

**School District No. 8 - Kootenay Lake
Statement of Financial Information (SOFI)
For the Fiscal Year Ended June 30, 2019**

Prepared: December 20, 2019

Table of Contents

1. Approval of Statement of Financial Information.....	p. 3
2. Financial Information Act Submission Checklist.....	p. 4
3. Management Report.....	p. 5
4. Schedule of Debt.....	p. 6
5. Schedule of Guarantee & Indemnity Agreements.....	p. 7
6. Statement of Severance Agreements.....	p. 8
7. Schedule of Remuneration & Expenses.....	p. 9 - 14
8. Schedule of Payments for the Provision of Goods & Services.....	p. 15 - 17
9. Explanation of differences to Audited Financial Statements.....	p. 18
10. Audited Financial Statements.....	p. 19 - 58



SCHOOL DISTRICT STATEMENT OF FINANCIAL INFORMATION (SOFI)

6049

<small>SCHOOL DISTRICT NUMBER</small> 8	<small>NAME OF SCHOOL DISTRICT</small> Kootenay Lake	<small>YEAR</small> 2018-2019
<small>OFFICE LOCATION(S)</small> 811 Stanley St		<small>TELEPHONE NUMBER</small> 250.505.6681
<small>MAILING ADDRESS</small> 811 Stanley St		
<small>CITY</small> Nelson	<small>PROVINCE</small> BC	<small>POSTAL CODE</small> V1L 1N8
<small>NAME OF SUPERINTENDENT</small> Dr. Christine Perkins		<small>TELEPHONE NUMBER</small> 250.505.7037
<small>NAME OF SECRETARY TREASURER</small> Michael McLellan		<small>TELEPHONE NUMBER</small> 250.505.7039

DECLARATION AND SIGNATURES

We, the undersigned, certify that the attached is a correct and true copy of the Statement of Financial Information for the year ended
June 30, 2019

for School District No. 8 as required under Section 2 of the Financial Information Act.

<small>SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION</small> 	<small>DATE SIGNED</small>
<small>SIGNATURE OF SUPERINTENDENT</small> 	<small>DATE SIGNED</small>
<small>SIGNATURE OF SECRETARY TREASURER</small> 	<small>DATE SIGNED</small>

2. Financial Information Act-Submission Checklist

	Due Date
a) <input checked="" type="checkbox"/> A statement of assets and liabilities (audited financial statements).	September 30
b) <input checked="" type="checkbox"/> An operational statement including, i) a Statement of Income and ii) a Statement of Changes in Financial Position, or, if omitted, an explanation in the Notes to Financial Statements (audited financial statements)	September 30
c) <input checked="" type="checkbox"/> A schedule of debts (audited financial statements).	September 30
d) <input checked="" type="checkbox"/> A schedule of guarantee and indemnity agreements including the names of the entities involved and the amount of money involved. (Note: Nil schedules can be submitted December 31).	September 30
e) <input checked="" type="checkbox"/> A schedule of remuneration and expenses, including:	December 31
i) an alphabetical list of employees earning over \$75,000, the total amount of expenses paid to or on behalf of each employee for the year reported and a consolidated total for employees earning under \$75,000. If the total wages and expenses differs from the audited financial statements, an explanation is required.	
<input checked="" type="checkbox"/> ii) a list by name and position of Board Members with the amount of any salary and expenses paid to or on behalf of the member	
<input checked="" type="checkbox"/> iii) the number of severance agreements started during the fiscal year and the range of months' pay covered by the agreement, in respect of excluded employees. If there are no agreements to report, an explanation is required	
f) <input checked="" type="checkbox"/> An alphabetical list of suppliers receiving over \$25,000 and a consolidated total for those suppliers receiving less than \$25,000. If the total differs from the Audited Financial Statements, an explanation is required.	December 31
g) <input checked="" type="checkbox"/> Approval of Statement of Financial Information.	December 31
h) <input checked="" type="checkbox"/> A management report approved by the Chief Financial Officer	December 31

3. Management Report

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with Canadian generally accepted accounting principles and the integrity and objectivity of these statements are management's responsibility.

Management is also responsible for all other schedules of financial information and for ensuring this information is consistent, where appropriate, with the information contained in the financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Education is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and for approving the financial information included in the Statement of Financial Information.

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements as required by the *School Act*. Their examination does not relate to the other schedules of financial information required by the *Financial Information Act*. Their examination includes a review and evaluation of the board's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.

Signed on December 20, 2019, on behalf of School District No. 8:



Dr. Christine Perkins, Superintendent



Michael McLellan, Secretary-Treasurer

Prepared as required by Financial Information Regulation, Schedule 1, Section 9.

4. Schedule of Debt

Information on all long-term debt is included in the School District's Audited Financial Statements.

Prepared as required by Financial Information Regulation, Schedule 1, Section 4.

5. Schedule of Guarantee & Indemnity


School District No. 8 - Kootenay Lake has not given any guarantee or indemnity under the Guarantees and Indemnities Regulation.


Prepared as required by Financial Information Regulation, Schedule 1, Section 5.


6. Statement of Severance Agreements

There were no severance agreements made between School District No. 8 - Kootenay Lake and its non-unionized employees during the fiscal year ended June 30, 2019.


Prepared as required by Financial Information Regulation, Schedule 1, Sub-Section 6(7).

 School District No. 8 - Kootenay Lake			
7. Schedule of Remuneration & Expense			
Year Ended June 30, 2019			
Employee Name	2018-2019 Remuneration	2018-2019 Expense	
	\$	\$	
Hawkins, Karin	92,214.51	22.12	
Hawton, Todd	88,169.34	271.93	
Hayes, Patricia	86,891.14	-	
Hendry, Susan	75,399.90	93.60	
Hewson, Claire	76,863.94	5,987.35	
Higginbottom, Gail	126,048.55	24,394.26	
Hinke, Arnold	94,929.65	-	
Holitzki, Deanna	151,840.03	15,012.13	
Holland, Jillian	86,595.76	-	
Howald, Nicholas	107,867.90	10,600.78	
Hurley, Michael	126,572.20	571.39	
Johnson, Lianne	75,752.78	5,031.24	
Johnson, Tamara	94,960.70	50.00	
Jones, Lori	82,225.41	762.00	
Joyce, Michael	86,472.46	-	
Julien, Caroline	78,202.44	6,440.03	
Kalabis, Alexander	122,719.49	4,804.81	
Keenan, Teresa	93,717.54	180.78	
Kennedy, Heather J.	79,321.70	107.55	
Kepke, Allison	85,934.61	611.65	
Kidd, Jennifer	97,139.73	901.94	
Kilgour, Ronald S.	112,152.08	-	
King, Jessica	75,500.95	607.90	
Klan, Mark	81,222.93	-	
Knapik, Kathleen	92,594.13	4,625.88	
Konken, Jordon	110,556.47	2,053.09	
Kooznetsoff, Jennifer	87,622.22	42.51	
Kroker, Kari	97,607.97	48.91	
Kunzelman, Doug	86,876.96	-	
Lavallee, Stephanie	86,203.97	138.60	
Lawrence, Ailis	82,930.15	8,206.56	
Leathwood, Maureen	88,950.57	-	
Leeming, Daniel	80,018.43	94.50	
Lehnert, Julia	79,162.66	49.35	
Liddell, Simon	94,929.67	111.92	
Locke, Catherine	86,134.87	3,575.17	
Luck, Paul	121,739.66	2,362.44	
MacDonald, Kerri Lynn	86,521.31	19.58	
MacDonald, Sherry	85,390.91	-	
MacKay, Lindsay	119,231.66	1,459.96	

 School District No. 8 - Kootenay Lake			
7. Schedule of Remuneration & Expense			
Year Ended June 30, 2019			
	2018-2019	2018-2019	
Employee Name	Remuneration	Expense	
	\$	\$	
Oswald, Rielle	85,841.84	663.77	
Out, Linda	86,809.89	72.20	
Patience, Nancy-Jo	76,679.12	30.36	
Patience, Shaen	87,178.55	516.86	
Perkins, Christine*	162,057.78	41,537.68	
Pierson, Stephen	94,463.22	11,959.04	
Piro, Marcello	96,281.56	33.07	
Podovelnikoff, Jessica	80,138.46	-	
Poohachoff, Stacey	86,362.05	-	
Pozin, Lisa Michelle	92,609.15	-	
Poznikoff, Tanya	95,396.01	2,406.33	
Prentice, Sandra*	128,051.29	48,270.66	
Proctor, Staci	86,804.21	1,401.99	
Radcliffe, Elizabeth Alice	76,866.24	12.51	
Radridge, Laura	94,623.29	43.67	
Raines, Halii	86,746.31	837.03	
Reid, John	76,339.70	-	
Rendek, Cheryl	76,143.10	55.73	
Reska, Sabina	76,029.80	-	
Riehl, Laurie	76,658.84	2,699.91	
Robertson, Heather	78,747.52	265.72	
Rollins, Adrian	94,887.20	-	
Ross, Margaret	77,029.66	-	
Ross, Naomi	135,956.46	10,172.34	
Rude, Daniel	128,038.07	4,924.27	
Sabourin, Debbie	97,539.08	-	
Sandquist, Shelley	94,854.81	-	
Schmidt, Gary	94,929.65	-	
Schmidt, Jann	115,309.84	3,695.27	
Sheppard, Robyn	86,809.89	-	
Sherman, Ronald	132,670.36	4,755.32	
Sherstobitoff, Travis	86,544.43	145.20	
Shreeves, Peggy	86,541.14	-	
Simard, Robyn	95,053.84	221.14	
Simpson, Robert	126,830.85	8,386.95	
Snell, Dawn	99,870.77	7,602.20	
Solomon, Stacey	86,574.60	74.43	
Sookro, Larissa	76,619.12	18.98	
Stainer, Brian	89,756.87	-	
Stapleton, Korleen	86,878.55	67.15	

	School District No. 8 - Kootenay Lake		
8. Schedule of Payments for Goods & Services			
Year Ended June 30, 2019			
	Vendor Name	2018-2019 Goods & Services	
		\$	
Detailed Vendors > 25,000.00:			
	AL-VA IRRIGATION LTD	57,386.00	
	ANDREW SHERET LTD.	26,644.29	
	APPLE CANADA, INC	39,310.88	
	ARI FINANCIAL SERVICES T46163	114,404.76	
	BC SCHOOL TRUSTEES ASSOCIATION	49,911.13	
	BC TEACHERS FEDERATION	46,427.82	
	BI PURE WATER (CANADA) INC.	74,658.08	
	BILL'S HEAVY DUTY ENTERPRISES LTD.	71,131.20	
	BONNIE ROUTLEY	27,189.68	
	BRITISH COLUMBIA TEACHER FEDERATION	56,112.17	
	CANADIAN UNION OF PUBLIC EMPLOYEES	50,886.30	
	CAYENTA N. HARRIS COMPUTER CORP	153,149.40	
	CDW CANADA INC.	726,708.39	
	CITY OF NELSON	378,968.79	
	CORNERSTONE GENERAL CONTRACTING LTD	70,480.20	
	COWAN OFFICE SUPPLIES LTD.	36,495.78	
	DHC COMMUNICATIONS INC	49,424.54	
	EDEN DUPONT	59,177.61	
	EECOL ELECTRIC CORP	38,578.21	
	FAIRBANK ARCHITECTS LTD.	63,883.08	
	FOLLET SCHOOL SOLUTIONS	58,433.87	
	FORTISBC INC.	356,683.99	
	FORTISBC-NATURAL GAS	289,273.96	
	FSEAP VANCOUVER	49,572.00	
	FVBS INC.	74,484.78	
	GARAVENTA (CANADA) LTD	61,519.32	
	GRANT THORNTON LLP	38,325.00	
	GREAT WEST LIFE	83,933.54	
	GREEN ROOTS PLAY EQUIPMENT INC.	44,670.80	
	GUILLEVIN INTERNATIONAL CO.	40,374.45	
	HALBERT & KASER	26,881.29	
	HIL-TECH CONTRACTING LIMITED	1,197,845.37	
	IBM CANADA LTD.	105,042.00	
	INGRID SAVARD	58,806.49	
	INLAND ALLCARE	80,571.93	
	JK EXCAVATION LTD.	25,861.50	
	JY CONTRACTING LTD.	54,084.62	
	KELOWNA INFINITI NISSAN	27,351.68	

	School District No. 8 - Kootenay Lake		
	8. Schedule of Payments for Goods & Services		
	Year Ended June 30, 2019		
	Vendor Name	2018-2019 Goods & Services	
		\$	
KERR WOOD LEIDAL	27,134.92		
KOOTENAY KIDS SOCIETY	55,446.53		
KOOTENAY LAKE ELECTRIC LTD	45,771.37		
KOOTENAY LAKE TEACHERS FEDERATION	66,122.27		
M & K PLUMBING & HEATING CO. LTD	82,748.43		
MILLS PRINTING & STATIONARY CO. LTD	44,461.80		
MINISTER OF FINANCE - MCFD	70,000.00		
MINISTER OF FINANCE - MSP	328,630.84		
MUNICIPAL PENSION FUND	1,084,927.15		
NELSON BUILDING CENTRE LTD.	58,023.33		
NELSON EDUCATION LTD.	28,464.55		
NORTH KOOTENAY LAKE COMMUNITY	49,112.00		
NORTHERN COMPUTER	82,371.44		
NORTHSTAR GM LTD.	34,377.30		
NUFLOORS	41,910.82		
PACIFIC BLUE CROSS	863,589.95		
PCSS TRUST FUND	44,120.51		
PEAK ENVIRONMENTAL LTD.	84,706.46		
PEBT IN TRUST C/O MORNEAU SHEPELL	1,212,628.34		
PROVINCE OF BRITISH COLUMBIA - EHT	238,649.96		
RECEIVER GENERAL	2,332,910.28		
RFS CANADA	77,472.90		
RICOH CANADA INC.	72,211.54		
ROBOTIX EDUCATION	64,631.72		
ROCKY MOUNTAIN ENERGY	393,399.00		
ROYAL BANK OF CANADA	31,157.99		
S.C.RESTORATIONS LTD.	74,956.28		
SARA STONEHOUSE	27,376.88		
SELKIRK COLLEGE	63,494.84		
SFJ INC.	50,171.07		
SOTROPA COMMUNICATIONS	93,698.33		
SPORTFACTOR INC.	48,423.86		
SUNCOR ENERGY PRODUCTS PARTNERSHIP	27,354.42		
SUPERIOR PROPANE INC	166,726.23		
SWING TIME DISTRIBUTORS LTD.	89,662.16		
TEACHERS' PENSION FUND	3,221,156.32		
TELUS COMMUNICATIONS	81,897.23		
TELUS MOBILITY (BC)	67,332.46		
TERUS CONSTRUCTION LTD	105,292.07		
THE KASLO PUMP	28,137.46		

	School District No. 8 - Kootenay Lake		
	8. Schedule of Payments for Goods & Services		
	Year Ended June 30, 2019		
		2018-2019	
	Vendor Name	Goods & Services	
		\$	
	TOMKO SPORTS SYSTEMS INC.	51,522.83	
	TOWN OF CRESTON	29,282.15	
	TRAVEL HEALTHCARE INSURANCE SOL	47,930.00	
	TROY LIFE & FIRE SAFETY LTD.	44,753.60	
	VALLEY COMMUNITY SERVICES	87,583.00	
	VERITIV CANADA, INC.	48,923.49	
	WASTE MANAGEMENT	94,129.84	
	WESTERN CANADA BUS	1,031,287.04	
	WOOD WYANT INC.	43,107.78	
	WORKSAFE BC	257,365.83	
	Total Detailed Vendors > 25,000.00	18,261,191.47	
	Total Vendors <= 25,000.00	4,969,475.70	
	Total payments for Goods & Services	23,230,667.17	

9. Explanation of differences to Audited Financial Statements

Schedule of Remuneration and Expenses

The Schedule of Remuneration and Expenses is prepared on a cash basis whereas the salaries and benefits in the Audited Financial Statements are on an accrual basis.

Schedule of Goods and Services

The Schedule of Goods and Services is prepared on a cash basis whereas expenditures in the Audited Financial Statements are on an accrual basis.

Payments to suppliers on the Schedule of Goods and Services include 100% of the Goods and Services tax whereas expenditures in the Financial Statements are net of GST rebates.

The Schedule of Goods and Services includes payments made on behalf of third parties, such as Parent Advisory Councils, which are recovered from these groups on the Audited Financial Statements.

Repayments to benefits suppliers shown on the Schedule of Goods and Services include amounts also shown as remuneration on the Schedule of Remuneration and Expense.

Audited Financial Statements of

School District No. 8 (Kootenay Lake)

June 30, 2019

School District No. 8 (Kootenay Lake)

June 30, 2019

Table of Contents

Management Report	1
Independent Auditors' Report	2-3
Statement of Financial Position - Statement 1	4
Statement of Operations - Statement 2	5
Statement of Changes in Net Financial Assets (Debt) - Statement 4	6
Statement of Cash Flows - Statement 5	7
Notes to the Financial Statements	8-25
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited)	26
Schedule of Operating Operations - Schedule 2 (Unaudited)	27
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited)	28
Schedule 2B - Schedule of Operating Expense by Object (Unaudited)	29
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited)	30
Schedule of Special Purpose Operations - Schedule 3 (Unaudited)	32
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited)	33
Schedule of Capital Operations - Schedule 4 (Unaudited)	35
Schedule 4A - Tangible Capital Assets (Unaudited)	36
Schedule 4C - Deferred Capital Revenue (Unaudited)	37
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited)	38

School District No. 8 (Kootenay Lake)

MANAGEMENT REPORT

Version: 6660-5915-3932

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 8 (Kootenay Lake) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, 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.


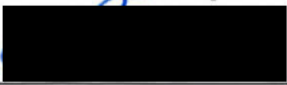

The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 8 (Kootenay Lake) (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 Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, Grant Thornton 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. 8 (Kootenay Lake) and meet when required. The accompanying Independent Auditors' 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. 8 (Kootenay Lake)

	<i>Sept 10/19</i>
Signature of the Chairperson of the Board of Education	Date Signed
	<i>Sept 10, 2019</i>
Signature of the Superintendent	Date Signed
	<i>Sep 10, 2019</i>
Signature of the Secretary Treasurer	Date Signed

Independent auditor's report

To the Board of Education of
School District No. 8 (Kootenay Lake) and the Ministry of Education

Grant Thornton LLP
200-1633 Ellis Street
Kelowna, BC
V1Y 2A8
T +1 250 712 6800
F +1 250 712 6850

Opinion

We have audited the financial statements of School District No. 8 (Kootenay Lake), ("the District"), which comprise the statement of financial position as at June 30, 2019, and the statement of operations, statement of changes in net financial assets (debt), and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of School District No. 8 (Kootenay Lake) as at June 30, 2019 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 ("Section 23.1").

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 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

Without modifying our opinion, 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.

Other Matters

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. The supplementary information included in Schedules 1 through 4 is presented for purposes of additional information and is not a required part of the financial statements. Such information has been subject to the auditing procedures applied, only to the extent necessary to express an opinion in the audit of the financial statements taken as a whole.

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, 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 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 District 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.

Kelowna, Canada
September 10, 2019






Chartered Professional Accountants

School District No. 8 (Kootenay Lake)

Statement 1

Statement of Financial Position

As at June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents (Note 3)	11,145,611	12,085,782
Accounts Receivable		
Due from Province - Ministry of Education	26,863	832,677
Other (Note 4)	370,299	254,798
Portfolio Investments (Note 5)	87,152	87,534
Total Financial Assets	<u>11,629,925</u>	<u>13,260,791</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	-	41,093
Other (Note 6)	4,467,192	4,930,360
Unearned Revenue (Note 7)	683,017	1,198,163
Deferred Revenue (Note 8)	2,341,518	2,084,072
Deferred Capital Revenue (Note 9)	49,450,686	49,298,323
Employee Future Benefits (Note 10)	742,886	816,307
Total Liabilities	<u>57,685,299</u>	<u>58,368,318</u>
Net Financial Assets (Debt)	<u>(46,055,374)</u>	<u>(45,107,527)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 11)	71,054,116	69,783,389
Prepaid Expenses	233,955	107,890
Total Non-Financial Assets	<u>71,288,071</u>	<u>69,891,279</u>
Accumulated Surplus (Deficit)	<u>25,232,697</u>	<u>24,783,752</u>
Contractual Obligations (Note 16)		
Contingent Liabilities (Note 17)		
Approved by the Board		
	<i>Sept 10/19</i>	Date Signed
Signature of the Chairperson of the Board of Education	<i>Sept 10, 2019</i>	Date Signed
	<i>Sep 10, 2019</i>	Date Signed
Signature of the Superintendent	<i>Sep 10, 2019</i>	Date Signed
	<i>Sep 10, 2019</i>	Date Signed
Signature of the Secretary Treasurer	<i>Sep 10, 2019</i>	Date Signed

School District No. 8 (Kootenay Lake)

Statement of Operations
Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	59,543,000	59,557,061	57,503,560
Other	427,123	407,866	246,709
Tuition	2,361,056	2,340,737	1,991,224
Other Revenue	2,839,540	3,199,413	3,195,780
Rentals and Leases	124,228	127,371	131,596
Investment Income	131,082	185,416	126,989
Gain (Loss) on Disposal of Tangible Capital Assets (Note 12)		122,499	16,250
Amortization of Deferred Capital Revenue	2,586,568	2,586,568	2,625,307
Total Revenue	<u>68,012,597</u>	<u>68,526,931</u>	<u>65,837,415</u>
Expenses			
Instruction	52,712,977	51,548,234	49,538,552
District Administration	2,969,129	2,849,642	2,743,062
Operations and Maintenance	10,332,307	10,845,172	10,467,880
Transportation and Housing	2,648,808	2,834,938	2,794,027
Total Expense	<u>68,663,221</u>	<u>68,077,986</u>	<u>65,543,521</u>
Surplus (Deficit) for the year	<u>(650,624)</u>	<u>448,945</u>	<u>293,894</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		24,783,752	24,489,858
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>25,232,697</u></u>	<u><u>24,783,752</u></u>

School District No. 8 (Kootenay Lake)

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(650,624)	448,945	293,894
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(4,470,237)	(4,888,567)	(2,541,716)
Amortization of Tangible Capital Assets	3,230,207	3,230,202	3,307,879
Net carrying value of Tangible Capital Assets disposed of	-	387,638	-
Total Effect of change in Tangible Capital Assets	(1,240,030)	(1,270,727)	766,163
Acquisition of Prepaid Expenses	-	(233,955)	(107,890)
Use of Prepaid Expenses	-	107,890	59,501
Total Effect of change in Other Non-Financial Assets	-	(126,065)	(48,389)
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>(1,890,654)</u>	(947,847)	1,011,668
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		(947,847)	1,011,668
Net Financial Assets (Debt), beginning of year		(45,107,527)	(46,119,195)
Net Financial Assets (Debt), end of year		(46,055,374)	(45,107,527)

School District No. 8 (Kootenay Lake)

Statement of Cash Flows
Year Ended June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	448,945	293,894
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	690,313	(751,252)
Prepaid Expenses	(126,065)	(48,389)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(504,261)	956,380
Unearned Revenue	(515,146)	368,391
Deferred Revenue	257,446	(524,355)
Employee Future Benefits	(73,421)	(70,513)
Loss (Gain) on Disposal of Tangible Capital Assets	(122,499)	(16,250)
Amortization of Tangible Capital Assets	3,230,202	3,307,879
Amortization of Deferred Capital Revenue	(2,586,568)	(2,625,307)
Non-Cash Adjustment to Other Capital	(154,339)	-
Total Operating Transactions	<u>544,607</u>	<u>890,478</u>
Capital Transactions		
Tangible Capital Assets Purchased	(4,888,567)	(2,541,716)
District Portion of Proceeds on Disposal	137,500	16,250
Total Capital Transactions	<u>(4,751,067)</u>	<u>(2,525,466)</u>
Financing Transactions		
Capital Revenue Received	3,265,907	2,054,035
Total Financing Transactions	<u>3,265,907</u>	<u>2,054,035</u>
Investing Transactions		
Proceeds on Disposal of Portfolio Investments	382	3,558
Total Investing Transactions	<u>382</u>	<u>3,558</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(940,171)</u>	422,605
Cash and Cash Equivalents, beginning of year	<u>12,085,782</u>	11,663,177
Cash and Cash Equivalents, end of year	<u>11,145,611</u>	<u>12,085,782</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	11,145,611	12,085,782
Cash Equivalents	-	-
	<u>11,145,611</u>	<u>12,085,782</u>

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 1 AUTHORITY AND PURPOSE

The School District No. 8 (Kootenay Lake) (the "School District"), established on December 2, 1996 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. 8 (Kootenay Lake)", and operates as "School District No. 8 (Kootenay Lake)." A board of education ("Board") comprised of nine Trustees is elected to a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the School District and is principally funded by the Province of British Columbia through the Ministry of Education. The School District is exempt from federal and provincial corporate income taxes.

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.

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

- Year-ended June 30, 2019 – increase in annual surplus of \$458,031
- June 30, 2019 – increase in accumulated surplus and decrease in deferred contributions by \$48,873,824
- Year-ended June 30, 2018 – decrease in annual surplus of \$435,789
- June 30, 2018 – increase in accumulated surplus and decrease in deferred contributions by \$48,415,793

b) Cash and Cash Equivalents

Cash and cash equivalents include cash balances and term deposits 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 to meet short-term cash commitments rather than to seek an investment return.

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Accounts Receivable

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

d) Portfolio Investments

The School District has an investment in a mutual fund, which is quoted in an active market and reported at fair value, and the associated transaction costs are expensed upon initial recognition. The change in the fair value is recognized in the Statement of Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are realized on disposal. Upon disposal, any accumulated remeasurement gains or losses associated with the portfolio investments are reclassified to the Statement of Operations.

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations. In the case of an item in the fair value category, a reversal of any net remeasurement gains recognized in previous reporting periods up to the amount of the write-down is reported in the Statement of Remeasurement Gains and Losses. The loss is not reversed if there is a subsequent increase in value.

Detailed information regarding portfolio investments is disclosed in Note 5.

e) Unearned Revenue

Unearned revenue includes tuition fees received for courses to be delivered in future periods (such as for the School District's International and Distance Education programs). 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.

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

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

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 (EARSL) 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.

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) Asset Retirement Obligations

A liability is 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
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

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

i) Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use all the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the School district:
 - is directly responsible; or
 - accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

j) Prepaid Expenses

Prepaid software licenses, membership fees, insurance and annual utilities costs are included as prepaid expenses and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

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

k) 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

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 14 – Interfund Transfers and Note 20 – Internally Restricted Surplus). Funds and reserves are disclosed on Schedules 1, 2, 3 and 4.

SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019

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
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

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.

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.

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

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

o) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and accrued liabilities and other liabilities. Unless otherwise noted, it is management's opinion that the School District is not exposed to significant credit, liquidity or market risks arising from these financial instruments.

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. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the Statement of Remeasurement Gains and Losses. Upon settlement, the cumulative gain or loss is reclassified from the Statement of Remeasurement Gains and Losses and recognized in the Statement of Operations. Interest and dividends attributable to financial instruments are reported in the Statement of Operations.

All financial assets 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. Significant areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 3 CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents are funds in the amount of \$809,711 (2018 - \$855,391), which are restricted and paid out to teachers who contribute to and take part in the District's self-funded summer saving plan.

NOTE 4 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2019	2018
GST rebate	\$ 66,232	\$ 83,435
Other school districts	102,818	3,586
Invoices receivable	159,799	117,241
Other receivables	41,450	50,536
	\$ 370,299	\$ 254,798

NOTE 5 PORTFOLIO INVESTMENTS

	2019	2018
Investments in the fair value category:		
Mutual Fund	\$ 87,152	\$ 87,534

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2019	2018
Trade payables	\$ 2,645,003	\$ 988,683
Salaries and benefits payable	565,433	2,676,592
Accrued vacation pay	447,045	409,694
Teacher 12-month pay accrual	809,711	855,391
	\$ 4,467,192	\$ 4,930,360

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 7 UNEARNED REVENUE

	2019	2018
Balance, beginning of year	\$ 1,198,163	\$ 829,772
Increases:		
Tuition fees	659,267	1,127,163
Other Grants	-	47,250
	659,267	1,174,413
Decreases:		
Tuition fees	(1,127,163)	(803,772)
Other Grants	(47,250)	(2,250)
	(1,174,413)	(806,022)
Balance, end of year	\$ 683,017	\$ 1,198,163

NOTE 8 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. Detailed information about the changes in deferred revenue is included in Schedule 3A.

	2019	2018
Balance, beginning of year	\$ 2,084,072	\$ 2,608,427
Add: Restricted grants	10,597,221	8,231,319
Less: Allocated to revenue	(10,339,775)	(8,755,674)
Balance, end of year	\$ 2,341,518	\$ 2,084,072

NOTE 9 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. Detailed information about the changes in deferred capital revenue is included in Schedules 4C and 4D.

	2019	2018
Balance, beginning of year	\$ 49,298,323	\$ 49,869,595
Add: Contributions received in the year	2,853,407	2,005,285
Add: Restricted proceeds of disposal – Property Sales	412,500	48,750
Less: Amortization of deferred capital revenue	(2,586,568)	(2,625,307)
Less: Revenues recognized on Disposal of Buildings	(372,637)	-
Less: Transfers to operating	(154,339)	-
Balance, end of year	\$ 49,450,686	\$ 49,298,323

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 10 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.

	2019	2018
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 970,134	\$ 991,910
Service Cost	75,639	70,265
Interest Cost	26,938	27,517
Benefit Payments	(198,645)	(143,671)
Actuarial Loss	351,939	24,113
Accrued Benefit Obligation – March 31	\$ 1,226,005	\$ 970,134

Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$ 1,226,005	\$ 970,134
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(1,226,005)	(970,134)
Employer Contributions After Measurement Date	58,072	53,454
Benefits Expense After Measurement Date	(37,106)	(25,645)
Unamortized Net Actuarial (Gain) Loss	462,151	126,018
Accrued Benefit Asset (Liability) – June 30	\$ (742,888)	\$ (816,307)

Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$ 816,307	\$ 886,820
Net expense for Fiscal Year	129,844	111,810
Employer Contributions	(203,265)	(182,323)
Accrued Benefit Liability – June 30	\$ 742,886	\$ 816,307

	2019	2018
Components of Net Benefit Expense		
Service Cost	\$ 86,047	\$ 71,609
Interest Cost	27,991	27,372
Amortization of Net Actuarial (Gain)/Loss	15,806	12,829
Net Benefit Expense (Income)	\$ 129,844	\$ 111,810

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

	2019	2018
Discount Rate – April 1	2.75%	2.75%
Discount Rate – March 31	2.50%	2.75%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	9.5	8.1

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 11 TANGIBLE CAPITAL ASSETS

Net Book Value:	2019	2018
Sites	\$ 9,039,595	\$ 9,054,596
Buildings	57,542,233	57,780,597
Vehicles	3,029,053	2,355,009
Furniture and Equipment	764,742	466,862
Computer Hardware	678,493	120,192
Computer Software	-	6,133
Total	\$ 71,054,116	\$ 69,783,389

June 30, 2019	Balance at			Balance at
Cost	July 1, 2018	Additions	Disposals	June 30, 2019
Sites	\$ 9,054,596	\$ -	\$ (15,001)	\$ 9,039,595
Buildings	128,726,356	2,782,352	(1,326,463)	130,182,245
Vehicles	4,261,860	1,100,230	(10,124)	5,351,966
Furniture and equipment	1,035,557	401,436	(299,063)	1,137,930
Computer hardware	231,246	604,549	-	835,795
Computer software	30,695	-	(30,695)	-
Total	\$ 143,340,310	\$ 4,888,567	\$ (1,681,346)	\$ 146,547,531

Accumulated Amortization	Balance at			Balance at
	July 1, 2018	Additions	Disposals	June 30, 2019
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	70,945,759	2,648,079	(953,826)	72,640,012
Vehicles	1,906,851	426,186	(10,124)	2,322,913
Furniture and equipment	568,695	103,556	(299,063)	373,188
Computer hardware	111,054	46,248	-	157,302
Computer software	24,562	6,133	(30,695)	-
Total	\$ 73,556,921	\$ 3,230,202	\$ (1,293,708)	\$ 75,493,415

June 30, 2018	Balance at			Balance at
Cost	July 1, 2017	Additions	Disposals	June 30, 2018
Sites	\$ 9,054,596	\$ -	\$ -	\$ 9,054,596
Buildings	126,522,210	2,204,146	-	128,726,356
Vehicles	5,000,504	149,128	(887,772)	4,261,860
Furniture and equipment	1,193,157	188,442	(346,042)	1,035,557
Computer hardware	273,079	-	(41,833)	231,246
Computer software	96,819	-	(66,124)	30,695
Total	\$ 142,140,365	\$ 2,541,716	\$ (1,341,771)	\$ 143,340,310

Accumulated Amortization	Balance at			Balance at
	July 1, 2017	Additions	Disposals	June 30, 2018
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	68,334,429	2,611,330	-	70,945,759
Vehicles	2,291,368	503,255	(887,772)	1,906,851
Furniture and equipment	795,421	119,316	(346,042)	568,695
Computer hardware	98,272	54,615	(41,833)	111,054
Computer software	71,323	19,363	(66,124)	24,562
Total	\$ 71,590,813	\$ 3,307,879	\$ (1,341,771)	\$ 73,556,921

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 12 DISPOSAL OF SITES AND BUILDINGS

On January 2, 2019, the School District sold the Creston Education Centre property and the Canyon Street property adjacent to Prince Charles Secondary School (the “Creston Properties”) for gross proceeds of \$550,000.

The Creston Education Centre property was acquired by predecessor School District No. 86 in 1960 for a purchase price of \$15,000. The original construction, a substantial expansion renovation and various improvements through the years cost an estimated \$837,896, of which \$206,973 remained unamortized at the time of the sale.

The Canyon Street property is part of a property that was acquired by predecessor School District No. 5 for \$1.00 in 1946. The original construction, the secondary building construction and various improvements through the years cost an estimated \$488,567, of which \$180,665 remained unamortized at the time of the sale.

As the acquisition of the properties and construction of the buildings was not funded with School District or predecessor school district Local Capital funds, 75% of the proceeds and gain on disposal are required to be held as Ministry of Education Restricted Capital for use towards future site and building purchases in the District. Therefore, \$412,500 (75%) was allocated to the Ministry of Education Restricted Capital within Deferred Capital Revenues and \$137,500 (25%) was allocated to the School District’s Local Capital fund. These transactions are shown on Schedules 4D and 4, respectively.

The School District recognized a gain on sale of the properties \$122,499 in these financial statements, which is its unrestricted \$137,500 portion of the sale proceeds less the \$15,001 cost of the land.

NOTE 13 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers’ Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, 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, 2017, the Teachers’ Pension Plan had about 46,000 active members and approximately 38,000 retired members. As of December 31, 2017, the Municipal Pension Plan had about 197,000 active members, including approximately 24,000 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.

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 13 EMPLOYEE PENSION PLANS *(Continued)*

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

The most recent available actuarial valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million basic pension benefits funding surplus. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rate remained unchanged.

The school district paid \$4,641,097 for employer contributions to the plans for the year ended June 30, 2019 (2018: \$4,908,773).

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, 2018, with results available in 2019.

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 14 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2019, were as follows:

- Tangible capital assets purchased from operating funds – \$1,048,875 (2018 – \$181,967)
- Operating funds transferred to local capital – \$nil (2018 – \$557,179)
- Tangible capital assets purchased from special purpose funds – \$81,958 (2018 – \$170,231)

NOTE 15 RELATED PARTY TRANSACTIONS

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

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 16 CONTRACTUAL OBLIGATIONS

The School District has entered into a number of multiple-year contracts for office equipment, computer software and vehicles. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

Contractual obligations	2020	2021	2022	2023	2024
Future operating lease payments	\$86,808	\$28,305	\$6,605	\$21,700	\$21,700

NOTE 17 CONTINGENT LIABILITIES

The School District is involved in certain legal actions. Some of these legal actions are managed and covered by the British Columbia Schools Protection Program. The outcome of these matters cannot be determined at this time. In the event that any claims are successful, it is management’s opinion that the settlements of such claims would not have a material effect on the financial position of the Schools District. The resulting loss on the School District, if any, will be recorded in the period in which it is determinable.

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The fair value of the liability for asbestos removal or disposal will be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. As at June 30, 2019 the liability is not reasonably determinable.

NOTE 18 BUDGET FIGURES

Budget figures included in the financial statements are the School District’s amended annual budget adopted by the Board of Education on February 26, 2019 and reflect more current estimates on student FTE, classroom enhancement funding, revenues and expenditures. The original budget was approved by the Board through the adoption of an annual budget on May 22, 2018. Significant changes between the original and amended budget are as follows:

	Original Budget	Amended Budget	Change
Revenue			
Provincial Grants MOE	\$ 57,892,758	\$ 59,543,000	\$ 1,650,242
Tuition	1,590,300	2,361,056	770,756
Other	5,918,568	6,108,541	189,973
	<u>\$ 65,401,626</u>	<u>\$ 68,012,597</u>	<u>\$ 2,610,971</u>
Expenses			
Instruction	\$ 50,476,550	\$ 52,712,977	\$ 2,236,427
District Administration	2,755,233	2,969,129	213,896
Operations and Maintenance	10,422,579	10,332,307	(90,272)
Transportation and Housing	2,376,571	2,648,808	272,237
	<u>\$ 66,030,933</u>	<u>\$ 68,663,221</u>	<u>\$ 2,632,288</u>

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 19 EXPENSE BY OBJECT

The following are total expenses from operating, special and capital funds:

	2019	2018
Salaries and benefits	\$ 52,930,557	\$ 50,381,226
Services and supplies	11,917,227	11,854,416
Amortization of tangible capital assets	3,230,202	3,307,879
	\$ 68,077,986	\$ 65,543,521

NOTE 20 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

	2019	2018
Internally restricted (appropriated) by Board for:		
Schools and other programs	\$ 61,838	\$ 50,849
Community Grants Unspent	15,000	32,837
International program	76,000	76,000
Contractual Pro-D	112,703	117,904
Baragar Systems	108,050	-
Aboriginal Education	-	8,098
Technology Projects	-	636,000
BC Supplement for Education	-	80,708
General Ledger Alignment to Min. of Education	-	20,000
Subtotal internally restricted	\$373,591	1,022,396
District reserve	500,000	500,000
Unrestricted operating surplus	973,802	528,144
Total available for future operations	\$ 1,847,393	\$ 2,050,540

NOTE 21 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.

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 22 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 term deposits and mutual funds.

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 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 investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in term deposits that have a maturity date of no more than 3 years, and mutual funds.

**SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019**

NOTE 22 RISK MANAGEMENT *(Continued)*

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.

NOTE 23 COMPARATIVE FIGURES

Certain of the prior year's figures have been reclassified to conform to the current year's financial statement presentation. There was no impact on net surplus or deficit in the prior year.

School District No. 8 (Kootenay Lake)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2019

	Operating Fund	Special Purpose Fund	Capital Fund	2019 Actual	2018 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	2,050,540		22,733,212	24,783,752	24,489,858
Changes for the year					
Surplus (Deficit) for the year	845,728	81,958	(478,741)	448,945	293,894
Interfund Transfers					
Tangible Capital Assets Purchased	(1,048,875)	(81,958)	1,130,833	-	
Net Changes for the year	(203,147)	-	652,092	448,945	293,894
Accumulated Surplus (Deficit), end of year - Statement 2	1,847,393	-	23,385,304	25,232,697	24,783,752

School District No. 8 (Kootenay Lake)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	51,910,493	52,166,484	51,585,200
Other	427,123	407,866	246,709
Tuition	2,361,056	2,340,737	1,991,224
Other Revenue	279,217	295,989	365,641
Rentals and Leases	124,228	127,371	131,596
Investment Income	60,000	97,248	90,658
Total Revenue	<u>55,162,117</u>	<u>55,435,695</u>	<u>54,411,028</u>
Expenses			
Instruction	42,799,145	41,759,686	41,203,118
District Administration	2,935,229	2,790,714	2,602,410
Operations and Maintenance	6,962,100	7,204,629	7,050,644
Transportation and Housing	2,648,808	2,834,938	2,794,027
Total Expense	<u>55,345,282</u>	<u>54,589,967</u>	<u>53,650,199</u>
Operating Surplus (Deficit) for the year	<u>(183,165)</u>	<u>845,728</u>	<u>760,829</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>650,624</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(467,459)	(1,048,875)	(181,967)
Local Capital			(557,179)
Total Net Transfers	<u>(467,459)</u>	<u>(1,048,875)</u>	<u>(739,146)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(203,147)</u>	<u>21,683</u>
Operating Surplus (Deficit), beginning of year		2,050,540	2,028,857
Operating Surplus (Deficit), end of year		<u>1,847,393</u>	<u>2,050,540</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		873,591	1,522,396
Unrestricted		973,802	528,144
Total Operating Surplus (Deficit), end of year		<u>1,847,393</u>	<u>2,050,540</u>

School District No. 8 (Kootenay Lake)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	51,145,820	51,144,631	50,504,495
ISC/LEA Recovery	(152,417)	(64,533)	(100,801)
Other Ministry of Education Grants			
Pay Equity	300,996	300,996	300,996
Funding for Graduated Adults	16,730	29,938	24,245
Transportation Supplement	419,602	419,602	419,602
Economic Stability Dividend	-	53,671	29,195
Return of Administrative Savings			252,383
Carbon Tax Grant	80,000	63,305	72,053
Employer Health Tax Grant	-	119,112	-
Strategic Priorities - Mental Health Grant	35,000	35,000	-
NGN Self-Provisioned Sites	39,575	39,575	52,766
Provincial Assessment Grant	8,187	8,187	8,187
Access Grants	5,000	5,000	5,000
Professional Learning Grant	9,000	9,000	-
Miscellaneous	3,000	3,000	17,079
Total Provincial Grants - Ministry of Education	51,910,493	52,166,484	51,585,200
Provincial Grants - Other	427,123	407,866	246,709
Tuition			
International and Out of Province Students	2,234,056	2,309,337	1,961,224
Distance Learning/Correspondence Course Fees	127,000	31,400	30,000
Total Tuition	2,361,056	2,340,737	1,991,224
Other Revenues			
Other School District/Education Authorities	-	90,328	82,170
LEA Funding from First Nations	152,417	50,538	97,223
Miscellaneous			
Private School Bussing	47,000	79,470	80,942
DASH/ASSAI Grant	69,000	50,000	57,000
Art Starts Grants	10,800	10,370	-
United Way Grant	-	6,750	-
Miscellaneous	-	8,533	48,306
Total Other Revenue	279,217	295,989	365,641
Rentals and Leases	124,228	127,371	131,596
Investment Income	60,000	97,248	90,658
Total Operating Revenue	55,162,117	55,435,695	54,411,028

School District No. 8 (Kootenay Lake)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
Salaries			
Teachers	18,804,546	19,514,132	20,249,836
Principals and Vice Principals	3,744,074	3,809,854	3,536,790
Educational Assistants	3,590,034	3,863,032	3,388,207
Support Staff	5,957,855	6,478,893	6,643,278
Other Professionals	1,447,685	1,555,282	1,376,230
Substitutes	1,809,103	1,921,384	1,766,043
Total Salaries	35,353,297	37,142,577	36,960,384
Employee Benefits	11,086,989	9,226,212	8,865,362
Total Salaries and Benefits	46,440,286	46,368,789	45,825,746
Services and Supplies			
Services	1,773,899	1,494,406	1,241,597
Student Transportation	384,716	131,115	127,118
Professional Development and Travel	1,108,027	1,171,653	1,108,384
Rentals and Leases	167,981	157,646	125,388
Dues and Fees	51,356	83,298	56,042
Insurance	141,599	176,464	157,442
Interest	-	-	-
Supplies	3,862,188	3,664,848	3,722,699
Utilities	1,415,230	1,341,748	1,285,783
Total Services and Supplies	8,904,996	8,221,178	7,824,453
Total Operating Expense	55,345,282	54,589,967	53,650,199

School District No. 8 (Kootenay Lake)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

	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	17,373,191	214,762	62,898	208,117		1,334,509	19,193,477
1.03 Career Programs	15,360					9,986	25,346
1.07 Library Services	130,356			115,863		819	247,038
1.08 Counselling	267,522						267,522
1.10 Special Education	1,177,580	37,654	3,531,735	89,342	148,195	125,394	5,109,900
1.30 English Language Learning	7,201						7,201
1.31 Aboriginal Education	292,655	174,481	229,954		2,273	3,422	702,785
1.41 School Administration		3,247,985		1,004,815		45,044	4,297,844
1.62 International and Out of Province Students	144,320	126,473	38,445	68,483		4,390	382,111
1.64 Other							-
Total Function 1	19,408,185	3,801,355	3,863,032	1,486,620	150,468	1,523,564	30,233,224
4 District Administration							
4.11 Educational Administration	105,947	8,499		53,600	317,586	3,014	488,646
4.40 School District Governance					123,027	-	123,027
4.41 Business Administration				309,728	556,890	1,617	868,235
Total Function 4	105,947	8,499	-	363,328	997,503	4,631	1,479,908
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				75,279	396,204	801	472,284
5.50 Maintenance Operations				2,906,115		218,789	3,124,904
5.52 Maintenance of Grounds				216,956			216,956
5.56 Utilities							-
Total Function 5	-	-	-	3,198,350	396,204	219,590	3,814,144
7 Transportation and Housing							
7.41 Transportation and Housing Administration				46,161	11,107		57,268
7.70 Student Transportation				1,384,434		173,599	1,558,033
Total Function 7	-	-	-	1,430,595	11,107	173,599	1,615,301
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	19,514,132	3,809,854	3,863,032	6,478,893	1,555,282	1,921,384	37,142,577

School District No. 8 (Kootenay Lake)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	19,193,477	4,500,108	23,693,585	2,040,082	25,733,667	24,136,356	24,740,525
1.03 Career Programs	25,346	5,139	30,485	4,765	35,250	-	45,330
1.07 Library Services	247,038	70,578	317,616	26,160	343,776	733,042	389,981
1.08 Counselling	267,522	62,556	330,078	400	330,478	735,148	391,166
1.10 Special Education	5,109,900	1,561,819	6,671,719	290,773	6,962,492	7,888,711	7,603,142
1.30 English Language Learning	7,201	1,684	8,885		8,885	49,025	12,975
1.31 Aboriginal Education	702,785	181,381	884,166	208,246	1,092,412	1,342,249	1,136,793
1.41 School Administration	4,297,844	1,024,802	5,322,646	110,699	5,433,345	6,128,239	5,069,117
1.62 International and Out of Province Students	382,111	89,232	471,343	1,293,619	1,764,962	1,728,875	1,738,716
1.64 Other	-	-	-	54,419	54,419	57,500	75,373
Total Function 1	30,233,224	7,497,299	37,730,523	4,029,163	41,759,686	42,799,145	41,203,118
4 District Administration							
4.11 Educational Administration	488,646	105,828	594,474	383,665	978,139	1,128,938	862,766
4.40 School District Governance	123,027	4,421	127,448	172,076	299,524	277,224	215,044
4.41 Business Administration	868,235	199,045	1,067,280	445,771	1,513,051	1,529,067	1,524,600
Total Function 4	1,479,908	309,294	1,789,202	1,001,512	2,790,714	2,935,229	2,602,410
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	472,284	97,374	569,658	197,922	767,580	988,890	604,922
5.50 Maintenance Operations	3,124,904	837,081	3,961,985	617,852	4,579,837	4,311,038	4,809,114
5.52 Maintenance of Grounds	216,956	45,473	262,429	253,034	515,463	255,942	350,825
5.56 Utilities	-	-	-	1,341,749	1,341,749	1,406,230	1,285,783
Total Function 5	3,814,144	979,928	4,794,072	2,410,557	7,204,629	6,962,100	7,050,644
7 Transportation and Housing							
7.41 Transportation and Housing Administration	57,268	14,880	72,148	14,502	86,650	71,524	68,677
7.70 Student Transportation	1,558,033	424,811	1,982,844	765,444	2,748,288	2,577,284	2,725,350
Total Function 7	1,615,301	439,691	2,054,992	779,946	2,834,938	2,648,808	2,794,027
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	37,142,577	9,226,212	46,368,789	8,221,178	54,589,967	55,345,282	53,650,199

School District No. 8 (Kootenay Lake)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2019

	2019 Budget	2019 Actual	2018 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	7,632,507	7,390,577	5,918,360
Other Revenue	2,560,323	2,903,424	2,830,139
Investment Income	35,082	45,774	7,175
Total Revenue	10,227,912	10,339,775	8,755,674
Expenses			
Instruction	9,913,832	9,788,548	8,335,434
District Administration	33,900	58,928	140,652
Operations and Maintenance	140,000	410,341	109,357
Total Expense	10,087,732	10,257,817	8,585,443
Special Purpose Surplus (Deficit) for the year	140,180	81,958	170,231
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(140,180)	(81,958)	(170,231)
Total Net Transfers	(140,180)	(81,958)	(170,231)
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. 8 (Kootenay Lake)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2019

Schedule 3A (Unaudited)

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Rural Education Enhancement Fund
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	592	-	648,347	1,224,889	43,616	68,013	3,898	73,841	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education	279,588	200,515			160,000	49,000	86,997	601,899	404,624
Other			59,365	2,973,109					
Investment Income			19,573	26,200					
	279,588	200,515	78,938	2,999,309	160,000	49,000	86,997	601,899	404,624
Less: Allocated to Revenue	280,180	200,515	36,407	2,835,047	159,704	38,158	80,522	619,381	404,624
Deferred Revenue, end of year	-	-	690,878	1,389,151	43,912	78,855	10,373	56,359	-
Revenues									
Provincial Grants - Ministry of Education	280,180	200,515			159,704	38,158	80,522	619,381	404,624
Other Revenue			16,834	2,808,846					
Investment Income			19,573	26,201					
	280,180	200,515	36,407	2,835,047	159,704	38,158	80,522	619,381	404,624
Expenses									
Salaries									
Teachers									97,375
Principals and Vice Principals									128,660
Educational Assistants		145,173					19,637	159,146	
Support Staff	65,980	21			5,364			19,169	79,482
Other Professionals									
Substitutes		5,719				531	1,024	26,661	
	65,980	150,913	-	-	5,364	531	20,661	204,976	305,517
Employee Benefits	16,424	49,602			1,657		8,809	63,403	71,938
Services and Supplies	115,818	-	36,407	2,835,047	152,683	37,627	51,052	351,002	27,169
	198,222	200,515	36,407	2,835,047	159,704	38,158	80,522	619,381	404,624
Net Revenue (Expense) before Interfund Transfers	81,958	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(81,958)								
	(81,958)	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 8 (Kootenay Lake)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2019

	Coding and Curriculum Implementation	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	Donations	TOTAL
	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	-	-	20,876	2,084,072
Add: Restricted Grants						
Provincial Grants - Ministry of Education		232,432	5,293,656	131,291		7,440,002
Other					78,972	3,111,446
Investment Income						45,773
	-	232,432	5,293,656	131,291	78,972	10,597,221
Less: Allocated to Revenue	-	232,432	5,293,656	81,405	77,744	10,339,775
Deferred Revenue, end of year	-	-	-	49,886	22,104	2,341,518
Revenues						
Provincial Grants - Ministry of Education		232,432	5,293,656	81,405		7,390,577
Other Revenue					77,744	2,903,424
Investment Income						45,774
	-	232,432	5,293,656	81,405	77,744	10,339,775
Expenses						
Salaries						
Teachers		-	4,286,333	-		4,383,708
Principals and Vice Principals						128,660
Educational Assistants						323,956
Support Staff		109,973				279,989
Other Professionals		47,142				47,142
Substitutes		19,631		65,124		118,690
	-	176,746	4,286,333	65,124	-	5,282,145
Employee Benefits		44,186	1,007,323	16,281		1,279,623
Services and Supplies		11,500			77,744	3,696,049
	-	232,432	5,293,656	81,405	77,744	10,257,817
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	81,958
Interfund Transfers						
Tangible Capital Assets Purchased						(81,958)
	-	-	-	-	-	(81,958)
Net Revenue (Expense)	-	-	-	-	-	-

School District No. 8 (Kootenay Lake)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2019

	2019 Budget	2019 Actual			2018 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Investment Income	36,000		42,394	42,394	29,156
Gain (Loss) on Disposal of Tangible Capital Assets	-	122,499		122,499	16,250
Amortization of Deferred Capital Revenue	2,586,568	2,586,568		2,586,568	2,625,307
Total Revenue	2,622,568	2,709,067	42,394	2,751,461	2,670,713
Expenses					
Operations and Maintenance			-	-	
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,230,207	3,230,202		3,230,202	3,307,879
Total Expense	3,230,207	3,230,202	-	3,230,202	3,307,879
Capital Surplus (Deficit) for the year	(607,639)	(521,135)	42,394	(478,741)	(637,166)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	607,639	1,130,833		1,130,833	352,198
Local Capital				-	557,179
Total Net Transfers	607,639	1,130,833	-	1,130,833	909,377
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(137,500)	137,500	-	
Tangible Capital Assets Purchased from Local Capital		340,498	(340,498)	-	
Total Other Adjustments to Fund Balances		202,998	(202,998)	-	
Total Capital Surplus (Deficit) for the year	-	812,696	(160,604)	652,092	272,211
Capital Surplus (Deficit), beginning of year		21,367,595	1,365,617	22,733,212	22,461,001
Capital Surplus (Deficit), end of year		22,180,291	1,205,013	23,385,304	22,733,212

School District No. 8 (Kootenay Lake)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2019

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	9,054,596	128,726,356	1,035,557	4,261,860	30,695	231,246	143,340,310
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,024,140	87,985	1,039,064			3,151,189
Deferred Capital Revenue - Other			266,047				266,047
Operating Fund		335,756	47,404	61,166		604,549	1,048,875
Special Purpose Funds		81,958					81,958
Local Capital		340,498					340,498
	-	2,782,352	401,436	1,100,230	-	604,549	4,888,567
Decrease:							
Disposed of	15,001	1,326,463					1,341,464
Deemed Disposals			299,063	10,124	30,695		339,882
	15,001	1,326,463	299,063	10,124	30,695	-	1,681,346
Cost, end of year	9,039,595	130,182,245	1,137,930	5,351,966	-	835,795	146,547,531
Work in Progress, end of year							-
Cost and Work in Progress, end of year	9,039,595	130,182,245	1,137,930	5,351,966	-	835,795	146,547,531
Accumulated Amortization, beginning of year		70,945,759	568,695	1,906,851	24,562	111,054	73,556,921
Changes for the Year							
Increase: Amortization for the Year		2,648,079	103,556	426,186	6,133	46,248	3,230,202
Decrease:							
Disposed of		953,826					953,826
Deemed Disposals			299,063	10,124	30,695		339,882
		953,826	299,063	10,124	30,695	-	1,293,708
Accumulated Amortization, end of year		72,640,012	373,188	2,322,913	-	157,302	75,493,415
Tangible Capital Assets - Net	9,039,595	57,542,233	764,742	3,029,053	-	678,493	71,054,116

School District No. 8 (Kootenay Lake)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2019

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	47,533,211	592,928	289,654	48,415,793
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	3,151,189	266,047		3,417,236
	<u>3,151,189</u>	<u>266,047</u>	<u>-</u>	<u>3,417,236</u>
Decrease:				
Amortization of Deferred Capital Revenue	2,548,644	28,580	9,344	2,586,568
Revenue Recognized on Disposal of Buildings	372,637			372,637
	<u>2,921,281</u>	<u>28,580</u>	<u>9,344</u>	<u>2,959,205</u>
Net Changes for the Year	<u>229,908</u>	<u>237,467</u>	<u>(9,344)</u>	<u>458,031</u>
Deferred Capital Revenue, end of year	<u>47,763,119</u>	<u>830,395</u>	<u>280,310</u>	<u>48,873,824</u>
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Work in Progress, end of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Capital Revenue, end of year	<u>47,763,119</u>	<u>830,395</u>	<u>280,310</u>	<u>48,873,824</u>

School District No. 8 (Kootenay Lake)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2019

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
Balance, beginning of year	\$ 377,363	\$ 69,000	\$ 281,828	\$ -	\$ 154,339	\$ 882,530
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	2,773,826					2,773,826
Provincial Grants - Other			79,581			79,581
MEd Restricted Portion of Proceeds on Disposal		412,500				412,500
	<u>2,773,826</u>	<u>412,500</u>	<u>79,581</u>	<u>-</u>	<u>-</u>	<u>3,265,907</u>
Decrease:						
Transferred to DCR - Capital Additions	3,151,189		266,047			3,417,236
Transferred to Operations					154,339	154,339
	<u>3,151,189</u>	<u>-</u>	<u>266,047</u>	<u>-</u>	<u>154,339</u>	<u>3,571,575</u>
Net Changes for the Year	<u>(377,363)</u>	<u>412,500</u>	<u>(186,466)</u>	<u>-</u>	<u>(154,339)</u>	<u>(305,668)</u>
Balance, end of year	<u>-</u>	<u>481,500</u>	<u>95,362</u>	<u>-</u>	<u>-</u>	<u>576,862</u>