility costs

k) Supplies Inventory

Supplies inventory held for consumption or use includes materials and supplies for facility use and are recorded at the lower of historical cost and replacement cost.

l) Funds and Reserves

Certain amounts, as approved by the Board, are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 12 – Interfund Transfers and Note 18 – Internally Restricted Surplus).



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

m) Revenue Recognition

Revenues are recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated.

Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral as described below. Eligibility criteria are the criteria that the School District has to meet to receive the contributions including authorization by the transferring government.

For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized as follows:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year related expenses are incurred,
- Contributions restricted for site acquisitions are recorded as revenue when the sites are purchased, and
- Contributions restricted for tangible capital asset acquisitions other than sites are recorded as deferred capital revenue and amortized over the useful life of the related assets.

Donated tangible capital assets other than sites are recorded at fair market value and amortized over the useful life of the assets. Donated sites are recorded as revenue at fair market value when received or receivable

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2(a) for the impact of this policy on these financial statements.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

Investment income is reported in the period earned. When required by the funding party or related Act, investment income earned on deferred revenue is added to the deferred revenue balance.



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

n) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Interest expense includes interest on capital leases.

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 related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

o) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and other liabilities.

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



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

o) Financial Instruments *(Continued)*

Interest and dividends attributable to financial instruments are reported in the statement of operations.

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

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

p) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in Note 2(a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Management has not identified any areas requiring significant estimates.

q) Future Changes in Accounting Policies

PS 3280 Asset Retirement Obligations issued August 2018 establishes standards for recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets and is effective for years beginning on or after April 1, 2022. This will apply to the School District's year beginning on July 1, 2022. A liability will be recognized when, as at the financial reporting date:

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

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

A modified retroactive application has been recommended by Government pending approval in the Fall of 2020. Management is in the process of assessing the impact of adopting this standard on the School District's financial results.



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

q) Future Changes in Accounting Policies *(Continued)*

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

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

Revenue from transactions with no performance obligations should be recognized when a school district:

- (a) has the authority to claim or retain an inflow of economic resources; and
- (b) identifies a past transaction or event that gives rise to an asset.

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

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2020	2019
Due from Federal Government	\$ 710,435	\$ 488,038
Other	582,768	436,203
	<u>\$ 1,293,203</u>	<u>\$ 924,241</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2020	2019
Trade payables	\$ 2,121,256	\$ 2,045,714
Wages payable	1,352,334	1,404,204
Payroll deductions payable	7,802,007	7,524,666
Other	1,680,735	8,293,803
	<u>\$ 12,956,332</u>	<u>\$ 19,268,387</u>



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

NOTE 5 UNEARNED REVENUE

	2020	2019
Balance, beginning of year	\$ 9,211,533	\$ 8,831,596
Changes for the year:		
Increase:		
Tuition fees	9,065,153	12,995,707
Rental/Lease of facilities	712,410	769,846
	9,777,563	13,765,553
Decrease:		
Tuition fees	(12,515,025)	(12,615,770)
Rental/Lease of facilities	(712,410)	(769,846)
Net changes for the year	(3,449,872)	379,937
Balance, end of year	\$ 5,761,661	\$ 9,211,533

NOTE 6 DEFERRED REVENUE

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

	2020	2019
Deferred Revenue, beginning of year	\$ 4,294,565	\$ 4,266,845
Changes for the year:		
Increase:		
Provincial Grants - Ministry of Education	14,067,621	13,439,040
Provincial Grants - Other	292,397	164,008
Other	5,633,502	5,992,047
Investment Income	17,964	27,180
	20,011,484	19,622,275
Decrease:		
Transfer to Revenue	(19,572,323)	(19,504,450)
Transfer re Capital Additions	-	(88,556)
Other	(1,549)	(1,549)
	(19,573,872)	(19,594,555)
Net changes for the year	437,612	27,720
Balance, end of year	\$ 4,732,177	\$ 4,294,565



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

NOTE 7 DEFERRED CAPITAL REVENUE

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

	<u>Deferred Capital 2020</u>	<u>Unspent Deferred Capital 2020</u>	<u>Total Deferred Capital Revenue 2020</u>	<u>Total Deferred Capital Revenue 2019</u>
Balance, beginning of year	\$ 106,275,193	\$ 1,900,653	\$ 108,175,846	\$ 107,395,074
Changes for the year:				
Increase:				
Transfer to Deferred Capital Revenue	3,650,197	-	3,650,197	4,595,510
Provincial Grants	-	3,186,537	3,186,537	4,716,475
Provincial Grants - Other	-	-	-	152,831
Other Capital	-	187,876	187,876	78,538
Investment Income	-	32,248	32,248	29,141
	<u>3,650,197</u>	<u>3,406,661</u>	<u>7,056,858</u>	<u>9,572,495</u>
Decrease:				
Amortization of Deferred Capital Revenue	(4,290,845)	-	(4,290,845)	(4,196,213)
Transfer to Deferred Capital Revenue	-	(3,650,197)	(3,650,197)	(4,595,510)
Net changes for the year	<u>(640,648)</u>	<u>(243,536)</u>	<u>(884,184)</u>	<u>780,772</u>
Balance, end of year	<u>\$ 105,634,545</u>	<u>\$ 1,657,117</u>	<u>\$ 107,291,662</u>	<u>\$ 108,175,846</u>



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

NOTE 8 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. Funding is provided when the benefits are paid and accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

	2020	2019
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 3,915,133	\$ 3,598,327
Service Cost	357,287	317,172
Interest Cost	100,855	101,954
Benefit Payments	(311,937)	(281,027)
Actuarial (Gain) Loss	(97,644)	178,707
Accrued Benefit Obligation – March 31	\$ 3,963,694	\$ 3,915,133

	2020	2019
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 3,963,694	\$ 3,915,133
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(3,963,694)	(3,915,133)
Employer Contributions After Measurement Date	78,047	82,880
Benefits Expense After Measurement Date	(116,991)	(114,535)
Unamortized Net Actuarial (Gain) Loss	(440,446)	(339,947)
Accrued Benefit Asset (Liability) – June 30	\$ (4,443,084)	\$ (4,286,735)

	2020	2019
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$ 4,286,735	\$ 4,214,775
Net expense for Fiscal Year	463,452	412,723
Employer Contributions	(307,103)	(340,763)
Accrued Benefit Liability – June 30	\$ 4,443,084	\$ 4,286,735

	2020	2019
Components of Net Benefit Expense		
Service Cost	\$ 361,751	\$ 327,201
Interest Cost	98,846	101,679
Amortization of Net Actuarial (Gain)/Loss	2,855	(16,157)
Net Benefit Expense	\$ 463,452	\$ 412,723

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

Discount Rate – April 1	2.50%	2.75%
Discount Rate – March 31	2.25%	2.50%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	9.4	9.4



SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 9 CAPITAL LEASE OBLIGATIONS

The School District has two leases for equipment (with terms of thirty-three months). The School District also has one lease (with a term of thirteen years) for a thermal energy plant. This lease has a buyout option based on the market value at the end of the agreement. The leases bear interest rates averaging 4.26% with average monthly principal and interest payments of \$51,106.

Repayments are due as follows:

2021	\$ 613,271
2022	613,271
2023	567,904
2024	430,505
2025	430,505
Thereafter	<u>3,444,035</u>
Total minimum lease payments	<u>\$ 6,099,491</u>
Less amounts representing interest	<u>(1,300,805)</u>
Present value of net minimum capital lease payments	<u>\$ 4,798,686</u>

Total interest on leases for the year was \$213,115 (2019: \$231,127).



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

NOTE 10 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2020	Net Book Value 2019
	\$	\$
Sites	10,714,525	10,714,525
Buildings	120,149,594	121,346,350
Buildings - Capital Lease	3,902,902	4,196,355
Buildings - Work in Progress	168,003	97,275
Furniture & Equipment	2,597,245	2,263,941
Furniture & Equipment - Capital Lease	1,014,620	1,218,658
Furniture & Equipment - Work in Progress	61,692	102,536
Vehicles	1,071,232	1,271,761
Vehicles - Capital Lease	14,855	51,655
Computer Software	153,291	204,106
Computer Software - Work in Progress	74,066	40,208
Computer Equipment	1,733,701	2,367,928
Computer Equipment - Work in Progress	4,277	237,150
TOTAL	141,660,003	144,112,448

June 30, 2020

COST	Balance at July 1, 2019	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2020
	\$	\$	\$	\$	\$
Sites	10,714,525				10,714,525
Buildings	231,552,672			3,577,393	235,130,065
Buildings - Capital Lease	5,869,062				5,869,062
Buildings - Work in Progress	97,275	3,648,121		(3,577,393)	168,003
Furniture & Equipment	3,770,622	366,352	(162,175)	344,014	4,318,813
Furniture & Equipment - Capital Lease	2,040,385				2,040,385
Furniture & Equipment - Work in Progress	102,536	303,170		(344,014)	61,692
Vehicles	2,005,293		(84,668)		1,920,625
Vehicles - Capital Lease	367,998		(227,786)		140,212
Computer Software	399,446		(125,344)	29,074	303,176
Computer Software - Work in Progress	40,208	62,932		(29,074)	74,066
Computer Hardware	5,840,926		(3,155,650)	533,958	3,219,234
Computer Hardware - Work in Progress	237,150	301,085		(533,958)	4,277
TOTAL	263,038,098	4,681,660	(3,755,623)	-	263,964,135

Amortization	Balance at July 1, 2019	Additions	Disposals	Balance at June 30, 2020
	\$	\$	\$	\$
Buildings	110,206,322	4,774,149		114,980,471
Buildings - Capital Lease	1,672,707	293,453		1,966,160
Furniture & Equipment	1,506,681	377,062	(162,175)	1,721,568
Furniture & Equipment - Capital Lease	821,727	204,038		1,025,765
Vehicles	733,532	200,529	(84,668)	849,393
Vehicles - Capital Lease	316,343	36,800	(227,786)	125,357
Computer Software	195,340	79,889	(125,344)	149,885
Computer Hardware	3,472,998	1,168,185	(3,155,650)	1,485,533
TOTAL	118,925,650	7,134,105	(3,755,623)	122,304,132



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

NOTE 10 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2019

COST	Balance at July 1, 2018	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2019
	\$	\$	\$	\$	\$
Sites	10,714,525				10,714,525
Buildings	226,523,000			5,029,672	231,552,672
Buildings - Capital Lease	5,869,062				5,869,062
Buildings - Work in Progress	563,888	4,563,059		(5,029,672)	97,275
Furniture & Equipment	3,635,714	219,555	(228,367)	143,720	3,770,622
Furniture & Equipment - Capital Lease	2,040,385				2,040,385
Furniture & Equipment - Work in Progress	34,529	211,727		(143,720)	102,536
Vehicles	1,887,838	117,455			2,005,293
Vehicles - Capital Lease	403,935		(35,937)		367,998
Computer Software	561,145		(171,561)	9,862	399,446
Computer Software - Work in Progress		50,070		(9,862)	40,208
Computer Hardware	8,412,018		(2,927,411)	356,319	5,840,926
Computer Hardware - Work in Progress		593,469		(356,319)	237,150
TOTAL	260,646,039	5,755,335	(3,363,276)	-	263,038,098

Amortization	Balance at July 1, 2018	Additions	Disposals	Balance at June 30, 2019
	\$	\$	\$	\$
Buildings	105,527,109	4,679,213		110,206,322
Buildings - Capital Lease	1,379,254	293,453		1,672,707
Furniture & Equipment	1,371,476	363,572	(228,367)	1,506,681
Furniture & Equipment - Capital Lease	617,689	204,038		821,727
Vehicles	544,747	188,785		733,532
Vehicles - Capital Lease	311,888	40,392	(35,937)	316,343
Computer Software	254,672	112,229	(171,561)	195,340
Computer Hardware	4,718,005	1,682,404	(2,927,411)	3,472,998
TOTAL	114,724,840	7,564,086	(3,363,276)	118,925,650

- Contributed tangible capital assets

Additions to buildings and furniture include the following contributed tangible capital assets:

	2020	2019
PAC & Municipality Funded Structures	\$ 147,903	\$ 51,407

- Work in progress having a value of \$308,038 (2019: \$477,169) have not been amortized. Amortization of these assets will commence when the asset is put into service.



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

NOTE 11 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2018, the Teachers' Pension Plan has about 48,000 active members and approximately 38,000 retired members. As of December 31, 2018, the Municipal Pension Plan has about 205,000 active members, including approximately 26,000 from school districts.

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

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2017, indicated a \$1,656 million surplus for basic pension benefits on a going concern basis. As a result of the 2017 basic account actuarial valuation surplus, plan enhancements and contribution rate adjustments were made; the remaining \$644 million surplus was transferred to the rate stabilization account.

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

The School District paid \$13,407,164 for employer contributions to the plans for the year ended June 30, 2020 (2019: \$13,658,421).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2020, with results available in 2021. The next valuation for the Municipal Pension Plan will be as at December 31, 2021, with results available in 2022.

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



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

NOTE 12 INTERFUND TRANSFERS

Interfund transfers between the Operating, Special Purpose and Capital funds for the year ended June 30, 2020, were as follows:

- **Capital Lease Principal:** A transfer to the Capital Fund of \$400,157 consisting of \$398,861 from the Operating Fund and \$1,296 from Special Purpose Funds covered the 2019/20 short-term principal portion of the School District's capital leases.
- **Capital Lease Interest:** A transfer in the amount of \$213,115 consisting of \$212,861 from the Operating Fund and \$254 from Special Purpose Funds to the Capital Fund was made for the payment of capital lease interest.
- **Purchase of Capital Assets:** Transfers in the amount of \$87,641 from the Operating Fund were made to the Capital Fund for the purchase of capital items, including equipment and furniture.
- **Capital Projects:** Transfers in the amount of \$943,822 from the Operating Fund were made to the Capital Fund. These funds paid for buildings, computer hardware, software, furniture and equipment.
- **Capital Expenses:** A transfer in the amount of \$6,982 from the Operating Fund was made to the Capital Fund for a capital project technology review.

NOTE 13 RELATED PARTY TRANSACTIONS

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

NOTE 14 CONTRACTUAL OBLIGATIONS

The School District has a commitment of \$928,000 for services and roofing projects over the next 12 months.

NOTE 15 CONTINGENT LIABILITIES

- (a) In the ordinary course of operations, the School District has legal proceedings brought against it and provisions have been included in liabilities where appropriate. It is the opinion of management that final determination of these claims will not have a material effect on the financial position or operations of the School District.
- (b) As per a directive from the Ministry of Education, any funding for Remedy with the Classroom Enhancement Fund requires an agreement for payout with the School District's Teachers association. No agreement for the school year 2019-2020 was in place at June 30, 2020 and the amount and likelihood of a payout are not measureable.



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

NOTE 16 BUDGET FIGURES

Budget figures included in the financial statements are audited. The figures reflect the amended annual budget were approved by the Board February 25, 2020. The School District elected to present the amended annual budget as it reflects a budget based on funding a result of final enrollment numbers versus estimated annual projects.

	2020	2020
	ORIGINAL	AMENDED
	BUDGET	BUDGET
REVENUES		
Provincial Grants		
Provincial Grants - Ministry of Education	\$ 160,945,993	\$ 163,876,811
Provincial Grants - Other	873,639	997,225
Federal Grants	945,648	957,146
Tuition	8,964,747	11,797,855
Other Revenue	6,965,128	7,359,108
Rentals and Leases	695,375	695,375
Investment Income	817,900	721,900
Amortization of Deferred Capital Revenue	4,278,540	4,290,845
Total Revenue	184,486,970	190,696,265
EXPENSES		
Instruction	155,971,137	161,731,130
District Administration	5,071,498	5,166,480
Operations and Maintenance	24,044,752	26,057,791
Transportation and Housing	1,166,949	1,065,399
Debt Services	213,114	212,858
Total Expense	186,467,450	194,233,658
Surplus (Deficit) for the year	\$ (1,980,480)	\$ (3,537,393)

NOTE 17 EXPENSE BY OBJECT

	2020	2019
Salaries and benefits	\$ 162,383,807	\$ 154,231,853
Services and supplies	22,155,072	28,654,008
Interest	213,115	231,127
Amortization	7,134,105	7,564,086
Total	\$ 191,886,099	\$ 190,681,074



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

NOTE 18 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted (appropriated) by Board:

2020-21 Budget Balancing \$ -

Restrictions due to the nature of constraint, including contractual obligations, donated funds, and funds received for specific initiatives that do not meet the criteria of Special Purpose Fund.

• Contractual Obligations	\$ 120,564	
• Donor Named Funds	145,662	
• Ed Plan	11,527	
• Other	565,712	843,465

Restrictions due to Senior Management identified potential unusual expenses of a non-recurring nature. 10,123,589

Restrictions due to operations spanning the school-year, including school budget balances, funds required to complete in-progress projects, year-end purchase order commitments, funding for technology, equipment replacement and capital projects.

• Future Budget Balancing	\$ -	
• School & Dept. Surplus/Carry Forward	1,728,565	
• Operating Projects in Progress	2,573,983	
• Technology, Utilities, Equipment & Capital	3,540,365	
• Purchase Order Commitments	49,982	7,892,894
		\$ 18,859,948

Unrestricted Operating Surplus -

Total Available for Future Operations \$ 18,859,948

NOTE 19 ECONOMIC DEPENDENCE

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

NOTE 20 RISK MANAGEMENT

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

The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit risk:

Credit risk is the risk of financial loss to an institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held consisting of cash, amounts receivable and investments.

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

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

b) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. It is management's opinion that the School District is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in the Province's Central Deposit Program.

c) Liquidity risk:

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



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

NOTE 20 RISK MANAGEMENT *(Continued)*

c) Liquidity risk *(Continued)*:

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

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance.

NOTE 21 SUPPLEMENTARY CASH FLOW INFORMATION

	2020				2019
	Operating Fund	Special Purpose Fund	Capital Fund	Total	Total
Interest Received	\$ 910,327	17,197	58,984	\$ 986,508	\$ 1,010,344
Interest Paid - Capital Lease			213,115	\$ 213,115	\$ 231,127

School District No. 37 (Delta)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2020

	Operating Fund	Special Purpose Fund	Capital Fund	2020 Actual	2019 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	15,548,429		32,822,216	48,370,645	51,617,172
Changes for the year					
Surplus (Deficit) for the year	4,961,687	1,549	(3,004,373)	1,958,863	(3,246,527)
Interfund Transfers					
Tangible Capital Assets Purchased	(87,641)		87,641	-	
Tangible Capital Assets - Work in Progress	(943,822)		943,822	-	
Local Capital	(6,982)		6,982	-	
Other	(611,723)	(1,549)	613,272	-	
Net Changes for the year	3,311,519	-	(1,352,656)	1,958,863	(3,246,527)
Accumulated Surplus (Deficit), end of year - Statement 2	18,859,948	-	31,469,560	50,329,508	48,370,645

School District No. 37 (Delta)

Schedule of Operating Operations

Year Ended June 30, 2020

Schedule 2 (Unaudited)

	2020 Budget \$	2020 Actual \$	2019 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	148,749,030	151,564,362	144,618,032
Other	655,639	931,147	915,309
Federal Grants	945,648	922,700	980,006
Tuition	11,797,855	12,515,025	12,615,771
Other Revenue	1,954,308	2,452,322	2,761,027
Rentals and Leases	695,375	689,485	733,254
Investment Income	679,000	846,220	957,739
Total Revenue	165,476,855	169,921,261	163,581,138
Expenses			
Instruction	142,434,459	142,453,632	136,727,150
District Administration	4,422,130	4,570,185	4,649,773
Operations and Maintenance	18,070,142	17,092,251	20,946,201
Transportation and Housing	1,065,399	843,506	1,044,317
Total Expense	165,992,130	164,959,574	163,367,441
Operating Surplus (Deficit) for the year	(515,275)	4,961,687	213,697
Budgeted Appropriation (Retirement) of Surplus (Deficit)	3,178,959		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(92,511)	(87,641)	(259,591)
Tangible Capital Assets - Work in Progress	(1,959,455)	(943,822)	(811,678)
Local Capital		(6,982)	(13,970)
Other	(611,718)	(611,723)	(611,722)
Total Net Transfers	(2,663,684)	(1,650,168)	(1,696,961)
Total Operating Surplus (Deficit), for the year	-	3,311,519	(1,483,264)
Operating Surplus (Deficit), beginning of year		15,548,429	17,031,693
Operating Surplus (Deficit), end of year		18,859,948	15,548,429
Operating Surplus (Deficit), end of year			
Internally Restricted		18,859,948	13,994,312
Unrestricted			1,554,117
Total Operating Surplus (Deficit), end of year		18,859,948	15,548,429

School District No. 37 (Delta)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	144,624,852	145,152,138	141,580,749
ISC/LEA Recovery	(362,190)	(333,133)	(362,190)
Other Ministry of Education Grants			
Pay Equity	2,171,545	2,171,545	2,171,545
Funding for Graduated Adults	230,400	550,953	407,673
Transportation Supplement	41,933	41,933	41,933
Economic Stability Dividend			175,977
Carbon Tax Grant	60,700	30,447	81,900
Employer Health Tax Grant	1,279,549	1,279,549	388,829
Strategic Priorities - Mental Health Grant			31,000
Support Staff Benefits Grant		110,819	
Support Staff Wage Increase Funding	686,548	686,548	
Teachers' Labour Settlement Funding		1,849,328	
Foundation Skills Assessment	15,693	18,693	21,693
Teacher Extended Health Plan			77,423
MyED BC			1,500
Equity Scan		2,000	
Early Learning Framework		3,542	
Total Provincial Grants - Ministry of Education	148,749,030	151,564,362	144,618,032
Provincial Grants - Other	655,639	931,147	915,309
Federal Grants	945,648	922,700	980,006
Tuition			
Summer School Fees	179,000	183,750	243,563
Continuing Education	706,430	690,198	626,592
International and Out of Province Students	10,022,614	10,926,421	10,938,239
Academy Tuition Fees	889,811	714,656	807,377
Total Tuition	11,797,855	12,515,025	12,615,771
Other Revenues			
Other School District/Education Authorities	40,000	28,001	42,248
Funding from First Nations	413,859	333,133	362,190
Miscellaneous			
Instructional Cafeteria	330,000	248,167	366,036
Municipal Grant-Crossing Guards	103,456	82,765	103,456
Admin Fees	43,500	56,250	56,325
Teacher Training	192,630	358,598	250,615
Academies - Other	99,500	87,900	114,872
International - Other	336,749	477,180	1,053,415
Miscellaneous	394,614	780,328	411,870
Total Other Revenue	1,954,308	2,452,322	2,761,027
Rentals and Leases	695,375	689,485	733,254
Investment Income	679,000	846,220	957,739
Total Operating Revenue	165,476,855	169,921,261	163,581,138

School District No. 37 (Delta)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Salaries			
Teachers	77,900,734	80,210,770	75,615,786
Principals and Vice Principals	9,002,778	9,044,711	8,714,211
Educational Assistants	12,675,546	12,408,203	11,813,047
Support Staff	12,152,259	12,005,096	11,412,764
Other Professionals	3,506,065	3,613,077	3,111,259
Substitutes	4,335,841	3,440,736	4,313,482
Total Salaries	119,573,223	120,722,593	114,980,549
Employee Benefits	30,288,311	30,044,406	28,276,572
Total Salaries and Benefits	149,861,534	150,766,999	143,257,121
Services and Supplies			
Services	5,022,455	5,186,194	5,504,353
Student Transportation	1,401,450	1,075,634	1,337,345
Professional Development and Travel	792,546	703,626	708,076
Rentals and Leases	240,002	37,173	43,479
Dues and Fees	157,651	184,213	196,266
Insurance	340,001	315,418	312,268
Supplies	5,594,760	4,098,876	4,712,741
Utilities	2,581,731	2,591,441	7,295,792
Total Services and Supplies	16,130,596	14,192,575	20,110,320
Total Operating Expense	165,992,130	164,959,574	163,367,441

School District No. 37 (Delta)

Operating Expense by Function, Program and Object
Year Ended June 30, 2020

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	56,494,331	1,175,549	392,771	53,905		1,926,059	60,042,615
1.03 Career Programs	698,024		221,229			9,565	928,818
1.07 Library Services	1,887,869			65,537		81,761	2,035,167
1.08 Counselling	3,029,674					6,122	3,035,796
1.10 Special Education	12,815,240	581,051	10,876,991	125,281	135,078	638,765	25,172,406
1.30 English Language Learning	1,960,238	164,514	160,403			35,123	2,320,278
1.31 Indigenous Education	441,990	61,591	123,538	7,937		6,024	641,080
1.41 School Administration		6,113,504		2,743,736	12,907	84,154	8,954,301
1.60 Summer School	329,976		29,729	1,082		3,141	363,928
1.61 Continuing Education	409,372	273,318	15,720	217,262	93,336	10,226	1,019,234
1.62 International and Out of Province Students	1,497,863	446,616	156,817	565,744	106,847	32,714	2,806,601
1.64 Other	556,149	123,182	431,005	229,875		119,942	1,460,153
Total Function 1	80,120,726	8,939,325	12,408,203	4,010,359	348,168	2,953,596	108,780,377
4 District Administration							
4.11 Educational Administration				54,896	808,426		863,322
4.40 School District Governance					205,943		205,943
4.41 Business Administration				831,405	1,271,115	10,232	2,112,752
Total Function 4	-	-	-	886,301	2,285,484	10,232	3,182,017
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	88,851	105,386		380,677	880,980	46,541	1,502,435
5.50 Maintenance Operations	1,193			6,252,307	79,067	262,693	6,595,260
5.52 Maintenance of Grounds				475,452		117,315	592,767
5.56 Utilities							-
Total Function 5	90,044	105,386	-	7,108,436	960,047	426,549	8,690,462
7 Transportation and Housing							
7.41 Transportation and Housing Administration					19,378		19,378
7.70 Student Transportation						50,359	50,359
Total Function 7	-	-	-	-	19,378	50,359	69,737
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	80,210,770	9,044,711	12,408,203	12,005,096	3,613,077	3,440,736	120,722,593

School District No. 37 (Delta)

Operating Expense by Function, Program and Object
Year Ended June 30, 2020

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	60,042,615	15,160,226	75,202,841	2,441,751	77,644,592	75,573,801	74,746,496
1.03 Career Programs	928,818	244,860	1,173,678	31,663	1,205,341	1,295,670	1,013,738
1.07 Library Services	2,035,167	489,728	2,524,895	71,398	2,596,293	2,637,582	2,522,216
1.08 Counselling	3,035,796	687,798	3,723,594	4,507	3,728,101	3,830,347	3,246,730
1.10 Special Education	25,172,406	6,305,216	31,477,622	1,186,610	32,664,232	33,599,697	30,367,907
1.30 English Language Learning	2,320,278	579,702	2,899,980	4,952	2,904,932	2,969,822	3,006,122
1.31 Indigenous Education	641,080	158,017	799,097	92,044	891,141	1,097,132	879,610
1.41 School Administration	8,954,301	2,099,895	11,054,196	148,056	11,202,252	11,214,626	10,970,506
1.60 Summer School	363,928	57,906	421,834	18,313	440,147	389,447	422,019
1.61 Continuing Education	1,019,234	246,021	1,265,255	159,665	1,424,920	1,373,406	1,422,530
1.62 International and Out of Province Students	2,806,601	674,825	3,481,426	1,297,084	4,778,510	5,317,887	4,929,200
1.64 Other	1,460,153	311,681	1,771,834	1,201,337	2,973,171	3,135,042	3,200,076
Total Function 1	108,780,377	27,015,875	135,796,252	6,657,380	142,453,632	142,434,459	136,727,150
4 District Administration							
4.11 Educational Administration	863,322	174,431	1,037,753	140,010	1,177,763	1,097,035	1,150,673
4.40 School District Governance	205,943	11,552	217,495	118,983	336,478	361,957	295,798
4.41 Business Administration	2,112,752	487,436	2,600,188	455,756	3,055,944	2,963,138	3,203,302
Total Function 4	3,182,017	673,419	3,855,436	714,749	4,570,185	4,422,130	4,649,773
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,502,435	340,308	1,842,743	621,728	2,464,471	2,772,893	1,851,182
5.50 Maintenance Operations	6,595,260	1,854,662	8,449,922	2,494,614	10,944,536	11,395,571	10,839,784
5.52 Maintenance of Grounds	592,767	152,500	745,267	196,813	942,080	1,028,720	802,287
5.56 Utilities	-	-	-	2,741,164	2,741,164	2,872,958	7,452,948
Total Function 5	8,690,462	2,347,470	11,037,932	6,054,319	17,092,251	18,070,142	20,946,201
7 Transportation and Housing							
7.41 Transportation and Housing Administration	19,378	3,954	23,332	-	23,332	22,755	22,131
7.70 Student Transportation	50,359	3,688	54,047	766,127	820,174	1,042,644	1,022,186
Total Function 7	69,737	7,642	77,379	766,127	843,506	1,065,399	1,044,317
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	120,722,593	30,044,406	150,766,999	14,192,575	164,959,574	165,992,130	163,367,441

School District No. 37 (Delta)

Schedule of Special Purpose Operations

Year Ended June 30, 2020

Schedule 3 (Unaudited)

	2020 Budget \$	2020 Actual \$	2019 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	15,127,781	13,910,156	13,312,289
Other	341,586	233,659	217,465
Federal Grants	11,498		
Other Revenue	5,404,800	5,413,637	6,040,471
Investment Income	7,900	16,420	24,330
Total Revenue	20,893,565	19,573,872	19,594,555
Expenses			
Instruction	19,296,671	18,129,419	18,196,448
District Administration	744,350	492,842	564,446
Operations and Maintenance	852,544	950,062	743,556
Total Expense	20,893,565	19,572,323	19,504,450
Special Purpose Surplus (Deficit) for the year	-	1,549	90,105
Net Transfers (to) from other funds			
Tangible Capital Assets - Work in Progress			(88,556)
Other		(1,549)	(1,549)
Total Net Transfers	-	(1,549)	(90,105)
Total Special Purpose Surplus (Deficit) for the year	-	-	-
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		-	-

School District No. 37 (Delta)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2020

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	81,258	29,965	246,270	14,374	2,555,622				
Add: Restricted Grants									
Provincial Grants - Ministry of Education	614,944	542,970				225,106	59,481	263,972	567,684
Provincial Grants - Other									
Other			59,498		5,412,565				
Investment Income	7,618	279	4,693						718
	622,562	543,249	64,191	-	5,412,565	225,106	59,481	263,972	568,402
Less: Allocated to Revenue	693,394	564,575	40,814	14,374	5,233,295	225,106	45,672	263,972	521,035
Recovered									
Deferred Revenue, end of year	10,426	8,639	269,647	-	2,734,892	-	13,809	-	47,367
Revenues									
Provincial Grants - Ministry of Education	685,776	564,296		14,374		225,106	45,672	263,972	520,317
Provincial Grants - Other									
Other Revenue			37,094		5,233,295				
Investment Income	7,618	279	3,720						718
	693,394	564,575	40,814	14,374	5,233,295	225,106	45,672	263,972	521,035
Expenses									
Salaries									
Teachers							10,830	89,161	
Principals and Vice Principals									
Educational Assistants		437,138				163,447			359,457
Support Staff	213,121								
Other Professionals									50,403
Substitutes	12,778					4,254	3,015	2,010	
	225,899	437,138	-	-	-	167,701	13,845	91,171	409,860
Employee Benefits	49,974	127,437				54,544	2,500	21,313	104,736
Services and Supplies	417,521		40,814	14,374	5,233,295	2,861	29,327	151,488	6,439
	693,394	564,575	40,814	14,374	5,233,295	225,106	45,672	263,972	521,035
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Other	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 37 (Delta)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2020

	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Community Schools Partnership	New Horizons for Seniors	PRP Assessment Unit
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			984,460					11,498	7,532
Add: Restricted Grants									
Provincial Grants - Ministry of Education	861,175	6,301,873	2,337,268	146	26,500	17,356			3,233,499
Provincial Grants - Other									
Other							50,000		
Investment Income									
	861,175	6,301,873	2,337,268	146	26,500	17,356	50,000	-	3,233,499
Less: Allocated to Revenue	861,175	6,301,873	1,152,670	146	26,500	5,913	50,000	-	3,241,031
Recovered			984,460						
Deferred Revenue, end of year	-	-	1,184,598	-	-	11,443	-	11,498	-
Revenues									
Provincial Grants - Ministry of Education	861,175	6,301,873	1,152,670	146	26,500	5,913			3,241,031
Provincial Grants - Other									
Other Revenue							50,000		
Investment Income									
	861,175	6,301,873	1,152,670	146	26,500	5,913	50,000	-	3,241,031
Expenses									
Salaries									
Teachers		5,074,279	170,786						1,430,656
Principals and Vice Principals									331,923
Educational Assistants	380,365								
Support Staff	74,345								217,002
Other Professionals							41,168		
Substitutes	180,783					5,209			
	635,493	5,074,279	170,786	-	-	5,209	41,168	-	1,979,581
Employee Benefits	183,884	1,227,594	33,807			704	8,832		467,821
Services and Supplies	41,798		948,077	146	26,500				792,080
	861,175	6,301,873	1,152,670	146	26,500	5,913	50,000	-	3,239,482
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	1,549
Interfund Transfers									
Other									(1,549)
	-	-	-	-	-	-	-	-	(1,549)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 37 (Delta)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2020

	Enh.Settlement Workers in Schls ESWIS)	Youth Train in Trades	Ntwks Inq & Inv/ Aborig.Enh.Schls (NOIE/AESN)	TOTAL
	\$	\$	\$	\$
Deferred Revenue, beginning of year	99,513	58,916	205,157	4,294,565
Add: Restricted Grants				
Provincial Grants - Ministry of Education			107	15,052,081
Provincial Grants - Other		71,300	221,097	292,397
Other			111,439	5,633,502
Investment Income			4,656	17,964
	-	71,300	337,299	20,995,944
Less: Allocated to Revenue	38,299	90,276	203,752	19,573,872
Recovered				984,460
Deferred Revenue, end of year	61,214	39,940	338,704	4,732,177
Revenues				
Provincial Grants - Ministry of Education			1,335	13,910,156
Provincial Grants - Other	38,299	90,276	105,084	233,659
Other Revenue			93,248	5,413,637
Investment Income			4,085	16,420
	38,299	90,276	203,752	19,573,872
Expenses				
Salaries				
Teachers	1,875	3,804		6,781,391
Principals and Vice Principals				331,923
Educational Assistants	24,806			1,365,213
Support Staff		31,114		535,582
Other Professionals				91,571
Substitutes		2,927		210,976
	26,681	37,845	-	9,316,656
Employee Benefits	8,655	8,351		2,300,152
Services and Supplies	2,963	44,080	203,752	7,955,515
	38,299	90,276	203,752	19,572,323
Net Revenue (Expense) before Interfund Transfers	-	-	-	1,549
Interfund Transfers				
Other				(1,549)
	-	-	-	(1,549)
Net Revenue (Expense)	-	-	-	-

School District No. 37 (Delta)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2020

	2020 Budget	2020 Actual			2019 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Investment Income	35,000		58,984	58,984	62,641
Amortization of Deferred Capital Revenue	4,290,845	4,290,845		4,290,845	4,196,213
Total Revenue	4,325,845	4,290,845	58,984	4,349,829	4,258,854
Expenses					
Operations and Maintenance			6,982	6,982	13,970
Amortization of Tangible Capital Assets					
Operations and Maintenance	7,135,105	7,134,105		7,134,105	7,564,086
Debt Services					
Capital Lease Interest	212,858		213,115	213,115	231,127
Total Expense	7,347,963	7,134,105	220,097	7,354,202	7,809,183
Capital Surplus (Deficit) for the year	(3,022,118)	(2,843,260)	(161,113)	(3,004,373)	(3,550,329)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	92,511	87,641		87,641	259,591
Tangible Capital Assets - Work in Progress	1,959,455	943,822		943,822	900,234
Local Capital			6,982	6,982	13,970
Capital Lease Payment	611,718		613,272	613,272	613,271
Total Net Transfers	2,663,684	1,031,463	620,254	1,651,717	1,787,066
Other Adjustments to Fund Balances					
Principal Payment					
Capital Lease		400,157	(400,157)	-	
Total Other Adjustments to Fund Balances		400,157	(400,157)	-	
Total Capital Surplus (Deficit) for the year	(358,434)	(1,411,640)	58,984	(1,352,656)	(1,763,263)
Capital Surplus (Deficit), beginning of year		32,638,413	183,803	32,822,216	34,585,479
Capital Surplus (Deficit), end of year		31,226,773	242,787	31,469,560	32,822,216

School District No. 37 (Delta)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2020

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	10,714,525	237,421,734	5,811,007	2,373,291	399,446	5,840,926	262,560,929
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Other			278,711				278,711
Operating Fund			87,641				87,641
Transferred from Work in Progress		3,577,393	344,014		29,074	533,958	4,484,439
	-	3,577,393	710,366	-	29,074	533,958	4,850,791
Decrease:							
Deemed Disposals			162,175	312,454	125,344	3,155,650	3,755,623
	-	-	162,175	312,454	125,344	3,155,650	3,755,623
Cost, end of year	10,714,525	240,999,127	6,359,198	2,060,837	303,176	3,219,234	263,656,097
Work in Progress, end of year		168,003	61,692		74,066	4,277	308,038
Cost and Work in Progress, end of year	10,714,525	241,167,130	6,420,890	2,060,837	377,242	3,223,511	263,964,135
Accumulated Amortization, beginning of year		111,879,029	2,328,408	1,049,875	195,340	3,472,998	118,925,650
Changes for the Year							
Increase: Amortization for the Year		5,067,602	581,100	237,329	79,889	1,168,185	7,134,105
Decrease:							
Deemed Disposals			162,175	312,454	125,344	3,155,650	3,755,623
		-	162,175	312,454	125,344	3,155,650	3,755,623
Accumulated Amortization, end of year		116,946,631	2,747,333	974,750	149,885	1,485,533	122,304,132
Tangible Capital Assets - Net	10,714,525	124,220,499	3,673,557	1,086,087	227,357	1,737,978	141,660,003

School District No. 37 (Delta)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2020

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
Work in Progress, beginning of year	\$ 97,275	\$ 102,536	\$ 40,208	\$ 237,150	\$ 477,169
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	3,116,436	83,992			3,200,428
Deferred Capital Revenue - Other	140,846			30,212	171,058
Operating Fund	390,839	219,178	62,932	270,873	943,822
	<u>3,648,121</u>	<u>303,170</u>	<u>62,932</u>	<u>301,085</u>	<u>4,315,308</u>
Decrease:					
Transferred to Tangible Capital Assets	3,577,393	344,014	29,074	533,958	4,484,439
	<u>3,577,393</u>	<u>344,014</u>	<u>29,074</u>	<u>533,958</u>	<u>4,484,439</u>
Net Changes for the Year	<u>70,728</u>	<u>(40,844)</u>	<u>33,858</u>	<u>(232,873)</u>	<u>(169,131)</u>
Work in Progress, end of year	<u><u>168,003</u></u>	<u><u>61,692</u></u>	<u><u>74,066</u></u>	<u><u>4,277</u></u>	<u><u>308,038</u></u>

School District No. 37 (Delta)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	103,095,078	1,844,258	1,310,798	106,250,134
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions		261,489	17,222	278,711
Transferred from Work in Progress	3,115,796		171,058	3,286,854
	<u>3,115,796</u>	<u>261,489</u>	<u>188,280</u>	<u>3,565,565</u>
Decrease:				
Amortization of Deferred Capital Revenue	4,071,385	61,733	157,727	4,290,845
	<u>4,071,385</u>	<u>61,733</u>	<u>157,727</u>	<u>4,290,845</u>
Net Changes for the Year	<u>(955,589)</u>	<u>199,756</u>	<u>30,553</u>	<u>(725,280)</u>
Deferred Capital Revenue, end of year	<u>102,139,489</u>	<u>2,044,014</u>	<u>1,341,351</u>	<u>105,524,854</u>
Work in Progress, beginning of year	25,059			25,059
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	3,200,428		171,058	3,371,486
	<u>3,200,428</u>	<u>-</u>	<u>171,058</u>	<u>3,371,486</u>
Decrease				
Transferred to Deferred Capital Revenue	3,115,796		171,058	3,286,854
	<u>3,115,796</u>	<u>-</u>	<u>171,058</u>	<u>3,286,854</u>
Net Changes for the Year	<u>84,632</u>	<u>-</u>	<u>-</u>	<u>84,632</u>
Work in Progress, end of year	<u>109,691</u>	<u>-</u>	<u>-</u>	<u>109,691</u>
Total Deferred Capital Revenue, end of year	<u>102,249,180</u>	<u>2,044,014</u>	<u>1,341,351</u>	<u>105,634,545</u>

School District No. 37 (Delta)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
Balance, beginning of year	\$ 204,300	\$ 1,434,460	\$ 261,489	\$ -	\$ 404	\$ 1,900,653
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	3,186,537					3,186,537
Investment Income		32,248				32,248
Capital Assets from PAC and other external Non-Provincial Organizations					16,818	16,818
Work in Progress Donated by other external Non-Provincial Organizations					171,058	171,058
	<u>3,186,537</u>	<u>32,248</u>	<u>-</u>	<u>-</u>	<u>187,876</u>	<u>3,406,661</u>
Decrease:						
Transferred to DCR - Capital Additions			261,489		17,222	278,711
Transferred to DCR - Work in Progress	3,200,428				171,058	3,371,486
	<u>3,200,428</u>	<u>-</u>	<u>261,489</u>	<u>-</u>	<u>188,280</u>	<u>3,650,197</u>
Net Changes for the Year	<u>(13,891)</u>	<u>32,248</u>	<u>(261,489)</u>	<u>-</u>	<u>(404)</u>	<u>(243,536)</u>
Balance, end of year	<u>190,409</u>	<u>1,466,708</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,657,117</u>