

Audited Financial Statements of

School District No. 37 (Delta)

And Independent Auditors' Report thereon

June 30, 2021

School District No. 37 (Delta)

June 30, 2021

Table of Contents

Management Report	1
Independent Auditors' Report	2-4
Statement of Financial Position - Statement 1	5
Statement of Operations - Statement 2	6
Statement of Changes in Net Debt - Statement 4	7
Statement of Cash Flows - Statement 5	8
Notes to the Financial Statements	9-29
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited)	30
Schedule of Operating Operations - Schedule 2 (Unaudited)	31
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited)	32
Schedule 2B - Schedule of Operating Expense by Object (Unaudited)	33
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited)	34
Schedule of Special Purpose Operations - Schedule 3 (Unaudited)	36
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited)	37
Schedule of Capital Operations - Schedule 4 (Unaudited)	40
Schedule 4A - Tangible Capital Assets (Unaudited)	41
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited)	42
Schedule 4C - Deferred Capital Revenue (Unaudited)	43
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited)	44

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 28, 2021
Signature of the Chairperson of the Board of Education		Date Signed
Doug Sheppard	Original Document Signed	September 28, 2021
Signature of the Superintendent		Date Signed
Nicola Christ	Original Document Signed	September 28, 2021
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, 2021 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, 2021;
- 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 significant accounting policies and other explanatory information.

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
T: +1 604 806 7000, F: +1 604 806 7806

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Other information

Management is responsible for the other information. The other information comprises Financial Statement Discussion and Analysis for the year ended June 30, 2021.

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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Surrey, British Columbia
September 28, 2021

School District No. 37 (Delta)

Statement 1

Statement of Financial Position

As at June 30, 2021

	2021 Actual \$	2020 Actual \$
Financial Assets		
Cash and Cash Equivalents	50,778,597	47,511,080
Accounts Receivable		
Due from Province - Ministry of Education	170,149	104,856
Due from Province - Other	41,955	22,516
Due from First Nations	267,503	249,850
Other (Note 3)	993,041	1,293,203
Total Financial Assets	52,251,245	49,181,505
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	23,537	
Due to Province - Other	152	49
Other (Note 4)	14,476,071	12,956,332
Unearned Revenue (Note 5)	6,664,556	5,761,661
Deferred Revenue (Note 6)	4,505,147	4,732,177
Deferred Capital Revenue (Note 7)	107,909,062	107,291,662
Employee Future Benefits (Note 8)	4,665,747	4,443,084
Capital Lease Obligations (Note 9)	4,379,651	4,798,686
Other Liabilities	1,483,285	1,334,646
Total Liabilities	144,107,208	141,318,297
Net Debt	(91,855,963)	(92,136,792)
Non-Financial Assets		
Tangible Capital Assets (Note 10)	142,662,103	141,660,003
Prepaid Expenses	586,734	767,256
Supplies Inventory	28,761	39,041
Total Non-Financial Assets	143,277,598	142,466,300
Accumulated Surplus (Deficit)	51,421,635	50,329,508

Contractual Obligations (Note 14)

Contingent Liabilities (Note 15)

Approved by the Board

Val Windsor	Original Document Signed	September 28, 2021
Signature of the Chairperson of the Board of Education		Date Signed
Doug Sheppard	Original Document Signed	September 28, 2021
Signature of the Superintendent		Date Signed
Nicola Christ	Original Document Signed	September 28, 2021
Signature of the Secretary Treasurer		Date Signed

School District No. 37 (Delta)

Statement 2

Statement of Operations

Year Ended June 30, 2021

	2021 Budget \$	2021 Actual \$	2020 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	177,211,069	178,461,977	165,474,518
Other	941,710	872,516	1,164,806
Federal Grants	1,021,652	1,057,741	922,700
Tuition	6,083,873	5,888,996	12,515,025
Other Revenue	7,129,578	4,763,524	7,865,959
Rentals and Leases	482,375	440,127	689,485
Investment Income	477,900	483,690	921,624
Amortization of Deferred Capital Revenue	4,290,845	4,370,189	4,290,845
Total Revenue	197,639,002	196,338,760	193,844,962
Expenses (Note 17)			
Instruction	166,421,017	161,068,228	160,583,051
District Administration	5,482,960	5,593,941	5,063,027
Operations and Maintenance	28,347,192	27,326,409	25,183,400
Transportation and Housing	1,002,237	1,063,819	843,506
Debt Services	183,289	194,236	213,115
Total Expense	201,436,695	195,246,633	191,886,099
Surplus (Deficit) for the year	(3,797,693)	1,092,127	1,958,863
Accumulated Surplus (Deficit) from Operations, beginning of year		50,329,508	48,370,645
Accumulated Surplus (Deficit) from Operations, end of year		51,421,635	50,329,508

School District No. 37 (Delta)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(3,797,693)</u>	<u>1,092,127</u>	<u>1,958,863</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(7,533,425)	(7,674,817)	(4,681,660)
Amortization of Tangible Capital Assets	7,135,105	6,672,717	7,134,105
Total Effect of change in Tangible Capital Assets	<u>(398,320)</u>	<u>(1,002,100)</u>	<u>2,452,445</u>
Acquisition of Prepaid Expenses		(1,222,467)	(1,501,830)
Use of Prepaid Expenses		1,402,989	1,442,595
Acquisition of Supplies Inventory		(16,079)	(33,840)
Use of Supplies Inventory		26,359	17,097
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>190,802</u>	<u>(75,978)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(4,196,013)</u>	<u>280,829</u>	<u>4,335,330</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>280,829</u>	<u>4,335,330</u>
Net Debt, beginning of year		<u>(92,136,792)</u>	<u>(96,472,122)</u>
Net Debt, end of year		<u>(91,855,963)</u>	<u>(92,136,792)</u>

School District No. 37 (Delta)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2021

	2021 Actual \$	2020 Actual \$
Operating Transactions		
Surplus (Deficit) for the year	1,092,127	1,958,863
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	197,777	685,044
Supplies Inventories	10,280	(16,743)
Prepaid Expenses	180,522	(59,235)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	1,543,379	(6,312,310)
Unearned Revenue	902,895	(3,449,872)
Deferred Revenue	(227,030)	437,612
Employee Future Benefits	222,663	156,349
Other Liabilities	148,639	286,989
Amortization of Tangible Capital Assets	6,672,717	7,134,105
Amortization of Deferred Capital Revenue	(4,370,189)	(4,290,845)
Total Operating Transactions	6,373,780	(3,470,043)
Capital Transactions		
Tangible Capital Assets Purchased	(922,692)	(366,352)
Tangible Capital Assets -WIP Purchased	(6,752,125)	(4,315,308)
Total Capital Transactions	(7,674,817)	(4,681,660)
Financing Transactions		
Capital Revenue Received	4,987,589	3,406,661
Capital Lease Principal Repayment	(419,035)	(400,157)
Total Financing Transactions	4,568,554	3,006,504
Net Increase (Decrease) in Cash and Cash Equivalents	3,267,517	(5,145,199)
Cash and Cash Equivalents, beginning of year	47,511,080	52,656,279
Cash and Cash Equivalents, end of year	50,778,597	47,511,080
Cash and Cash Equivalents, end of year, is made up of:		
Cash	50,778,597	47,511,080
	50,778,597	47,511,080

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 District remained open to continue to support students and families in a variety of ways. Parents were given the choice to send their children back to school on a gradual and part-time basis beginning June 1, 2020 and full-time beginning Sept 1, 2020 with new health and safety guidelines. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decreases in revenue, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the District is not practicable at this time.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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, 2020 – decrease in annual surplus by \$640,648

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

Year-ended June 30, 2021 – increase in annual surplus by \$524,367

June 30, 2021 – increase in accumulated surplus and decrease in deferred contributions by \$106,158,912

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.

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 pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 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, 2021

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, 2021

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).

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, 2021**

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, investments, 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, 2021

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 July 1, 2022. A liability will be recognized when, at the financial reporting date:

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

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

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



SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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 and is effective July 1, 2023. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions".

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

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

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

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

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2021	2020
Due from Federal Government	\$ 473,142	\$ 710,435
Other	519,899	582,768
	<u>\$ 993,041</u>	<u>\$ 1,293,203</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2021	2020
Trade payables	\$ 1,661,683	\$ 2,121,256
Wages payable	1,829,768	1,352,334
Payroll deductions payable	8,181,865	7,802,007
Other	2,802,755	1,680,735
	<u>\$ 14,476,071</u>	<u>\$ 12,956,332</u>



SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 5 UNEARNED REVENUE

	2021	2020
Balance, beginning of year	\$ 5,761,661	\$ 9,211,533
Changes for the year:		
Increase:		
Tuition fees	6,778,091	9,065,153
Rental/Lease of facilities	453,927	712,410
	<u>7,232,018</u>	<u>9,777,563</u>
Decrease:		
Tuition fees	(5,888,996)	(12,515,025)
Rental/Lease of facilities	(440,127)	(712,410)
Net changes for the year	<u>902,895</u>	<u>(3,449,872)</u>
Balance, end of year	<u>\$ 6,664,556</u>	<u>\$ 5,761,661</u>

NOTE 6 DEFERRED REVENUE

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

	2021	2020
Deferred Revenue, beginning of year	\$ 4,732,177	\$ 4,294,565
Changes for the year:		
Increase:		
Provincial Grants - Ministry of Education	21,699,590	15,052,081
Provincial Grants - Other	104,674	292,397
Federal Grants	-	-
Other	2,762,049	5,633,502
Investment Income	8,098	17,964
	<u>24,574,411</u>	<u>20,995,944</u>
Decrease:		
Transfer to Revenue	(23,123,828)	(19,572,323)
Recovered	(1,184,598)	(984,460)
Transfer re Capital Additions	(491,466)	-
Other	(1,549)	(1,549)
	<u>(24,801,441)</u>	<u>(20,558,332)</u>
Net changes for the year	<u>(227,030)</u>	<u>437,612</u>
Balance, end of year	<u>\$ 4,505,147</u>	<u>\$ 4,732,177</u>



SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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.

	Deferred Capital 2021	Unspent Deferred Capital 2021	Total Deferred Capital Revenue 2021	Total Deferred Capital Revenue 2020
Balance, beginning of year	\$ 105,634,545	\$ 1,657,117	\$ 107,291,662	\$ 108,175,846
Changes for the year:				
Increase:				
Transfer to Deferred Capital Revenue	4,894,556	-	4,894,556	3,650,197
Provincial Grants	-	4,801,297	4,801,297	3,186,537
Provincial Grants - Other	-	-	-	-
Other Capital	-	166,946	166,946	187,876
Investment Income	-	19,346	19,346	32,248
	<u>4,894,556</u>	<u>4,987,589</u>	<u>9,882,145</u>	<u>7,056,858</u>
Decrease:				
Amortization of Deferred Capital Revenue	(4,370,189)	-	(4,370,189)	(4,290,845)
Transfer to Deferred Capital Revenue	-	(4,894,556)	(4,894,556)	(3,650,197)
Net changes for the year	<u>524,367</u>	<u>93,033</u>	<u>617,400</u>	<u>(884,184)</u>
Balance, end of year	<u>\$ 106,158,912</u>	<u>\$ 1,750,150</u>	<u>\$ 107,909,062</u>	<u>\$ 107,291,662</u>



SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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.

	2021	2020
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 3,963,694	\$ 3,915,133
Service Cost	375,141	357,287
Interest Cost	92,823	100,855
Benefit Payments	(252,239)	(311,937)
Actuarial (Gain) Loss	(241,865)	(97,644)
Accrued Benefit Obligation – March 31	<u>\$ 3,937,554</u>	<u>\$ 3,963,694</u>

	2021	2020
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 3,937,554	\$ 3,963,694
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(3,937,554)	(3,963,694)
Employer Contributions After Measurement Date	60,907	78,047
Benefits Expense After Measurement Date	(119,456)	(116,991)
Unamortized Net Actuarial (Gain) Loss	(669,644)	(440,446)
Accrued Benefit Asset (Liability) – June 30	<u>\$ (4,665,747)</u>	<u>\$ (4,443,084)</u>

	2021	2020
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$ 4,443,083	\$ 4,286,735
Net expense for Fiscal Year	457,762	463,452
Employer Contributions	(235,098)	(307,103)
Accrued Benefit Liability – June 30	<u>\$ 4,665,747</u>	<u>\$ 4,443,084</u>

	2021	2020
Components of Net Benefit Expense		
Service Cost	\$ 375,199	\$ 361,751
Interest Cost	95,230	98,846
Amortization of Net Actuarial (Gain)/Loss	(12,667)	2,855
Net Benefit Expense	<u>\$ 457,762</u>	<u>\$ 463,452</u>

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

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



SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 9 CAPITAL LEASE OBLIGATIONS

The School District has two leases for equipment (with terms of twenty-one months). The School District also has one lease (with a term of twelve 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 4.18% with average monthly principal and interest payments of \$51,121.

Repayments are due as follows:

2022	\$ 613,271
2023	567,903
2024	430,505
2025	430,505
2026	430,505
Thereafter	<u>3,013,531</u>
Total minimum lease payments	<u>\$ 5,486,220</u>
Less amounts representing interest	<u>(1,106,569)</u>
Present value of net minimum capital lease payments	<u>\$ 4,379,651</u>

Total interest on leases for the year was \$194,236 (2020: \$213,115).



SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 10 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2021	Net Book Value 2020
	\$	\$
Sites	10,714,525	10,714,525
Buildings	120,209,393	120,149,594
Buildings - Capital Lease	3,609,449	3,902,902
Buildings - Work in Progress	179,715	168,003
Furniture & Equipment	2,926,331	2,597,245
Furniture & Equipment - Capital Lease	802,495	1,014,620
Furniture & Equipment - Work in Progress	-	61,692
Vehicles	1,104,024	1,071,232
Vehicles - Capital Lease	834	14,855
Computer Software	199,692	153,291
Computer Software - Work in Progress	170,644	74,066
Computer Equipment	2,740,724	1,733,701
Computer Equipment - Work in Progress	4,277	4,277
TOTAL	142,662,103	141,660,003

June 30, 2021

COST	Balance at July 1, 2020	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2021
	\$	\$	\$	\$	\$
Sites	10,714,525				10,714,525
Buildings	235,130,065			4,892,577	240,022,642
Buildings - Capital Lease	5,869,062				5,869,062
Buildings - Work in Progress	168,003	4,904,289		(4,892,577)	179,715
Furniture & Equipment	4,318,813	672,665	(343,817)	80,216	4,727,877
Furniture & Equipment - Capital Lease	2,040,385		(19,029)		2,021,356
Furniture & Equipment - Work in Progress	61,692	18,524		(80,216)	-
Vehicles	1,920,625	224,855	(41,417)		2,104,063
Vehicles - Capital Lease	140,212		(136,059)		4,153
Computer Software	303,176		(20,583)	107,036	389,629
Computer Software - Work in Progress	74,066	203,614		(107,036)	170,644
Computer Hardware	3,219,234	25,172	(1,060,521)	1,625,698	3,809,583
Computer Hardware - Work in Progress	4,277	1,625,698		(1,625,698)	4,277
TOTAL	263,964,135	7,674,817	(1,621,426)	-	270,017,526

Amortization	Balance at July 1, 2020	Additions	Disposals	Balance at June 30, 2021
	\$	\$	\$	\$
Buildings	114,980,471	4,832,778		119,813,249
Buildings - Capital Lease	1,966,160	293,453		2,259,613
Furniture & Equipment	1,721,568	423,795	(343,817)	1,801,546
Furniture & Equipment - Capital Lease	1,025,765	212,125	(19,029)	1,218,861
Vehicles	849,393	192,063	(41,417)	1,000,039
Vehicles - Capital Lease	125,357	14,021	(136,059)	3,319
Computer Software	149,885	60,635	(20,583)	189,937
Computer Hardware	1,485,533	643,847	(1,060,521)	1,068,859
TOTAL	122,304,132	6,672,717	(1,621,426)	127,355,423



SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 10 TANGIBLE CAPITAL ASSETS *(Continued)*

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

- Contributed tangible capital assets

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

	2021	2020
PAC & Municipality Funded Structures	\$ 81,141	\$ 147,903

- Work in progress having a value of \$354,636 (2020: \$308,038) 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, 2021**

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, 2019, the Teachers' Pension Plan has about 49,000 active members and approximately 39,000 retired members. As of December 31, 2019, the Municipal Pension Plan has about 213,000 active members, including approximately 27,000 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.

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 \$14,055,287 for employer contributions to the plans for the year ended June 30, 2021 (2020: \$13,407,164).

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.

NOTE 12 INTERFUND TRANSFERS

Interfund transfers between the Operating, Special Purpose and Capital funds for the year ended June 30, 2021, were as follows:

- **Capital Lease Principal:** A transfer to the Capital Fund of \$419,035 consisting of \$417,667 from the Operating Fund and \$1,368 from Special Purpose Funds covered the 2020-21 short-term principal portion of the School District's capital leases.
- **Capital Lease Interest:** A transfer in the amount of \$194,236 consisting of \$194,055 from the Operating Fund and \$181 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 \$885,466 consisting of \$691,513 from the Operating Fund and \$193,953 from Special Purpose Funds were made to the Capital Fund for the purchase of capital items, including equipment and furniture.
- **Capital Projects:** Transfers in the amount of \$1,894,795 consisting of \$1,597,282 from the Operating Fund and \$297,513 from Special Purpose Funds 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 \$1,509,970 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.



SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

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 23, 2021. 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.

	<u>2021</u> ORIGINAL BUDGET	<u>2021</u> AMENDED BUDGET
REVENUES		
Provincial Grants		
Provincial Grants - Ministry of Education	\$ 161,864,588	\$ 177,211,069
Provincial Grants - Other	876,039	941,710
Federal Grants	1,010,154	1,021,652
Tuition	9,292,741	6,083,873
Other Revenue	6,977,362	7,129,578
Rentals and Leases	772,375	482,375
Investment Income	752,900	477,900
Amortization of Deferred Capital Revenue	4,349,078	4,290,845
Total Revenue	<u>185,895,237</u>	<u>197,639,002</u>
EXPENSES		
Instruction	155,969,597	166,421,018
District Administration	5,104,009	5,482,960
Operations and Maintenance	24,948,046	28,347,192
Transportation and Housing	1,165,316	1,002,237
Debt Services	213,114	183,289
Total Expense	<u>187,400,082</u>	<u>201,436,696</u>
Surplus (Deficit) for the year	<u>\$ (1,504,845)</u>	<u>\$ (3,797,694)</u>



SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

NOTE 17 EXPENSE BY OBJECT

	2021	2020
Salaries and benefits	\$ 170,096,206	\$ 162,383,807
Services and supplies	18,283,474	22,155,072
Interest	194,236	213,115
Amortization	6,672,717	7,134,105
Total	<u>\$ 195,246,633</u>	<u>\$ 191,886,099</u>

NOTE 18 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted (appropriated) by Board:

2021-22 Budget Balancing \$ 854,000

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	\$ 983,569	
• Donor Named Funds	170,701	
• Ed Plan	-	
• Other	<u>408,633</u>	1,562,903

Restrictions due to Senior Management identified potential unusual expenses of a non-recurring nature. 6,725,464

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	\$1,146,000	
• School & Dept. Surplus/Carry Forward	1,858,193	
• Operating Projects in Progress	2,772,039	
• Technology, Utilities, Equipment & Capital	4,044,153	
• Purchase Order Commitments	<u>49,974</u>	<u>9,870,359</u>
		\$ 19,012,726

Unrestricted Operating Surplus -

Total Available for Future Operations \$ 19,012,726

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, 2021

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

	2021				2020
	Operating Fund	Special Purpose Fund	Capital Fund	Total	Total
Interest Received	\$ 428,270	7,314	42,580	\$ 478,164	\$ 986,508
Interest Paid - Capital Lease	\$ -	-	194,236	\$ 194,236	\$ 213,115

School District No. 37 (Delta)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2021

	Operating Fund	Special Purpose Fund	Capital Fund	2021 Actual	2020 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	18,859,948		31,469,560	50,329,508	48,370,645
Changes for the year					
Surplus (Deficit) for the year	3,060,278	493,015	(2,461,166)	1,092,127	1,958,863
Interfund Transfers					
Tangible Capital Assets Purchased	(691,513)	(193,953)	885,466	-	
Tangible Capital Assets - Work in Progress	(1,597,282)	(297,513)	1,894,795	-	
Local Capital	(6,982)		6,982	-	
Other	(611,723)	(1,549)	613,272	-	
Net Changes for the year	152,778	-	939,349	1,092,127	1,958,863
Accumulated Surplus (Deficit), end of year - Statement 2	19,012,726	-	32,408,909	51,421,635	50,329,508

School District No. 37 (Delta)

Schedule of Operating Operations

Year Ended June 30, 2021

Schedule 2 (Unaudited)

	2021 Budget \$	2021 Actual \$	2020 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	155,608,137	157,767,962	151,564,362
Other	659,039	725,156	931,147
Federal Grants	1,010,154	1,057,741	922,700
Tuition	6,083,873	5,888,996	12,515,025
Other Revenue	1,725,778	1,995,515	2,452,322
Rentals and Leases	482,375	440,127	689,485
Investment Income	434,000	433,651	846,220
Total Revenue	166,003,356	168,309,148	169,921,261
Expenses			
Instruction	143,239,960	141,777,173	142,453,632
District Administration	4,825,210	4,935,507	4,570,185
Operations and Maintenance	18,021,298	17,472,371	17,092,251
Transportation and Housing	1,002,237	1,063,819	843,506
Total Expense	167,088,705	165,248,870	164,959,574
Operating Surplus (Deficit) for the year	(1,085,349)	3,060,278	4,961,687
Budgeted Appropriation (Retirement) of Surplus (Deficit)	3,559,538		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(180,142)	(691,513)	(87,641)
Tangible Capital Assets - Work in Progress	(1,682,325)	(1,597,282)	(943,822)
Local Capital		(6,982)	(6,982)
Other	(611,722)	(611,723)	(611,723)
Total Net Transfers	(2,474,189)	(2,907,500)	(1,650,168)
Total Operating Surplus (Deficit), for the year	-	152,778	3,311,519
Operating Surplus (Deficit), beginning of year		18,859,948	15,548,429
Operating Surplus (Deficit), end of year		19,012,726	18,859,948
Operating Surplus (Deficit), end of year			
Internally Restricted		19,012,726	18,859,948
Total Operating Surplus (Deficit), end of year		19,012,726	18,859,948

School District No. 37 (Delta)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2021

	2021 Budget \$	2021 Actual \$	2020 Actual \$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	148,460,284	150,413,053	145,152,138
ISC/LEA Recovery	(333,133)	(356,670)	(333,133)
Other Ministry of Education Grants			
Pay Equity	2,171,545	2,171,545	2,171,545
Funding for Graduated Adults	230,400	454,451	550,953
Student Transportation Fund	41,933	41,933	41,933
Carbon Tax Grant			30,447
Employer Health Tax Grant			1,279,549
Support Staff Benefits Grant	187,436	187,436	110,819
Support Staff Wage Increase Funding			686,548
Teachers' Labour Settlement Funding	4,478,979	4,478,979	1,849,328
Early Career Mentorship Funding	355,000	355,000	
FSA Scorer Grant	15,693	18,693	18,693
Equity Scan			2,000
Early Learning Framework		3,542	3,542
Total Provincial Grants - Ministry of Education	155,608,137	157,767,962	151,564,362
Provincial Grants - Other	659,039	725,156	931,147
Federal Grants	1,010,154	1,057,741	922,700
Tuition			
Summer School Fees	179,000	148,970	183,750
Continuing Education	610,380	444,607	690,198
International and Out of Province Students	5,294,493	5,176,001	10,926,421
Academy and IB Tuition Fees		119,418	714,656
Total Tuition	6,083,873	5,888,996	12,515,025
Other Revenues			
Other School District/Education Authorities	40,000	45,750	28,001
Funding from First Nations	362,190	356,670	333,133
Miscellaneous			
Instructional Cafeteria	330,000	107,043	248,167
Municipal Grant-Crossing Guards	75,456	103,456	82,765
Admin Fees	43,500	52,750	56,250
Teacher Training	192,630	222,624	358,598
Academies - Other		18,750	87,900
International - Other	116,362	491,749	477,180
Miscellaneous	565,640	596,723	780,328
Total Other Revenue	1,725,778	1,995,515	2,452,322
Rentals and Leases	482,375	440,127	689,485
Investment Income	434,000	433,651	846,220
Total Operating Revenue	166,003,356	168,309,148	169,921,261

School District No. 37 (Delta)

Schedule of Operating Expense by Object

Year Ended June 30, 2021

Schedule 2B (Unaudited)

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Salaries			
Teachers	80,355,597	80,373,655	80,210,770
Principals and Vice Principals	9,046,464	9,230,971	9,044,711
Educational Assistants	12,461,781	12,113,155	12,408,203
Support Staff	12,462,015	12,554,891	12,005,096
Other Professionals	3,942,046	4,008,095	3,613,077
Substitutes	4,482,554	3,983,201	3,440,736
Total Salaries	122,750,457	122,263,968	120,722,593
Employee Benefits	30,805,515	30,732,921	30,044,406
Total Salaries and Benefits	153,555,972	152,996,889	150,766,999
Services and Supplies			
Services	4,075,237	4,122,718	5,186,194
Student Transportation	1,038,671	971,762	1,075,634
Professional Development and Travel	487,828	384,663	703,626
Rentals and Leases	54,463	18,923	37,173
Dues and Fees	158,355	160,249	184,213
Insurance	325,001	320,194	315,418
Supplies	4,811,449	3,761,385	4,098,876
Utilities	2,581,729	2,512,087	2,591,441
Total Services and Supplies	13,532,733	12,251,981	14,192,575
Total Operating Expense	167,088,705	165,248,870	164,959,574

School District No. 37 (Delta)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2021

	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	56,824,127	1,193,664	615,655	52,190		2,287,202	60,972,838
1.03 Career Programs	733,347		220,865			16,436	970,648
1.07 Library Services	1,915,805	4,053		65,544		89,854	2,075,256
1.08 Counselling	3,046,421					681	3,047,102
1.10 Special Education	13,270,730	597,806	10,426,454	129,437	166,470	906,440	25,497,337
1.30 English Language Learning	2,133,498	140,098	165,059			47,684	2,486,339
1.31 Indigenous Education	542,838	64,285	168,732	8,116		3,529	787,500
1.41 School Administration		6,383,805		2,780,057	14,151	107,589	9,285,602
1.60 Summer School	291,041		1,866				292,907
1.61 Continuing Education	392,161	274,992	1,479	232,726	93,704		995,062
1.62 International and Out of Province Students	650,243	433,158	51,534	586,380	169,213	9,151	1,899,679
1.64 Other	484,101		461,511	194,155	11,250	26,782	1,177,799
Total Function 1	80,284,312	9,091,861	12,113,155	4,048,605	454,788	3,495,348	109,488,069
4 District Administration							
4.11 Educational Administration				58,143	826,107		884,250
4.40 School District Governance					211,768		211,768
4.41 Business Administration				846,154	1,481,866	6,200	2,334,220
Total Function 4	-	-	-	904,297	2,519,741	6,200	3,430,238
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	89,343	139,110		402,054	909,947	29,705	1,570,159
5.50 Maintenance Operations				6,691,249	102,172	275,534	7,068,955
5.52 Maintenance of Grounds				508,686		100,589	609,275
5.56 Utilities							-
Total Function 5	89,343	139,110	-	7,601,989	1,012,119	405,828	9,248,389
7 Transportation and Housing							
7.41 Transportation and Housing Administration					21,447		21,447
7.70 Student Transportation						75,825	75,825
Total Function 7	-	-	-	-	21,447	75,825	97,272
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	80,373,655	9,230,971	12,113,155	12,554,891	4,008,095	3,983,201	122,263,968

School District No. 37 (Delta)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2021

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	60,972,838	15,497,293	76,470,131	2,327,815	78,797,946	79,118,854	77,644,592
1.03 Career Programs	970,648	252,797	1,223,445	29,125	1,252,570	1,335,919	1,205,341
1.07 Library Services	2,075,256	499,434	2,574,690	78,039	2,652,729	2,730,839	2,596,293
1.08 Counselling	3,047,102	694,639	3,741,741	2,892	3,744,633	4,095,253	3,728,101
1.10 Special Education	25,497,337	6,427,225	31,924,562	1,205,429	33,129,991	32,967,889	32,664,232
1.30 English Language Learning	2,486,339	610,182	3,096,521	11,133	3,107,654	3,303,101	2,904,932
1.31 Indigenous Education	787,500	196,956	984,456	92,599	1,077,055	1,134,307	891,141
1.41 School Administration	9,285,602	2,231,086	11,516,688	91,540	11,608,228	11,522,986	11,202,252
1.60 Summer School	292,907	44,313	337,220	707	337,927	390,753	440,147
1.61 Continuing Education	995,062	239,161	1,234,223	88,251	1,322,474	1,462,053	1,424,920
1.62 International and Out of Province Students	1,899,679	475,060	2,374,739	320,506	2,695,245	3,054,008	4,778,510
1.64 Other	1,177,799	271,044	1,448,843	601,878	2,050,721	2,123,998	2,973,171
Total Function 1	109,488,069	27,439,190	136,927,259	4,849,914	141,777,173	143,239,960	142,453,632
4 District Administration							
4.11 Educational Administration	884,250	182,776	1,067,026	137,316	1,204,342	1,161,919	1,177,763
4.40 School District Governance	211,768	11,190	222,958	92,885	315,843	317,512	336,478
4.41 Business Administration	2,334,220	598,671	2,932,891	482,431	3,415,322	3,345,779	3,055,944
Total Function 4	3,430,238	792,637	4,222,875	712,632	4,935,507	4,825,210	4,570,185
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,570,159	374,139	1,944,298	624,011	2,568,309	2,514,299	2,464,471
5.50 Maintenance Operations	7,068,955	1,962,219	9,031,174	2,267,955	11,299,129	11,686,747	10,944,536
5.52 Maintenance of Grounds	609,275	154,817	764,092	146,002	910,094	987,940	942,080
5.56 Utilities	-	-	-	2,694,839	2,694,839	2,832,312	2,741,164
Total Function 5	9,248,389	2,491,175	11,739,564	5,732,807	17,472,371	18,021,298	17,092,251
7 Transportation and Housing							
7.41 Transportation and Housing Administration	21,447	4,304	25,751		25,751	24,667	23,332
7.70 Student Transportation	75,825	5,615	81,440	956,628	1,038,068	977,570	820,174
Total Function 7	97,272	9,919	107,191	956,628	1,063,819	1,002,237	843,506
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	122,263,968	30,732,921	152,996,889	12,251,981	165,248,870	167,088,705	164,959,574

School District No. 37 (Delta)

Schedule of Special Purpose Operations

Year Ended June 30, 2021

Schedule 3 (Unaudited)

	2021 Budget \$	2021 Actual \$	2020 Actual \$
Revenues			
Provincial Grants			
Ministry of Education	21,602,932	20,694,015	13,910,156
Other	282,671	147,360	233,659
Federal Grants	11,498		
Other Revenue	5,403,800	2,768,009	5,413,637
Investment Income	8,900	7,459	16,420
Total Revenue	27,309,801	23,616,843	19,573,872
Expenses			
Instruction	23,181,057	19,291,055	18,129,419
District Administration	657,750	658,434	492,842
Operations and Maintenance	3,190,789	3,174,339	950,062
Total Expense	27,029,596	23,123,828	19,572,323
Special Purpose Surplus (Deficit) for the year	280,205	493,015	1,549
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(193,953)	
Tangible Capital Assets - Work in Progress	(280,205)	(297,513)	
Other		(1,549)	(1,549)
Total Net Transfers	(280,205)	(493,015)	(1,549)
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, 2021

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	10,426	8,639	269,647	2,734,892		13,809		47,367	
Add: Restricted Grants									
Provincial Grants - Ministry of Education	614,944	534,594			224,000	58,800	253,419	584,208	767,671
Provincial Grants - Other									
Other			49,950	2,533,788					
Investment Income	2,743	313	1,857					1,280	
	617,687	534,907	51,807	2,533,788	224,000	58,800	253,419	585,488	767,671
Less: Allocated to Revenue	628,113	543,546	52,090	2,514,283	224,000	46,932	253,419	543,746	767,671
Recovered									
Deferred Revenue, end of year	-	-	269,364	2,754,397	-	25,677	-	89,109	-
Revenues									
Provincial Grants - Ministry of Education	625,370	543,233			224,000	46,932	253,419	542,466	767,671
Provincial Grants - Other									
Other Revenue			50,665	2,514,283					
Investment Income	2,743	313	1,425					1,280	
	628,113	543,546	52,090	2,514,283	224,000	46,932	253,419	543,746	767,671
Expenses									
Salaries									
Teachers						5,606	93,842		
Principals and Vice Principals									
Educational Assistants		421,696			163,229			389,372	316,741
Support Staff	130,110								68,081
Other Professionals								34,564	
Substitutes	14,612					1,570			194,024
	144,722	421,696	-	-	163,229	7,176	93,842	423,936	578,846
Employee Benefits	36,984	121,850			55,215	1,456	21,895	114,147	150,425
Services and Supplies	416,147		52,090	2,514,283	5,556	38,300	127,393	5,663	38,400
	597,853	543,546	52,090	2,514,283	224,000	46,932	243,130	543,746	767,671
Net Revenue (Expense) before Interfund Transfers	30,260	-	-	-	-	-	10,289	-	-
Interfund Transfers									
Tangible Capital Assets Purchased									
Tangible Capital Assets - Work in Progress	(30,260)						(10,289)		
Other									
	(30,260)	-	-	-	-	-	(10,289)	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 37 (Delta)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2021

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Safe Return to School Grant	Federal Safe Return to Class Fund	Community Schools Partnership	New Horizons for Seniors
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		1,184,598			11,443				11,498
Add: Restricted Grants									
Provincial Grants - Ministry of Education	6,373,105	1,561,258	420	51,000	6,750	1,155,892	6,158,409		
Provincial Grants - Other									
Other								50,000	
Investment Income									
	6,373,105	1,561,258	420	51,000	6,750	1,155,892	6,158,409	50,000	-
Less: Allocated to Revenue	6,373,105	589,081	368	51,000	7,949	1,155,892	6,158,409	50,000	-
Recovered		1,184,598							
Deferred Revenue, end of year	-	972,177	52	-	10,244	-	-	-	11,498
Revenues									
Provincial Grants - Ministry of Education	6,373,105	589,081	368	51,000	7,949	1,155,892	6,158,409		
Provincial Grants - Other									
Other Revenue								50,000	
Investment Income									
	6,373,105	589,081	368	51,000	7,949	1,155,892	6,158,409	50,000	-
Expenses									
Salaries									
Teachers	5,102,457	113,206					1,608,182		
Principals and Vice Principals							195,867		
Educational Assistants		6,171					564,857		
Support Staff						508,255	575,844		
Other Professionals								40,596	
Substitutes		285			6,435		1,143,059		
	5,102,457	119,662	-	-	6,435	508,255	4,087,809	40,596	-
Employee Benefits	1,270,648	27,437			1,128	113,176	860,628	9,404	
Services and Supplies		289,464	368	51,000	386	455,237	1,064,765		
	6,373,105	436,563	368	51,000	7,949	1,076,668	6,013,202	50,000	-
Net Revenue (Expense) before Interfund Transfers	-	152,518	-	-	-	79,224	145,207	-	-
Interfund Transfers									
Tangible Capital Assets Purchased		(34,490)				(79,224)	(6,271)		
Tangible Capital Assets - Work in Progress		(118,028)					(138,936)		
Other									
	-	(152,518)	-	-	-	(79,224)	(145,207)	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 37 (Delta)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2021

	PRP Assessment Unit \$	Enh.Settlement Workers in Schls (ESWIS) \$	Youth Train in Trades \$	Ntwks Inq & Inv/ Aborig.Enh.Schls (NOIE/AESN) \$	TOTAL \$
Deferred Revenue, beginning of year		61,214	39,940	338,704	4,732,177
Add: Restricted Grants					
Provincial Grants - Ministry of Education	3,355,120				21,699,590
Provincial Grants - Other			48,400	56,274	104,674
Other				128,311	2,762,049
Investment Income				1,905	8,098
	3,355,120	-	48,400	186,490	24,574,411
Less: Allocated to Revenue	3,355,120	1,266	88,340	212,513	23,616,843
Recovered					1,184,598
Deferred Revenue, end of year	-	59,948	-	312,681	4,505,147
Revenues					
Provincial Grants - Ministry of Education	3,355,120				20,694,015
Provincial Grants - Other		1,266	88,340	57,754	147,360
Other Revenue				153,061	2,768,009
Investment Income				1,698	7,459
	3,355,120	1,266	88,340	212,513	23,616,843
Expenses					
Salaries					
Teachers	1,512,424				8,435,717
Principals and Vice Principals	349,672				545,539
Educational Assistants					1,862,066
Support Staff	231,840		30,832		1,544,962
Other Professionals					75,160
Substitutes					1,359,985
	2,093,936	-	30,832	-	13,823,429
Employee Benefits	483,600		7,895		3,275,888
Services and Supplies	702,067	1,266	49,613	212,513	6,024,511
	3,279,603	1,266	88,340	212,513	23,123,828
Net Revenue (Expense) before Interfund Transfers	75,517	-	-	-	493,015
Interfund Transfers					
Tangible Capital Assets Purchased	(73,968)				(193,953)
Tangible Capital Assets - Work in Progress					(297,513)
Other	(1,549)				(1,549)
	(75,517)	-	-	-	(493,015)
Net Revenue (Expense)	-	-	-	-	-

School District No. 37 (Delta)

Schedule of Capital Operations

Year Ended June 30, 2021

Schedule 4 (Unaudited)

	2021	2021 Actual			2020
	Budget	Invested in Tangible	Local	Fund	Actual
	\$	Capital Assets	Capital	Balance	\$
Revenues					
Investment Income	35,000		42,580	42,580	58,984
Amortization of Deferred Capital Revenue	4,290,845	4,370,189		4,370,189	4,290,845
Total Revenue	4,325,845	4,370,189	42,580	4,412,769	4,349,829
Expenses					
Operations and Maintenance			6,982	6,982	6,982
Amortization of Tangible Capital Assets					
Operations and Maintenance	7,135,105	6,672,717		6,672,717	7,134,105
Debt Services					
Capital Lease Interest	183,289		194,236	194,236	213,115
Total Expense	7,318,394	6,672,717	201,218	6,873,935	7,354,202
Capital Surplus (Deficit) for the year	(2,992,549)	(2,302,528)	(158,638)	(2,461,166)	(3,004,373)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	180,142	885,466		885,466	87,641
Tangible Capital Assets - Work in Progress	1,962,530	1,894,795		1,894,795	943,822
Local Capital			6,982	6,982	6,982
Capital Lease Payment	611,722		613,272	613,272	613,272
Total Net Transfers	2,754,394	2,780,261	620,254	3,400,515	1,651,717
Other Adjustments to Fund Balances					
Principal Payment					
Capital Lease		419,035	(419,035)	-	
Total Other Adjustments to Fund Balances		419,035	(419,035)	-	
Total Capital Surplus (Deficit) for the year	(238,155)	896,768	42,581	939,349	(1,352,656)
Capital Surplus (Deficit), beginning of year		31,226,773	242,787	31,469,560	32,822,216
Capital Surplus (Deficit), end of year		32,123,541	285,368	32,408,909	31,469,560

School District No. 37 (Delta)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2021

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	10,714,525	240,999,127	6,359,198	2,060,837	303,176	3,219,234	263,656,097
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Other			37,226				37,226
Operating Fund			451,090	224,855		15,568	691,513
Special Purpose Funds			184,349			9,604	193,953
Transferred from Work in Progress		4,892,577	80,216		107,036	1,625,698	6,705,527
	-	4,892,577	752,881	224,855	107,036	1,650,870	7,628,219
Decrease:							
Deemed Disposals			362,846	177,476	20,583	1,060,521	1,621,426
	-	-	362,846	177,476	20,583	1,060,521	1,621,426
Cost, end of year	10,714,525	245,891,704	6,749,233	2,108,216	389,629	3,809,583	269,662,890
Work in Progress, end of year		179,715			170,644	4,277	354,636
Cost and Work in Progress, end of year	10,714,525	246,071,419	6,749,233	2,108,216	560,273	3,813,860	270,017,526
Accumulated Amortization, beginning of year		116,946,631	2,747,333	974,750	149,885	1,485,533	122,304,132
Changes for the Year							
Increase: Amortization for the Year		5,126,231	635,920	206,084	60,635	643,847	6,672,717
Decrease:							
Deemed Disposals			362,846	177,476	20,583	1,060,521	1,621,426
		-	362,846	177,476	20,583	1,060,521	1,621,426
Accumulated Amortization, end of year		122,072,862	3,020,407	1,003,358	189,937	1,068,859	127,355,423
Tangible Capital Assets - Net	10,714,525	123,998,557	3,728,826	1,104,858	370,336	2,745,001	142,662,103

School District No. 37 (Delta)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2021

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	168,003	61,692	74,066	4,277	308,038
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	4,727,610				4,727,610
Deferred Capital Revenue - Other	43,915			85,805	129,720
Operating Fund	93,510	18,524	198,585	1,286,663	1,597,282
Special Purpose Funds	39,254		5,029	253,230	297,513
	<u>4,904,289</u>	<u>18,524</u>	<u>203,614</u>	<u>1,625,698</u>	<u>6,752,125</u>
Decrease:					
Transferred to Tangible Capital Assets	4,892,577	80,216	107,036	1,625,698	6,705,527
	<u>4,892,577</u>	<u>80,216</u>	<u>107,036</u>	<u>1,625,698</u>	<u>6,705,527</u>
Net Changes for the Year	<u>11,712</u>	<u>(61,692)</u>	<u>96,578</u>	<u>-</u>	<u>46,598</u>
Work in Progress, end of year	<u>179,715</u>	<u>-</u>	<u>170,644</u>	<u>4,277</u>	<u>354,636</u>

School District No. 37 (Delta)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2021

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	102,139,489	2,044,014	1,341,351	105,524,854
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions			37,226	37,226
Transferred from Work in Progress	4,744,599		129,720	4,874,319
	<u>4,744,599</u>	<u>-</u>	<u>166,946</u>	<u>4,911,545</u>
Decrease:				
Amortization of Deferred Capital Revenue	4,126,350	87,882	155,957	4,370,189
	<u>4,126,350</u>	<u>87,882</u>	<u>155,957</u>	<u>4,370,189</u>
Net Changes for the Year	<u>618,249</u>	<u>(87,882)</u>	<u>10,989</u>	<u>541,356</u>
Deferred Capital Revenue, end of year	<u>102,757,738</u>	<u>1,956,132</u>	<u>1,352,340</u>	<u>106,066,210</u>
Work in Progress, beginning of year	109,691			109,691
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	4,727,610		129,720	4,857,330
	<u>4,727,610</u>	<u>-</u>	<u>129,720</u>	<u>4,857,330</u>
Decrease				
Transferred to Deferred Capital Revenue	4,744,599		129,720	4,874,319
	<u>4,744,599</u>	<u>-</u>	<u>129,720</u>	<u>4,874,319</u>
Net Changes for the Year	<u>(16,989)</u>	<u>-</u>	<u>-</u>	<u>(16,989)</u>
Work in Progress, end of year	<u>92,702</u>	<u>-</u>	<u>-</u>	<u>92,702</u>
Total Deferred Capital Revenue, end of year	<u>102,850,440</u>	<u>1,956,132</u>	<u>1,352,340</u>	<u>106,158,912</u>

School District No. 37 (Delta)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2021

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	190,409	1,466,708				1,657,117
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	4,801,297					4,801,297
Investment Income		19,346				19,346
Capital Assets from PAC and other external Non-Provincial Organizations					37,226	37,226
Work in Progress Donated by other external Non-Provincial Organizations					129,720	129,720
	4,801,297	19,346	-	-	166,946	4,987,589
Decrease:						
Transferred to DCR - Capital Additions					37,226	37,226
Transferred to DCR - Work in Progress	4,727,610				129,720	4,857,330
	4,727,610	-	-	-	166,946	4,894,556
Net Changes for the Year	73,687	19,346	-	-	-	93,033
Balance, end of year	264,096	1,486,054	-	-	-	1,750,150