

Audited Financial Statements of

School District No. 37 (Delta)

And Independent Auditors' Report thereon

June 30, 2022

School District No. 37 (Delta)

June 30, 2022

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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, BDO Canada LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 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	September 27, 2022
Signature of the Chairperson of the Board of Education	Date Signed
Doug Sheppard	September 27, 2022
Signature of the Superintendent	Date Signed
Nicola Christ	September 27, 2022
Signature of the Secretary Treasurer	Date Signed



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Independent Auditor's Report

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

Opinion

We have audited the financial statements of School District No. 37 (Delta) (the "School District"), which comprise the statement of financial position as at June 30, 2022, and the statements of operations, changes in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School District as at June 30, 2022, and its results of operations, its changes of net debt and its cash flows for the year then ended in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia (the "Act").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the School District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 to the financial statements which describes the basis of accounting. The financial statements are prepared in order for the School District to meet the reporting requirements of the Act referred to above. Our opinion is not modified in respect of this matter.

Emphasis of Matter - Restated Comparative Information

We draw attention to Note 20 to the financial statements, which explains that certain comparative information for the year ended for June 30, 2021 has been restated. Our opinion is not modified in respect of this matter.

The financial statements for the year ended June 30, 2021 excluding the adjustments that were applied to restate certain comparative information were audited by an auditor who expressed an unmodified opinion on those financial statements on September 28, 2021.

As part of our audit of the financial statements for the year ended June 30, 2022, we also audited the adjustment applied to restate certain comparative information presented. In our opinion, such adjustments were appropriate and have been properly applied.



Other than with respect to the adjustments that were applied to restate certain comparative information, we were not engaged to audit, review, or apply any procedures to the financial statements for the year ended June 30, 2021. Accordingly, we do not express an opinion or any other form of assurance on those financial statements taken as a whole.

Unaudited Information

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the School District or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
September 27, 2022

School District No. 37 (Delta)

Statement of Financial Position

As at June 30, 2022

	2022 Actual	2021 Actual (Restated - Note 20)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	50,614,072	50,778,597
Accounts Receivable		
Due from Province - Ministry of Education and Child Care (Note 13)	577,978	170,149
Due from Province - Other (Note 13)	38,297	41,955
Due from First Nations	278,146	267,503
Other (Note 3)	1,197,510	993,041
Total Financial Assets	52,706,003	52,251,245
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education and Child Care (Note 13)	-	23,537
Due to Province - Other (Note 13)	19	152
Other (Note 4)	19,659,590	14,476,071
Unearned Revenue (Note 5)	8,273,262	6,664,556
Deferred Revenue (Note 6)	2,823,102	4,505,147
Deferred Capital Revenue (Note 7)	105,325,074	105,683,749
Employee Future Benefits (Note 8)	4,669,003	4,665,747
Capital Lease Obligations (Note 9)	3,940,828	4,379,651
Other Liabilities	1,428,407	1,483,285
Total Liabilities	146,119,285	141,881,895
Net Debt	(93,413,282)	(89,630,650)
Non-Financial Assets		
Tangible Capital Assets (Note 10)	138,708,668	139,190,450
Prepaid Expenses	364,994	586,734
Supplies Inventory	38,774	28,761
Total Non-Financial Assets	139,112,436	139,805,945
Accumulated Surplus (Deficit)	45,699,154	50,175,295

Contractual Obligations (Note 14)

Contingent Liabilities (Note 15)

Approved by the Board

Val Windsor	Original Document Signed	September 27, 2022
Signature of the Chairperson of the Board of Education		Date Signed
Doug Sheppard	Original Document Signed	September 27, 2022
Signature of the Superintendent		Date Signed
Nicola Christ	Original Document Signed	September 27, 2022
Signature of the Secretary Treasurer		Date Signed

School District No. 37 (Delta)

Statement of Operations
Year Ended June 30, 2022

	2022 Budget (Note 16)	2022 Actual	2021 Actual (Restated - Note 20)
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	171,369,936	171,962,910	178,461,977
Other	870,039	1,042,133	872,516
Federal Grants	1,096,540	1,214,995	1,057,741
Tuition (Note 5)	8,552,063	8,935,565	5,888,996
Other Revenue	7,451,174	7,580,901	4,763,524
Rentals and Leases	566,375	640,505	440,127
Investment Income	297,900	448,449	483,690
Gain (Loss) on Disposal of Tangible Capital Assets		303,608	
Amortization of Deferred Capital Revenue	4,450,618	4,483,065	4,410,403
Total Revenue	<u>194,654,645</u>	<u>196,612,131</u>	<u>196,378,974</u>
Expenses (Note 17)			
Instruction	169,163,148	166,763,440	161,068,228
District Administration	5,930,232	6,098,703	5,593,941
Operations and Maintenance	27,662,646	26,906,578	27,461,715
Transportation and Housing	1,068,872	1,145,103	1,063,819
Debt Services	174,342	174,448	194,236
Total Expense	<u>203,999,240</u>	<u>201,088,272</u>	<u>195,381,939</u>
Surplus (Deficit) for the year	<u>(9,344,595)</u>	<u>(4,476,141)</u>	<u>997,035</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		50,175,295	49,178,260
Accumulated Surplus (Deficit) from Operations, end of year		<u>45,699,154</u>	<u>50,175,295</u>

School District No. 37 (Delta)

Statement of Changes in Net Debt

Year Ended June 30, 2022

	2022 Budget (Note 16)	2022 Actual	2021 Actual (Restated - Note 20)
	\$	\$	\$
Surplus (Deficit) for the year	<u>(9,344,595)</u>	<u>(4,476,141)</u>	<u>997,035</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(4,975,182)	(6,548,446)	(7,674,817)
Amortization of Tangible Capital Assets	6,943,325	7,030,228	6,808,023
Total Effect of change in Tangible Capital Assets	<u>1,968,143</u>	<u>481,782</u>	<u>(866,794)</u>
Acquisition of Prepaid Expenses		(929,514)	(1,222,467)
Use of Prepaid Expenses		1,151,254	1,402,989
Acquisition of Supplies Inventory		(37,860)	(16,079)
Use of Supplies Inventory		27,847	26,359
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>211,727</u>	<u>190,802</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(7,376,452)</u>	<u>(3,782,632)</u>	<u>321,043</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		<u>(3,782,632)</u>	<u>321,043</u>
Net Debt, beginning of year		<u>(89,630,650)</u>	<u>(89,951,693)</u>
Net Debt, end of year		<u>(93,413,282)</u>	<u>(89,630,650)</u>

School District No. 37 (Delta)

Statement of Cash Flows
Year Ended June 30, 2022

	2022 Actual	2021 Actual (Restated - Note 20)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(4,476,141)	997,035
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(619,283)	197,777
Supplies Inventories	(10,013)	10,280
Prepaid Expenses	221,740	180,522
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	5,159,849	1,543,379
Unearned Revenue	1,608,706	902,895
Deferred Revenue	(1,682,045)	(227,030)
Employee Future Benefits	3,256	222,663
Other Liabilities	(54,878)	148,639
Amortization of Tangible Capital Assets	7,030,228	6,808,023
Amortization of Deferred Capital Revenue	(4,483,065)	(4,410,403)
Total Operating Transactions	<u>2,698,354</u>	<u>6,373,780</u>
Capital Transactions		
Tangible Capital Assets Purchased	(388,266)	(922,692)
Tangible Capital Assets -WIP Purchased	(6,160,180)	(6,752,125)
Total Capital Transactions	<u>(6,548,446)</u>	<u>(7,674,817)</u>
Financing Transactions		
Capital Revenue Received	4,124,390	4,987,589
Capital Lease Principal Repayment	(438,823)	(419,035)
Total Financing Transactions	<u>3,685,567</u>	<u>4,568,554</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(164,525)	3,267,517
Cash and Cash Equivalents, beginning of year	<u>50,778,597</u>	<u>47,511,080</u>
Cash and Cash Equivalents, end of year	<u>50,614,072</u>	<u>50,778,597</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	<u>50,614,072</u>	<u>50,778,597</u>
	<u>50,614,072</u>	<u>50,778,597</u>



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12, 1946, operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 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 and Child Care. 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, 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 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) Revenue Recognition, Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense.



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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

a) Basis of Accounting *(Continued)*

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

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

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

Year-ended June 30, 2021 – increase in annual surplus by \$484,153 (restated)

June 30, 2021 – increase in accumulated surplus and decrease in deferred contributions by \$103,933,599 (restated)

Year-ended June 30, 2022 – decrease in annual surplus by \$182,872

June 30, 2022 – increase in accumulated surplus and decrease in deferred contributions by \$103,750,727

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, 2022**

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, 2022 and projected to March 31, 2025. The next valuation will be performed at March 31, 2025 for use at June 30, 2025. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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 value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are 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, 2022**

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 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 Note 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 in order 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 assets acquisitions other than sites are recorded as deferred capital revenue and amortized over the useful life of the related assets.

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

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

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

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



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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

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, 2022**

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 upon evidence 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. Significant areas requiring the use of management estimates relate to the useful life of tangible capital assets, and estimated employee future benefits.

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, 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.



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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

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.

PS 3400 Revenue issued November 2018 establishes standards on how to account for and report on revenue and is effective July 1, 2023. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions".

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

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

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

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

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2022	2021
Due from Federal Government	\$ 534,902	\$ 473,142
Trade Accounts Receivable	401,935	344,727
Other	260,673	175,172
	\$ 1,197,510	\$ 993,041



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER

	2022	2021
Trade payables	\$ 1,403,366	\$ 1,661,683
Wages payable	6,073,044	1,829,768
Payroll deductions payable	7,987,005	8,181,865
International Education payables	3,819,595	2,366,825
Other	376,580	435,930
	\$ 19,659,590	\$ 14,476,071

Wages payable for fiscal year 2022 includes \$4,445,755 for teachers who have opted into the School District’s service of providing salary payments over twelve months (instead of the regular ten month pay period system). This is an optional service offered by the School District. These accrued wages are paid out to teachers in July and August. This service was provided prior to fiscal year 2022, however, the amounts were held in separate trust bank accounts under each individual teacher’s name, rather than in a School District held bank account.

NOTE 5 UNEARNED REVENUE

	2022	2021
Balance, beginning of year	\$ 6,664,556	\$ 5,761,661
Changes for the year:		
Amounts received:		
Tuition fees	10,480,661	6,778,091
Rental/Lease of facilities	626,705	453,927
Other	77,410	-
	11,184,776	7,232,018
Amounts recognized as revenue:		
Tuition fees	(8,935,565)	(5,888,996)
Rental/Lease of facilities	(626,705)	(440,127)
Other	(13,800)	-
	1,608,706	902,895
Net changes for the year	1,608,706	902,895
Balance, end of year	\$ 8,273,262	\$ 6,664,556



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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.

	2022	2021
Deferred Revenue, beginning of year	\$ 4,505,147	\$ 4,732,177
Changes for the year:		
Increase:		
Provincial Grants - Ministry of Education	17,037,382	21,699,590
Provincial Grants - Other	257,517	104,674
Other	1,260,908	2,762,049
Investment Income	10,006	8,098
	18,565,813	24,574,411
Decrease:		
Transfer to Revenue	(18,599,482)	(23,123,828)
Recovered	(972,177)	(1,184,598)
Transfer for Capital Additions	(674,650)	(491,466)
Other	(1,549)	(1,549)
	(20,247,858)	(24,801,441)
Net changes for the year	(1,682,045)	(227,030)
Balance, end of year	\$ 2,823,102	\$ 4,505,147



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

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 2022	Unspent Deferred Capital 2022	Total Deferred Capital Revenue 2022	Total Deferred Capital Revenue 2021 (restated Note 20)
Balance, beginning of year	\$ 103,933,599	\$ 1,750,150	\$ 105,683,749	\$ 105,106,563
Changes for the year:				
Increase:				
Transfer from unspent	4,300,193	-	4,300,193	4,894,556
Provincial Grants received	-	3,938,050	3,938,050	4,801,297
Non-Provincial Grants received	-	171,018	171,018	166,946
Investment Income	-	15,322	15,322	19,346
	<u>4,300,193</u>	<u>4,124,390</u>	<u>8,424,583</u>	<u>9,882,145</u>
Decrease:				
Amortization of Deferred Capital Revenue	(4,483,065)	-	(4,483,065)	(4,410,403)
Transfer to Deferred Capital Revenue	-	(4,300,193)	(4,300,193)	(4,894,556)
Net changes for the year	<u>(182,872)</u>	<u>(175,803)</u>	<u>(358,675)</u>	<u>577,186</u>
Balance, end of year	<u>\$ 103,750,727</u>	<u>\$ 1,574,347</u>	<u>\$ 105,325,074</u>	<u>\$ 105,683,749</u>



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 8 EMPLOYEE FUTURE BENEFITS

Benefits include vested sick leave, accumulating non-vested sick leave, and vacation. 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.

	2022	2021
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 3,937,554	\$ 3,963,694
Service Cost	375,374	375,141
Interest Cost	102,451	92,823
Benefit Payments	(415,782)	(252,239)
Actuarial (Gain) Loss	178,102	(241,865)
Accrued Benefit Obligation – March 31	\$ 4,177,699	\$ 3,937,554
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 4,177,699	\$ 3,937,554
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(4,177,699)	(3,937,554)
Employer Contributions After Measurement Date	65,652	60,907
Benefits Expense After Measurement Date	(140,199)	(119,456)
Unamortized Net Actuarial (Gain) Loss	(416,757)	(669,644)
Accrued Benefit Asset (Liability) – June 30	\$ (4,669,003)	\$ (4,665,747)
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$ 4,665,747	\$ 4,443,083
Net expense for Fiscal Year	423,783	457,762
Employer Contributions	(420,527)	(235,098)
Accrued Benefit Liability – June 30	\$ 4,669,003	\$ 4,665,747
Components of Net Benefit Expense		
Service Cost	\$ 386,541	\$ 375,199
Interest Cost	112,027	95,230
Amortization of Net Actuarial (Gain)/Loss	(74,785)	(12,667)
Net Benefit Expense	\$ 423,783	\$ 457,762

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

Discount Rate – April 1	2.50%	2.25%
Discount Rate – March 31	3.25%	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	10.1	9.4



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 9 CAPITAL LEASE OBLIGATIONS

The School District has two leases for equipment (with remaining terms of nine months). The School District also has one lease (with a remaining term of eleven 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 4.14% with average monthly principal and interest payments of \$51,142.

Payments are due as follows:

2023	\$ 567,903
2024	430,505
2025	430,505
2026	430,505
2027	430,505
Thereafter	<u>2,583,026</u>
Total minimum lease payments	<u>\$ 4,872,949</u>
Less amounts representing interest	(932,121)
Present value of net minimum capital lease payments	<u>\$ 3,940,828</u>

Total interest on leases for the year was \$174,448 (2021: \$194,236).



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 10 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2022	Net Book Value 2021 (restated Note 20)
	\$	\$
Sites	10,714,525	10,714,525
Buildings	117,200,030	117,747,252
Buildings - Capital Lease	3,169,269	3,462,722
Buildings - Work in Progress	450,052	179,715
Furniture & Equipment	2,390,341	2,689,947
Furniture & Equipment - Capital Lease	500,743	701,422
Furniture & Equipment - Work in Progress	-	-
Vehicles	950,196	998,825
Vehicles - Capital Lease	208	623
Computer Software	105,622	160,732
Computer Software - Work in Progress	222,156	170,644
Computer Equipment	2,474,405	2,359,766
Computer Equipment - Work in Progress	531,121	4,277
TOTAL	138,708,668	139,190,450

June 30, 2022

COST	Balance at	Additions	Disposals	Transfers	Balance at
	July 1, 2021			(WIP)	June 30, 2022
	\$	\$	\$	\$	\$
Sites	10,714,525				10,714,525
Buildings	240,022,642			4,416,873	244,439,515
Buildings - Capital Lease	5,869,062				5,869,062
Buildings - Work in Progress	179,715	4,687,210		(4,416,873)	450,052
Furniture & Equipment	4,727,877	162,803	(211,655)	8,354	4,687,379
Furniture & Equipment - Capital Lease	2,021,356		(29,129)		1,992,227
Furniture & Equipment - Work in Progress	-	8,354		(8,354)	-
Vehicles	2,104,063	163,787	(123,601)		2,144,249
Vehicles - Capital Lease	4,153				4,153
Computer Software	389,629		(169,911)	6,472	226,190
Computer Software - Work in Progress	170,644	57,984		(6,472)	222,156
Computer Hardware	3,809,583	61,676	(292,387)	879,788	4,458,660
Computer Hardware - Work in Progress	4,277	1,406,632		(879,788)	531,121
TOTAL	270,017,526	6,548,446	(826,683)	-	275,739,289

Amortization	Balance at	Additions	Disposals	Balance at
	July 1, 2021 (restated)			June 30, 2022
	\$	\$	\$	\$
Buildings	122,275,390	4,964,095		127,239,485
Buildings - Capital Lease	2,406,340	293,453		2,699,793
Furniture & Equipment	2,037,930	470,763	(211,655)	2,297,038
Furniture & Equipment - Capital Lease	1,319,934	200,679	(29,129)	1,491,484
Vehicles	1,105,238	212,416	(123,601)	1,194,053
Vehicles - Capital Lease	3,530	415		3,945
Computer Software	228,897	61,582	(169,911)	120,568
Computer Hardware	1,449,817	826,825	(292,387)	1,984,255
TOTAL	130,827,076	7,030,228	(826,683)	137,030,621



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 10 TANGIBLE CAPITAL ASSETS (Continued)

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 June 30, 2020 (restated)	Additions (restated)	Disposals	Balance at June 30, 2021 (restated)
	\$	\$	\$	\$
Buildings	117,396,857	4,878,533		122,275,390
Buildings - Capital Lease	2,112,887	293,453		2,406,340
Furniture & Equipment	1,933,456	448,291	(343,817)	2,037,930
Furniture & Equipment - Capital	1,131,833	207,130	(19,029)	1,319,934
Vehicles	945,420	201,235	(41,417)	1,105,238
Vehicles - Capital Lease	132,371	7,218	(136,059)	3,530
Computer Software	180,199	69,281	(20,583)	228,897
Computer Hardware	1,807,456	702,882	(1,060,521)	1,449,817
TOTAL	125,640,479	6,808,023	(1,621,426)	130,827,076

- Contributed tangible capital assets

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

	2022	2021
PAC & Municipality Funded Structures	\$ 51,576	\$ 81,141

- Work in progress having a value of \$1,203,329 (2021: \$354,636) has not been amortized. Amortization will commence when the asset is put into service.



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 11 EMPLOYEE PENSION PLANS

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

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

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2020, indicated a \$1,584 million surplus for basic pension benefits on a going concern basis.

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

The school district paid \$14,346,241 for employer contributions to the plans for the year ended June 30, 2022 (2021: \$14,055,287).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2023. The next valuation for the Municipal Pension Plan will be as at December 31, 2021, with results available in 2022.

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



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 12 INTERFUND TRANSFERS

Interfund transfers between the Operating, Special Purpose and Capital funds for the year ended June 30, 2022, were as follows:

- **Capital Lease Principal:** A transfer to the Capital Fund of \$438,823 consisting of \$437,379 from the Operating Fund and \$1,444 from Special Purpose Funds covered the 2021-22 short-term principal portion of the School District's capital leases.
- **Capital Lease Interest:** A transfer in the amount of \$174,448 consisting of \$174,343 from the Operating Fund and \$105 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 \$367,544 consisting of \$305,868 from the Operating Fund and \$61,676 from Special Purpose Funds were made to the Capital Fund for the purchase of capital items, including equipment, furniture, and vehicles.
- **Capital Projects:** Transfers in the amount of \$1,880,709 consisting of \$1,267,735 from the Operating Fund and \$612,974 from Special Purpose Funds were made to the Capital Fund. These funds paid for buildings, computer hardware, software, furniture and equipment.

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. Related party amounts included within accounts receivable, accounts payable and accrued liabilities are non-interest bearing with no defined terms of repayment.

NOTE 14 CONTRACTUAL OBLIGATIONS

The School District has a commitment of \$1,899,000 for Ministry funded capital projects, including roofing and HVAC upgrades over the next 12 months.

NOTE 15 CONTINGENT LIABILITIES

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, 2022**

NOTE 16 BUDGET FIGURES

The School District has elected to present the amended annual budget in the financial statements as it reflects a budget based on funding as a result of final enrollment numbers versus estimated annual projections. The amended annual budget was approved by the Board of Education on February 22, 2022. The original annual budget was approved by the Board of Education on May 11, 2021 and is shown below for comparative purposes.

	<u>2022</u>	<u>2022</u>	<u>2022</u>
	ORIGINAL	ADJUSTMENTS	AMENDED
	BUDGET	BUDGET	BUDGET
REVENUES			
Provincial Grants			
Provincial Grants - Ministry of Education	\$ 168,640,684	\$ 2,729,252	\$ 171,369,936
Provincial Grants - Other	917,039	(47,000)	870,039
Federal Grants	1,010,154	86,386	1,096,540
Tuition	8,713,049	(160,986)	8,552,063
Other Revenue	6,872,820	578,354	7,451,174
Rentals and Leases	752,375	(186,000)	566,375
Investment Income	302,900	(5,000)	297,900
Amortization of Deferred Capital Revenue	4,452,369	(1,751)	4,450,618
Total Revenue	<u>191,661,390</u>	<u>2,993,255</u>	<u>194,654,645</u>
EXPENSES			
Instruction	161,775,097	7,388,051	169,163,148
District Administration	5,492,090	438,142	5,930,232
Operations and Maintenance	25,580,687	2,081,959	27,662,646
Transportation and Housing	1,067,796	1,076	1,068,872
Debt Services	213,114	(38,772)	174,342
Total Expense	<u>194,128,784</u>	<u>9,870,456</u>	<u>203,999,240</u>
Surplus (Deficit) for the year	<u>\$ (2,467,394)</u>	<u>\$ (6,877,201)</u>	<u>\$ (9,344,595)</u>



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 17 EXPENSE BY OBJECT

	2022	2021 (restated)
Salaries and benefits	\$ 175,346,890	\$ 170,096,206
Services and supplies	18,536,706	18,283,474
Interest	174,448	194,236
Amortization	7,030,228	6,808,023
	\$ 201,088,272	\$ 195,381,939

NOTE 18 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted (appropriated) by Board for:

Constraints on Funds		
• Contractual Obligations	\$ 572,685	
• Donor Named Funds	46,674	
• School Generated Funds (Note 6)	2,024,003	
• Other Externally Targeted Funds	462,804	3,106,166
Anticipated Unusual Expenses		
• Staffing Contingencies	1,546,039	
• Additional Sick Leave Provision	342,000	
• Insurance Deductible	10,000	1,898,039
Operations Spanning Multiple Years		
• School Funds	2,294,836	
• Education Programs	2,247,564	
• Business Projects and Initiatives	242,653	
• Technology, Utilities, Equipment and Capital	3,259,492	8,044,545
Subtotal Internally Restricted		\$ 13,048,750
Unrestricted Operating Surplus		1,016,803
Total Available for Future Operations		\$ 14,065,553

NOTE 19 ECONOMIC DEPENDENCE

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



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 20 PRIOR PERIOD ADJUSTMENT

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

	<u>Balance as previously reported</u>	<u>Prior Period Adjustment - Increase/(Decrease)</u>	<u>Balance as restated</u>
Tangible Capital Assets	\$ 142,662,103	\$ (3,471,653)	\$ 139,190,450
Deferred Capital Revenue	107,909,062	(2,225,313)	105,683,749
Accumulated Surplus (Deficit)	51,421,635	(1,246,340)	50,175,295
Amortization of Deferred Capital Revenue	4,370,189	40,214	4,410,403
Operations & Maintenance Expense – Asset amortization	6,672,717	135,306	6,808,023
Accumulated Surplus – beginning of the year July 1, 2020	31,469,560	(1,151,248)	30,318,312

NOTE 21 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.



**SCHOOL DISTRICT NO. 37 (DELTA)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

NOTE 21 RISK MANAGEMENT *(Continued)*

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its cash equivalents. It is management’s opinion that the School District is not exposed to significant interest rate risk as its cash equivalents are held 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.

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

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

NOTE 22 SUPPLEMENTARY CASH FLOW INFORMATION

	2022				2021
	Operating Fund	Special Purpose Fund	Capital Fund	Total	Total
Interest Received	\$ 380,957	8,443	27,510	\$ 416,910	\$ 478,164
Interest Paid - Capital Lease	\$ -	-	174,448	\$ 174,448	\$ 194,236

NOTE 23 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year presentation.

School District No. 37 (Delta)

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

	Operating Fund	Special Purpose Fund	Capital Fund	2022 Actual	2021 Actual (Restated - Note 20)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	19,012,726		31,162,569	50,175,295	50,329,508
Prior Period Adjustments					(1,151,248)
Accumulated Surplus (Deficit), beginning of year, as restated	19,012,726	-	31,162,569	50,175,295	49,178,260
Changes for the year					
Surplus (Deficit) for the year	(2,761,847)	676,199	(2,390,493)	(4,476,141)	997,035
Interfund Transfers					
Tangible Capital Assets Purchased	(305,868)	(61,676)	367,544	-	
Tangible Capital Assets - Work in Progress	(1,267,735)	(612,974)	1,880,709	-	
Other	(611,723)	(1,549)	613,272	-	
Net Changes for the year	(4,947,173)	-	471,032	(4,476,141)	997,035
Accumulated Surplus (Deficit), end of year - Statement 2	14,065,553	-	31,633,601	45,699,154	50,175,295

School District No. 37 (Delta)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2022

	2022 Budget (Note 16) \$	2022 Actual \$	2021 Actual (Restated - Note 20) \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	154,946,199	155,981,150	157,767,962
Other	694,039	775,969	725,156
Federal Grants	1,096,540	1,214,995	1,057,741
Tuition	8,552,063	8,935,565	5,888,996
Other Revenue	1,956,874	6,490,423	1,995,515
Rentals and Leases	566,375	640,505	440,127
Investment Income	264,000	411,739	433,651
Total Revenue	168,076,090	174,450,346	168,309,148
Expenses			
Instruction	148,941,614	151,553,065	141,777,173
District Administration	5,194,374	5,451,543	4,935,507
Operations and Maintenance	19,765,452	19,062,482	17,472,371
Transportation and Housing	1,068,872	1,145,103	1,063,819
Total Expense	174,970,312	177,212,193	165,248,870
Operating Surplus (Deficit) for the year	(6,894,222)	(2,761,847)	3,060,278
Budgeted Appropriation (Retirement) of Surplus (Deficit)	8,707,811		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(173,101)	(305,868)	(691,513)
Tangible Capital Assets - Work in Progress	(1,028,766)	(1,267,735)	(1,597,282)
Local Capital			(6,982)
Other	(611,722)	(611,723)	(611,723)
Total Net Transfers	(1,813,589)	(2,185,326)	(2,907,500)
Total Operating Surplus (Deficit), for the year	-	(4,947,173)	152,778
Operating Surplus (Deficit), beginning of year		19,012,726	18,859,948
Operating Surplus (Deficit), end of year		14,065,553	19,012,726
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 18)		14,065,553	19,012,726
Total Operating Surplus (Deficit), end of year		14,065,553	19,012,726

School District No. 37 (Delta)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2022

	2022 Budget (Note 16)	2022 Actual	2021 Actual (Restated - Note 20)
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	152,843,298	153,563,545	150,413,053
ISC/LEA Recovery	(356,670)	(370,861)	(356,670)
Other Ministry of Education and Child Care Grants			
Pay Equity	2,171,545	2,171,545	2,171,545
Funding for Graduated Adults	230,400	337,011	454,451
Student Transportation Fund	41,933	41,933	41,933
Support Staff Benefits Grant		190,742	187,436
Teachers' Labour Settlement Funding			4,478,979
Early Career Mentorship Funding			355,000
FSA Scorer Grant	15,693	18,693	18,693
Early Learning Framework		3,542	3,542
Equity Scan		25,000	
Total Provincial Grants - Ministry of Education and Child Care	154,946,199	155,981,150	157,767,962
Provincial Grants - Other	694,039	775,969	725,156
Federal Grants	1,096,540	1,214,995	1,057,741
Tuition			
Summer School Fees	179,000	84,990	148,970
Continuing Education	646,380	482,320	444,607
International and Out of Province Students	7,524,498	8,033,439	5,176,001
Academy and IB Tuition Fees	202,185	334,816	119,418
Total Tuition	8,552,063	8,935,565	5,888,996
Other Revenues			
Other School District/Education Authorities	40,000	64,688	45,750
Funding from First Nations	362,190	370,861	356,670
Miscellaneous			
Instructional Cafeteria	330,000	285,525	107,043
Municipal Grant-Crossing Guards	103,456	111,126	103,456
Admin Fees	43,500	58,675	52,750
Teacher Training	201,205	148,652	222,624
International & Academies - Other	380,578	715,319	510,499
Miscellaneous	495,945	701,444	596,723
School Generated Funds		4,034,133	
Total Other Revenue	1,956,874	6,490,423	1,995,515
Rentals and Leases	566,375	640,505	440,127
Investment Income	264,000	411,739	433,651
Total Operating Revenue	168,076,090	174,450,346	168,309,148

School District No. 37 (Delta)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2022

	2022 Budget (Note 16) \$	2022 Actual \$	2021 Actual (Restated - Note 20) \$
Salaries			
Teachers	83,174,757	83,147,504	80,373,655
Principals and Vice Principals	9,531,247	9,567,434	9,230,971
Educational Assistants	13,078,970	13,277,696	12,113,155
Support Staff	13,699,698	13,637,849	12,554,891
Other Professionals	4,344,051	4,433,951	4,008,095
Substitutes	4,628,662	5,556,940	3,983,201
Total Salaries	128,457,385	129,621,374	122,263,968
Employee Benefits	32,101,527	32,158,902	30,732,921
Total Salaries and Benefits	160,558,912	161,780,276	152,996,889
Services and Supplies			
Services	4,469,475	4,296,398	4,122,718
Student Transportation	1,071,736	1,084,569	971,762
Professional Development and Travel	540,066	469,659	384,663
Rentals and Leases	55,202	46,172	18,923
Dues and Fees	196,102	201,050	160,249
Insurance	326,001	316,001	320,194
Supplies	5,171,089	6,312,346	3,761,385
Utilities	2,581,729	2,705,722	2,512,087
Total Services and Supplies	14,411,400	15,431,917	12,251,981
Total Operating Expense	174,970,312	177,212,193	165,248,870

School District No. 37 (Delta)

Operating Expense by Function, Program and Object

Year Ended June 30, 2022

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	57,688,969	1,285,822	673,790	48,103		2,959,537	62,656,221
1.03 Career Programs	848,549		203,372			24,334	1,076,255
1.07 Library Services	2,092,109	9,202		70,872		108,135	2,280,318
1.08 Counselling	3,400,858					3,094	3,403,952
1.10 Special Education	14,114,810	492,181	11,466,473	128,889	183,791	1,524,227	27,910,371
1.30 English Language Learning	2,298,715	139,606	215,390			84,972	2,738,683
1.31 Indigenous Education	625,247	65,743	165,887	7,856	16,529	16,813	898,075
1.41 School Administration		6,598,095		2,787,025	10,347	160,013	9,555,480
1.60 Summer School	186,319		8,102	4,463			198,884
1.61 Continuing Education	449,315	285,919		236,550	96,459	21,020	1,089,263
1.62 International and Out of Province Students	915,313	435,194	82,183	590,433	175,713	47,932	2,246,768
1.64 Other	526,715	113,408	462,499	236,027	16,684	68,657	1,423,990
Total Function 1	83,146,919	9,425,170	13,277,696	4,110,218	499,523	5,018,734	115,478,260
4 District Administration							
4.11 Educational Administration				58,050	837,411		895,461
4.40 School District Governance					214,413		214,413
4.41 Business Administration				920,655	1,679,765	11,262	2,611,682
Total Function 4	-	-	-	978,705	2,731,589	11,262	3,721,556
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration		142,264		398,140	1,016,472	28,244	1,585,120
5.50 Maintenance Operations	585			7,584,886	163,586	335,880	8,084,937
5.52 Maintenance of Grounds				565,900		93,449	659,349
5.56 Utilities							-
Total Function 5	585	142,264	-	8,548,926	1,180,058	457,573	10,329,406
7 Transportation and Housing							
7.41 Transportation and Housing Administration					22,781		22,781
7.70 Student Transportation						69,371	69,371
Total Function 7	-	-	-	-	22,781	69,371	92,152
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	83,147,504	9,567,434	13,277,696	13,637,849	4,433,951	5,556,940	129,621,374

School District No. 37 (Delta)

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

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2022 Actual	2022 Budget (Note 16)	2021 Actual (Restated - Note 20)
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	62,656,221	15,805,872	78,462,093	4,281,959	82,744,052	79,408,616	78,797,946
1.03 Career Programs	1,076,255	275,325	1,351,580	18,361	1,369,941	1,470,285	1,252,570
1.07 Library Services	2,280,318	550,458	2,830,776	78,519	2,909,295	2,995,097	2,652,729
1.08 Counselling	3,403,952	786,861	4,190,813	2,043	4,192,856	4,407,241	3,744,633
1.10 Special Education	27,910,371	6,817,625	34,727,996	1,037,514	35,765,510	35,310,912	33,129,991
1.30 English Language Learning	2,738,683	673,662	3,412,345	8,102	3,420,447	3,376,581	3,107,654
1.31 Indigenous Education	898,075	222,499	1,120,574	70,180	1,190,754	1,347,392	1,077,055
1.41 School Administration	9,555,480	2,269,089	11,824,569	17,609	11,842,178	11,835,541	11,608,228
1.60 Summer School	198,884	29,655	228,539	4,780	233,319	393,013	337,927
1.61 Continuing Education	1,089,263	258,818	1,348,081	137,253	1,485,334	1,444,670	1,322,474
1.62 International and Out of Province Students	2,246,768	564,640	2,811,408	1,031,833	3,843,241	4,251,080	2,695,245
1.64 Other	1,423,990	313,010	1,737,000	819,138	2,556,138	2,701,186	2,050,721
Total Function 1	115,478,260	28,567,514	144,045,774	7,507,291	151,553,065	148,941,614	141,777,173
4 District Administration							
4.11 Educational Administration	895,461	186,614	1,082,075	183,100	1,265,175	1,157,018	1,204,342
4.40 School District Governance	214,413	11,662	226,075	100,559	326,634	320,464	315,843
4.41 Business Administration	2,611,682	649,616	3,261,298	598,436	3,859,734	3,716,892	3,415,322
Total Function 4	3,721,556	847,892	4,569,448	882,095	5,451,543	5,194,374	4,935,507
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,585,120	385,806	1,970,926	584,592	2,555,518	2,599,940	2,568,309
5.50 Maintenance Operations	8,084,937	2,197,963	10,282,900	2,250,076	12,532,976	13,273,463	11,299,129
5.52 Maintenance of Grounds	659,349	149,888	809,237	270,562	1,079,799	1,063,772	910,094
5.56 Utilities	-	-	-	2,894,189	2,894,189	2,828,277	2,694,839
Total Function 5	10,329,406	2,733,657	13,063,063	5,999,419	19,062,482	19,765,452	17,472,371
7 Transportation and Housing							
7.41 Transportation and Housing Administration	22,781	4,478	27,259	-	27,259	26,239	25,751
7.70 Student Transportation	69,371	5,361	74,732	1,043,112	1,117,844	1,042,633	1,038,068
Total Function 7	92,152	9,839	101,991	1,043,112	1,145,103	1,068,872	1,063,819
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	129,621,374	32,158,902	161,780,276	15,431,917	177,212,193	174,970,312	165,248,870

School District No. 37 (Delta)

Schedule of Special Purpose Operations

Year Ended June 30, 2022

Schedule 3 (Unaudited)

	2022 Budget (Note 16) \$	2022 Actual \$	2021 Actual (Restated - Note 20) \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	16,423,737	15,981,760	20,694,015
Other	176,000	266,164	147,360
Other Revenue	5,494,300	1,090,478	2,768,009
Investment Income	8,900	9,200	7,459
Total Revenue	22,102,937	17,347,602	23,616,843
Expenses			
Instruction	20,221,534	15,210,375	19,291,055
District Administration	735,858	647,160	658,434
Operations and Maintenance	953,869	813,868	3,174,339
Total Expense	21,911,261	16,671,403	23,123,828
Special Purpose Surplus (Deficit) for the year	191,676	676,199	493,015
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(61,676)	(193,953)
Tangible Capital Assets - Work in Progress	(191,676)	(612,974)	(297,513)
Other		(1,549)	(1,549)
Total Net Transfers	(191,676)	(676,199)	(493,015)
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, 2022

	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			269,364	2,754,397		25,677		89,109	
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	601,974	537,031			224,000	58,800	248,895	596,455	767,671
Provincial Grants - Other									
Other			49,762	902,595					
Investment Income	2,905	79	2,487					1,301	
	604,879	537,110	52,249	902,595	224,000	58,800	248,895	597,756	767,671
Less: Allocated to Revenue	604,879	537,110	38,260	861,484	224,000	53,252	248,895	572,510	767,671
Recovered									
Reclass. Non-Restricted School Generated Funds to Operating				1,928,079					
Deferred Revenue, end of year	-	-	283,353	867,429	-	31,225	-	114,355	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	601,974	537,031			224,000	53,252	248,895	571,209	767,671
Provincial Grants - Other									
Other Revenue			36,293	861,484					
Investment Income	2,905	79	1,967					1,301	
	604,879	537,110	38,260	861,484	224,000	53,252	248,895	572,510	767,671
Expenses									
Salaries									
Teachers						2,525	96,539		
Principals and Vice Principals									
Educational Assistants		417,345			161,370			390,343	307,839
Support Staff	103,289								66,273
Other Professionals								38,278	
Substitutes	13,862				5,588	5,049	297		211,487
	117,151	417,345	-	-	166,958	7,574	96,836	428,621	585,599
Employee Benefits	26,726	119,765			57,042	1,249	22,714	119,844	143,350
Services and Supplies	277,277		38,260	861,484		44,429	82,591	24,045	38,722
	421,154	537,110	38,260	861,484	224,000	53,252	202,141	572,510	767,671
Net Revenue (Expense) before Interfund Transfers	183,725	-	-	-	-	-	46,754	-	-
Interfund Transfers									
Tangible Capital Assets Purchased									
Tangible Capital Assets - Work in Progress	(183,725)						(46,754)		
Other									
	(183,725)	-	-	-	-	-	(46,754)	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 37 (Delta)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

	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 / Restart: Health & Safety Grant	Federal Safe Return to Class / Ventilation Fund	Early Childhood Education Dual Credit Program	New Horizons for Seniors
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		972,177	52		10,244				11,498
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	7,877,585	1,688,035		120,482	9,900	373,236	299,470	60,000	
Provincial Grants - Other									
Other									
Investment Income									
	7,877,585	1,688,035	-	120,482	9,900	373,236	299,470	60,000	-
Less: Allocated to Revenue	7,877,585	1,023,732	52	107,976	15,247	294,159	67,983	16,795	-
Recovered		972,177							
Reclass. Non-Restricted School Generated Funds to Operating									
Deferred Revenue, end of year	-	664,303	-	12,506	4,897	79,077	231,487	43,205	11,498
Revenues									
Provincial Grants - Ministry of Education and Child Care	7,877,585	1,023,732	52	107,976	15,247	294,159	67,983	16,795	
Provincial Grants - Other									
Other Revenue									
Investment Income									
	7,877,585	1,023,732	52	107,976	15,247	294,159	67,983	16,795	-
Expenses									
Salaries									
Teachers	6,274,723	376,075							
Principals and Vice Principals									
Educational Assistants		3,819							
Support Staff						133,113			
Other Professionals									
Substitutes		29,168		26,400	13,311				
	6,274,723	409,062	-	26,400	13,311	133,113	-	-	-
Employee Benefits	1,602,862	85,075		1,049	1,736	21,588			
Services and Supplies		390,083	52	80,527	200	139,458		16,795	
	7,877,585	884,220	52	107,976	15,247	294,159	-	16,795	-
Net Revenue (Expense) before Interfund Transfers	-	139,512	-	-	-	-	67,983	-	-
Interfund Transfers									
Tangible Capital Assets Purchased									
Tangible Capital Assets - Work in Progress		(139,512)					(67,983)		
Other									
	-	(139,512)	-	-	-	-	(67,983)	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 37 (Delta)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2022

	PRP Assessment Unit	Enh.Settlement Workers in Schls (ESWIS)	Erase Grant	Ntwks Inq & Inv/ Aborig.Enh.Schls (NOIIE/AESN)	Youth Train in Trades	Community Schools Partnership	TOTAL
	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		59,948		312,681			4,505,147
Add: Restricted Grants							
Provincial Grants - Ministry of Education and Child Care	3,573,848						17,037,382
Provincial Grants - Other			100,500	56,017	101,000		257,517
Other				258,551		50,000	1,260,908
Investment Income				3,234			10,006
	3,573,848	-	100,500	317,802	101,000	50,000	18,565,813
Less: Allocated to Revenue	3,573,848	1,773	100,500	219,305	90,586	50,000	17,347,602
Recovered							972,177
Reclass. Non-Restricted School Generated Funds to Operating							1,928,079
Deferred Revenue, end of year	-	58,175	-	411,178	10,414	-	2,823,102
Revenues							
Provincial Grants - Ministry of Education and Child Care	3,573,848			351			15,981,760
Provincial Grants - Other		1,773	100,500	73,305	90,586		266,164
Other Revenue				142,701		50,000	1,090,478
Investment Income				2,948			9,200
	3,573,848	1,773	100,500	219,305	90,586	50,000	17,347,602
Expenses							
Salaries							
Teachers	1,521,695						8,271,557
Principals and Vice Principals	335,933						335,933
Educational Assistants							1,280,716
Support Staff	226,698				33,587		562,960
Other Professionals						40,733	79,011
Substitutes							305,162
	2,084,326	-	-	-	33,587	40,733	10,835,339
Employee Benefits	512,614				6,394	9,267	2,731,275
Services and Supplies	738,683	1,773	100,500	219,305	50,605		3,104,789
	3,335,623	1,773	100,500	219,305	90,586	50,000	16,671,403
Net Revenue (Expense) before Interfund Transfers	238,225	-	-	-	-	-	676,199
Interfund Transfers							
Tangible Capital Assets Purchased	(61,676)						(61,676)
Tangible Capital Assets - Work in Progress	(175,000)						(612,974)
Other	(1,549)						(1,549)
	(238,225)	-	-	-	-	-	(676,199)
Net Revenue (Expense)	-	-	-	-	-	-	-

School District No. 37 (Delta)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2022

	2022	2022 Actual			2021
	Budget (Note 16)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual (Restated - Note 20)
	\$	\$	\$	\$	\$
Revenues					
Investment Income	25,000		27,510	27,510	42,580
Gain (Loss) on Disposal of Tangible Capital Assets		303,608		303,608	
Amortization of Deferred Capital Revenue	4,450,618	4,483,065		4,483,065	4,410,403
Total Revenue	4,475,618	4,786,673	27,510	4,814,183	4,452,983
Expenses					
Operations and Maintenance				-	6,982
Amortization of Tangible Capital Assets					
Operations and Maintenance	6,943,325	7,030,228		7,030,228	6,808,023
Debt Services					
Capital Lease Interest	174,342		174,448	174,448	194,236
Total Expense	7,117,667	7,030,228	174,448	7,204,676	7,009,241
Capital Surplus (Deficit) for the year	(2,642,049)	(2,243,555)	(146,938)	(2,390,493)	(2,556,258)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	173,101	367,544		367,544	885,466
Tangible Capital Assets - Work in Progress	1,220,442	1,880,709		1,880,709	1,894,795
Local Capital				-	6,982
Capital Lease Payment	611,722		613,272	613,272	613,272
Total Net Transfers	2,005,265	2,248,253	613,272	2,861,525	3,400,515
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(303,608)	303,608	-	
Principal Payment					
Capital Lease		438,823	(438,823)	-	
Total Other Adjustments to Fund Balances		135,215	(135,215)	-	
Total Capital Surplus (Deficit) for the year	(636,784)	139,913	331,119	471,032	844,257
Capital Surplus (Deficit), beginning of year		30,877,201	285,368	31,162,569	31,469,560
Prior Period Adjustments					
Conversion to half-year rule of amortization					(1,151,248)
Capital Surplus (Deficit), beginning of year, as restated		30,877,201	285,368	31,162,569	30,318,312
Capital Surplus (Deficit), end of year		31,017,114	616,487	31,633,601	31,162,569

School District No. 37 (Delta)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2022

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	10,714,525	245,891,704	6,749,233	2,108,216	389,629	3,809,583	269,662,890
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Other			20,722				20,722
Operating Fund			142,081	163,787			305,868
Special Purpose Funds						61,676	61,676
Transferred from Work in Progress		4,416,873	8,354		6,472	879,788	5,311,487
	-	4,416,873	171,157	163,787	6,472	941,464	5,699,753
Decrease:							
Deemed Disposals			240,784	123,601	169,911	292,387	826,683
	-	-	240,784	123,601	169,911	292,387	826,683
Cost, end of year	10,714,525	250,308,577	6,679,606	2,148,402	226,190	4,458,660	274,535,960
Work in Progress, end of year		450,052			222,156	531,121	1,203,329
Cost and Work in Progress, end of year	10,714,525	250,758,629	6,679,606	2,148,402	448,346	4,989,781	275,739,289
Accumulated Amortization, beginning of year		122,072,862	3,020,407	1,003,358	189,937	1,068,859	127,355,423
Prior Period Adjustments							
Conversion to half-year rule method of amortization		2,608,868	337,457	105,410	38,960	380,958	3,471,653
Accumulated Amortization, beginning of year, as restated		124,681,730	3,357,864	1,108,768	228,897	1,449,817	130,827,076
Changes for the Year							
Increase: Amortization for the Year		5,257,548	671,442	212,831	61,582	826,825	7,030,228
Decrease:							
Deemed Disposals			240,784	123,601	169,911	292,387	826,683
			240,784	123,601	169,911	292,387	826,683
Accumulated Amortization, end of year		129,939,278	3,788,522	1,197,998	120,568	1,984,255	137,030,621
Tangible Capital Assets - Net	10,714,525	120,819,351	2,891,084	950,404	327,778	3,005,526	138,708,668

School District No. 37 (Delta)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2022

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	179,715		170,644	4,277	354,636
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	4,129,175				4,129,175
Deferred Capital Revenue - Other	112,548	5,000		32,748	150,296
Operating Fund	18,779		57,984	1,190,972	1,267,735
Special Purpose Funds	426,708	3,354		182,912	612,974
	<u>4,687,210</u>	<u>8,354</u>	<u>57,984</u>	<u>1,406,632</u>	<u>6,160,180</u>
Decrease:					
Transferred to Tangible Capital Assets	4,416,873	8,354	6,472	879,788	5,311,487
	<u>4,416,873</u>	<u>8,354</u>	<u>6,472</u>	<u>879,788</u>	<u>5,311,487</u>
Net Changes for the Year	<u>270,337</u>	<u>-</u>	<u>51,512</u>	<u>526,844</u>	<u>848,693</u>
Work in Progress, end of year	<u>450,052</u>	<u>-</u>	<u>222,156</u>	<u>531,121</u>	<u>1,203,329</u>

School District No. 37 (Delta)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2022

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	102,757,738	1,956,132	1,352,340	106,066,210
Prior Period Adjustments				
Conversion to half-year rule method of amortization	(2,107,084)	(43,940)	(74,289)	(2,225,313)
Deferred Capital Revenue, beginning of year, as restated	100,650,654	1,912,192	1,278,051	103,840,897
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions			20,722	20,722
Transferred from Work in Progress	3,933,471		150,296	4,083,767
	3,933,471	-	171,018	4,104,489
Decrease:				
Amortization of Deferred Capital Revenue	4,245,260	87,882	149,923	4,483,065
	4,245,260	87,882	149,923	4,483,065
Net Changes for the Year	(311,789)	(87,882)	21,095	(378,576)
Deferred Capital Revenue, end of year	100,338,865	1,824,310	1,299,146	103,462,321
Work in Progress, beginning of year	92,702			92,702
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	4,129,175		150,296	4,279,471
	4,129,175	-	150,296	4,279,471
Decrease				
Transferred to Deferred Capital Revenue	3,933,471		150,296	4,083,767
	3,933,471	-	150,296	4,083,767
Net Changes for the Year	195,704	-	-	195,704
Work in Progress, end of year	288,406	-	-	288,406
Total Deferred Capital Revenue, end of year	100,627,271	1,824,310	1,299,146	103,750,727

School District No. 37 (Delta)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2022

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
Balance, beginning of year	\$ 264,096	\$ 1,486,054	\$	\$	\$	\$ 1,750,150
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	3,938,050					3,938,050
Investment Income		15,322				15,322
Capital Assets from PAC and other external Non-Provincial Organizations					20,722	20,722
Work in Progress Donated by other external Non-Provincial Organizations					150,296	150,296
	<u>3,938,050</u>	<u>15,322</u>	<u>-</u>	<u>-</u>	<u>171,018</u>	<u>4,124,390</u>
Decrease:						
Transferred to DCR - Capital Additions					20,722	20,722
Transferred to DCR - Work in Progress	4,129,175				150,296	4,279,471
	<u>4,129,175</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>171,018</u>	<u>4,300,193</u>
Net Changes for the Year	<u>(191,125)</u>	<u>15,322</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(175,803)</u>
Balance, end of year	<u>72,971</u>	<u>1,501,376</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,574,347</u>