

Audited Financial Statements of

School District No. 5 (Southeast Kootenay)

And Independent Auditors' Report thereon

June 30, 2025

School District No. 5 (Southeast Kootenay)

June 30, 2025

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School District No. 5 (Southeast Kootenay)

MANAGEMENT REPORT

Version: 5062-4316-2334

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 5 (Southeast Kootenay) 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.



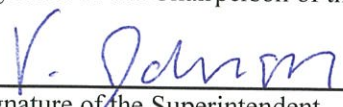
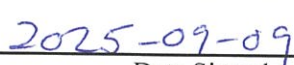
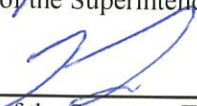
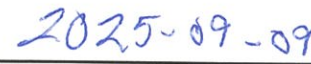
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 5 (Southeast Kootenay) (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, 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. 5 (Southeast Kootenay) 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. 5 (Southeast Kootenay)

	
Signature of the Chairperson of the Board of Education	Date Signed
	
Signature of the Superintendent	Date Signed
	
Signature of the Secretary Treasurer	Date Signed

Independent Auditor's Report

To the Board of Trustees of School District No. 5 (Southeast Kootenay)

Opinion

We have audited the financial statements of School District No. 5 (Southeast Kootenay) (the "School District"), which comprise the statement of financial position as at June 30, 2025, 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 of the School District as at and for the year ended June 30, 2025 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 (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. Note 2 to the Financial Statements discloses the impact of these differences between such basis of accounting and Canadian public sector accounting standards. Our opinion is not modified in respect of this matter.

Other Matters

We draw attention to the fact that the supplementary information included in Schedule 1 to 4 does 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.



Other Information

Management is responsible for the other information. The other information, other than the financial statements and our auditor's report thereon, includes the Financial Statement Discussion and Analysis.

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

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

Prior to the date of this auditor's report, we obtained the Financial Statement Discussion and Analysis prepared by management. If, based on the work we have performed on this information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

Management is responsible for the preparation of the financial statements in accordance with the Act, 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 School 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 School 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 School 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 School 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the School District to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the School District audit. We remain solely responsible for our audit opinion.

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

Salmon Arm, British Columbia
September 10, 2025

School District No. 5 (Southeast Kootenay)

Statement 1

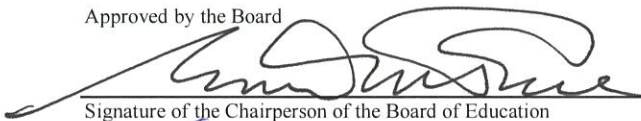
Statement of Financial Position

As at June 30, 2025

	2025 Actual	2024 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	21,706,648	18,212,873
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	750,000	-
Due from First Nations	120,940	106,629
Other (Note 3)	1,352,681	1,035,258
Total Financial Assets	23,930,269	19,354,760
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	8,106,114	8,422,459
Deferred Revenue	2,607,547	2,237,712
Deferred Capital Revenue (Note 6)	72,960,901	68,226,689
Employee Future Benefits (Note 7)	949,345	867,727
Asset Retirement Obligation (Note 8)	2,344,839	2,344,839
Capital Lease Obligations (Note 9)	899,120	429,417
Total Liabilities	87,867,866	82,528,843
Net Debt	(63,937,597)	(63,174,083)
Non-Financial Assets		
Tangible Capital Assets (Note 10)	92,850,476	89,252,664
Prepaid Expenses	695,515	536,636
Total Non-Financial Assets	93,545,991	89,789,300
Accumulated Surplus (Deficit)	29,608,394	26,615,217

Contractual Rights (Note 13)

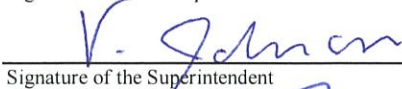
Approved by the Board



Signature of the Chairperson of the Board of Education

2025-09-09

Date Signed



Signature of the Superintendent

2025-09-09

Date Signed



Signature of the Secretary-Treasurer

2025-09-09

Date Signed

School District No. 5 (Southeast Kootenay)

Statement 2

Statement of Operations

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	92,582,394	94,242,091	92,448,991
Other	68,000	96,900	215,548
Federal Grants	103,074		
Other Revenue	1,377,424	3,801,804	3,321,948
Rentals and Leases	200,000	235,903	202,596
Investment Income	125,000	479,731	332,796
Amortization of Deferred Capital Revenue	3,440,477	3,413,136	3,313,977
Total Revenue	<u>97,896,369</u>	<u>102,269,565</u>	<u>99,835,856</u>
Expenses (Note 15)			
Instruction	79,401,558	80,787,441	78,316,454
District Administration	3,056,835	3,189,047	2,983,669
Operations and Maintenance	12,845,008	12,837,272	12,073,670
Transportation and Housing	2,396,289	2,383,398	2,490,310
Debt Services	26,000	79,230	16,422
Write-off/down of Buildings and Sites			(164,956)
Total Expense	<u>97,725,690</u>	<u>99,276,388</u>	<u>95,715,569</u>
Surplus (Deficit) for the year	<u>170,679</u>	<u>2,993,177</u>	<u>4,120,287</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		26,615,217	22,494,930
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>29,608,394</u></u>	<u><u>26,615,217</u></u>

School District No. 5 (Southeast Kootenay)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Surplus (Deficit) for the year	170,679	2,993,177	4,120,287
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(6,910,555)	(7,904,139)	(4,801,594)
Amortization of Tangible Capital Assets	4,124,371	4,306,327	4,116,528
Write-down carrying value of Tangible Capital Assets	-	-	893,883
Total Effect of change in Tangible Capital Assets	(2,786,184)	(3,597,812)	208,817
Acquisition of Prepaid Expenses	(200,000)	(695,515)	(536,636)
Use of Prepaid Expenses	200,000	536,636	1,222,119
Total Effect of change in Other Non-Financial Assets	-	(158,879)	685,483
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(2,615,505)</u>	<u>(763,514)</u>	5,014,587
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(763,514)	5,014,587
Net Debt, beginning of year		(63,174,083)	(68,188,670)
Net Debt, end of year		<u>(63,937,597)</u>	<u>(63,174,083)</u>

School District No. 5 (Southeast Kootenay)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2025

	2025 Actual \$	2024 Actual \$
Operating Transactions		
Surplus (Deficit) for the year	2,993,177	4,120,287
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(1,081,734)	1,066,795
Prepaid Expenses	(158,879)	685,483
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(316,345)	980,558
Deferred Revenue	369,835	411,168
Employee Future Benefits	81,617	89,409
Asset Retirement Obligations	-	(164,956)
Amortization of Tangible Capital Assets	4,306,327	4,116,528
Amortization of Deferred Capital Revenue	(3,413,136)	(3,313,977)
Total Operating Transactions	2,780,862	7,991,295
Capital Transactions		
Tangible Capital Assets Purchased	(7,233,450)	(4,572,179)
Total Capital Transactions	(7,233,450)	(4,572,179)
Financing Transactions		
Capital Revenue Received	8,147,348	4,563,741
Decrease in Capital Lease Obligation	(200,985)	(87,335)
Total Financing Transactions	7,946,363	4,476,406
Net Increase (Decrease) in Cash and Cash Equivalents	3,493,775	7,895,522
Cash and Cash Equivalents, beginning of year	18,212,873	10,317,351
Cash and Cash Equivalents, end of year	21,706,648	18,212,873
Cash and Cash Equivalents, end of year, is made up of:		
Cash	20,687,986	16,784,633
Cash Equivalents	1,018,662	1,428,240
	21,706,648	18,212,873

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 1 AUTHORITY AND PURPOSE

The School District operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 5 (Southeast Kootenay)" and operates as "School District No. 5 (Southeast Kootenay)." 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.

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(d) and 2(j).

In September 2010, the Province of British Columbia Treasury Board ("Treasury Board") provided directive through Government Organization Accounting Standards Regulation 257/2010 requiring all tax-payer supported organizations in the Schools, Universities, Colleges and Hospitals sector to adopt PSA standards of the Canadian Institute of Chartered Accountants ("CICA") without not-for-profit provisions from their first fiscal year commencing after January 1, 2012. In March 2011, PSAB released a new *Section PS 3410 "Government Transfers"*. 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. The Treasury Board direction on the accounting treatment of restricted contributions is as described in Notes 2(d) and 2(j).

As noted in notes 2 (d) and 2 (j), 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:

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Year-ended June 30, 2024 - understatement of revenue and annual deficit of \$227,956

June 30, 2024 - understatement of accumulated surplus and an overstatement of deferred capital revenue by \$66,962,130

Year-ended June 30, 2025 - overstatement of revenue and annual surplus of \$3,586,099

June 30, 2025 - understatement of accumulated surplus and an overstatement of deferred capital revenue by \$70,548,229

b) Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments 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) 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 (j).

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 NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) 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, 2025 and projected to March 31, 2025. The next valuation will be performed at March 31, 2028 for use at June 30, 2028. 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.

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) 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.

The liability for the removal of asbestos and other hazardous material in several of the buildings owned by the School District has been initially recognized using the modified retroactive method (Note 19). The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The resulting costs have been capitalized into the carrying amount of tangible capital assets and are being amortized on the same basis as the related tangible capital asset (Note 2(h)). Assumptions used in the calculations are reviewed annually.

g) 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 executory costs, e.g., insurance or maintenance costs. 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.

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.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- 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.
- 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 Hardware	5 years

i) Prepaid Expenses

Prepaid membership dues, insurance, travel expenses and software licensing fees are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

j) 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 within accumulated surplus when approved (see Note 16 – Internally Restricted Surplus – Operating Fund).

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

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 restricted 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. 5 (SOUTHEAST KOOTENAY)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

- 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.

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under a personal services contract are categorized as Principals and Vice-Principals.
- Superintendents, Secretary-Treasurers, Exempt Staff, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

l) Financial Instruments

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

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

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.

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

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

Financial instruments have been accounted for prospectively since June 30, 2013 in accordance with public sector accounting standards as described above.

m) 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.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Due from Federal Government	\$ 260,491	\$ 204,253
Employee benefit surplus	634,100	469,421
Other	458,090	361,584
	<u>\$ 1,352,681</u>	<u>\$ 1,035,258</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Trade payables	\$ 1,068,940	\$ 1,041,697
Salaries and benefits payable	7,037,174	7,380,762
	<u>\$ 8,106,114</u>	<u>\$ 8,422,459</u>

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 5 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.

	June 30, 2025	June 30, 2024
Ministry of Education Grants	\$ 1,260,595	\$ 961,587
School generated	435,843	399,510
Scholarships	838,591	821,615
Other	72,518	55,000
	<u>\$ 2,607,547</u>	<u>\$ 2,237,712</u>
	June 30, 2025	June 30, 2024
Balance, beginning of year	\$ 2,237,712	\$ 1,826,544
Changes for the year:		
Increase: Grants and contributions received		
Provincial	13,154,018	12,910,957
Other	2,746,533	2,349,970
Decrease: Grants and contributions recognized		
Provincial	(12,856,435)	(12,544,261)
Other	(2,674,281)	(2,305,498)
Balance, end of year	<u>\$ 2,607,547</u>	<u>\$ 2,237,712</u>

NOTE 6 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.

	June 30, 2025	June 30, 2024
Balance, beginning of year	\$ 68,226,689	\$ 67,870,808
Increase:		
Grants and contributions received	8,147,348	4,563,741
Decrease:		
Amortization of deferred capital revenue	(3,413,136)	(3,313,977)
Revenue Recognized on Write-down of Building	-	(893,883)
Balance, end of year	<u>\$ 72,960,901</u>	<u>\$ 68,226,689</u>

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 7 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.

	June 30, 2025	June 30, 2024
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$ 882,401	\$ 858,908
Service Cost	73,515	74,886
Interest Cost	39,099	35,959
Benefit Payments	(90,036)	(48,059)
Increase (decrease) in obligation due to plan amendment	33,485	-
Actuarial Gain (Loss)	194,520	(39,293)
Accrued Benefit Obligation – March 31	<u>\$ 1,132,984</u>	<u>\$ 882,401</u>
 Reconciliation of Funded Status at End of Fiscal Year		
Funded Status - Deficit	\$ (1,132,984)	\$ (882,401)
Benefit Expenses After Measurement Date	(33,160)	(28,154)
Unamortized Net Actuarial Loss	216,799	42,828
Accrued Benefit Liability - June 30	<u>\$ (949,345)</u>	<u>\$ (867,727)</u>
 Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability - July 1	\$ 867,727	\$ 778,318
Net Expense for Fiscal Year	171,654	137,468
Employer Contributions	(90,036)	(48,059)
Accrued Benefit Liability - June 30	<u>\$ 949,345</u>	<u>\$ 867,727</u>
 Components of Net Benefit Expense		
Service Cost	\$ 76,595	\$ 74,544
Interest Cost	41,025	36,744
Immediate Recognition of Plan Amendment	33,485	-
Amortization of Net Actuarial Loss	20,549	26,180
Net Benefit Expense	<u>\$ 171,654</u>	<u>\$ 137,468</u>

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 7 EMPLOYEE FUTURE BENEFITS (Continued)

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

	June 30, 2025	June 30, 2024
Discount Rate – April 1	4.25%	4.00%
Discount Rate – March 31	4.00%	4.25%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	12.0	11.0

NOTE 8 ASSET RETIREMENT OBLIGATION

Legal liabilities exist for the removal and disposal of asbestos and other environmentally hazardous materials within some district owned buildings that will undergo major renovations or demolition in the future. A reasonable estimate of the fair value of the obligation has been recognized using the modified retroactive approach as at July 1, 2022. The obligation has been measured at current cost as the timing of future cash flows cannot be reasonably determined. These costs have been capitalized as part of the assets' carrying value and are amortized over the assets' estimated useful lives.

Asset Retirement Obligation, July 1, 2024 and June 30, 2025 \$2,344,839 (2024 - \$2,344,839)

NOTE 9 CAPITAL LEASE OBLIGATIONS

During the year the School District signed a lease agreement for computer equipment and vehicles.

Repayments are due as follows:

2025-26	\$ 316,855
2026-27	301,024
2027-28	237,794
2028-29	188,542
2029-30 and later	37,120
Total minimum lease payments	<u>\$ 1,081,335</u>
Less amounts representing interest (<i>ranging from 3.84% to 11.29%</i>)	<u>(182,215)</u>
Present value of net minimum capital lease payments	<u><u>\$ 899,120</u></u>

Total interest on leases for 2025 - \$79,230 (2024 - \$16,422).

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 10 TANGIBLE CAPITAL ASSETS

June 30, 2025

Cost:	Balance at June 30, 2024	Additions	Disposals	Balance at June 30, 2025
Sites	\$ 9,437,116	\$ -	\$ -	\$ 9,437,116
Buildings	169,111,485	6,011,776	-	175,123,261
Furniture & Equipment	2,285,577	467,542	907,066	1,846,053
Vehicles	4,096,963	754,132	168,599	4,682,496
Computer Hardware	258,603	-	43,176	215,427
Assets Under Capital Lease	533,298	670,689	-	1,203,987
Total	\$185,723,042	\$ 7,904,139	\$ 1,118,841	\$192,508,340

Accumulated Amortization:	Balance at June 30, 2024	Additions	Disposals	Balance at June 30, 2025
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	93,282,128	3,409,312	-	96,691,440
Furniture & Equipment	1,306,400	206,582	907,066	605,916
Vehicles	1,587,368	438,973	168,599	1,857,742
Computer Hardware	154,882	47,403	43,176	159,109
Asset Under Capital Lease	139,600	204,057	-	343,657
Total	\$ 96,470,378	\$ 4,306,327	\$ 1,118,841	\$ 99,657,864

Net Book Value	Net Book Value June 30, 2024	Net Book Value June 30, 2025
Sites	\$ 9,437,116	\$ 9,437,116
Buildings	75,829,357	78,431,821
Furniture & Equipment	979,177	1,240,137
Vehicles	2,509,595	2,824,754
Computer Hardware	103,721	56,318
Assets Under Capital Lease	393,698	860,330
Total	\$ 89,252,664	\$ 92,850,476

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 10 TANGIBLE CAPITAL ASSETS (Continued)

June 30, 2024

Cost:	Balance at June 30, 2023	Additions	Disposals	Write-off of Building	Balance at June 30, 2024
Sites	\$ 9,437,116	\$ -	\$ -	\$ -	\$ 9,437,116
Buildings	166,764,841	3,820,671	-	1,474,027	169,111,485
Furniture & Equipment	1,922,266	386,560	23,249	-	2,285,577
Vehicles	4,346,237	344,873	594,147	-	4,096,963
Computer Hardware	264,104	20,075	25,576	-	258,603
Assets Under Capital Lease	303,883	229,415	-	-	533,298
Total	\$183,038,447	\$ 4,801,594	\$ 642,972	\$ 1,474,027	\$185,723,042

Accumulated Amortization:	Balance at June 30, 2023	Additions	Disposals	Write-off of Building	Balance at June 30, 2024
Sites	\$ -	\$ -	\$ -	-	\$ -
Buildings	90,552,052	3,310,220	-	580,144	93,282,128
Furniture & Equipment	1,119,257	210,392	23,249	-	1,306,400
Vehicles	1,759,355	422,160	594,147	-	1,587,368
Computer Hardware	128,186	52,272	25,576	-	154,882
Assets Under Capital Lease	18,116	121,484	-	-	139,600
Total	\$ 93,576,966	\$ 4,116,528	\$ 642,972	\$ 580,144	\$ 96,470,378

Net Book Value	Net Book Value June 30, 2023	Net Book Value June 30, 2024
Sites	\$ 9,437,116	\$ 9,437,116
Buildings	76,212,789	75,829,357
Furniture & Equipment	803,009	979,177
Vehicles	2,586,882	2,509,595
Computer Hardware	135,918	103,721
Assets Under Capital Lease	285,767	393,698
Total	\$ 89,461,481	\$ 89,252,664

On June 30, 2024, there was a fire at Amy Woodland Elementary School which caused significant damage to the building. As a result, the amount recorded in buildings above has been derecognized as at June 30, 2024. The District is actively working with the Ministry of Education on various options for the future of the school. See Note 6 for the impact to Deferred Capital Revenue.

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

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 board of trustees for these plans represents plan members and employers and is responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer defined benefit pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2024, the Teachers' Pension Plan has about 51,000 active members from school districts, and approximately 42,000 retired members from school districts. As of December 31, 2024 the Municipal Pension Plan has about 256,000 active members, of which approximately 31,000 are 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 latest actuarial valuation of the Teachers' Pension Plan as at December 31, 2023, indicated a \$4,572 million surplus for basic pension benefits on a going concern basis. The next valuation will be December 31, 2026, with results available in 2027.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis. The next valuation for the Municipal Pension Plan was December 31, 2024.

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 the plans 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. 5 (Southeast Kootenay) expensed \$6,772,970 (2024 - \$6,464,962) for employer contributions to these plans in the year ended June 30, 2025.

NOTE 12 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 NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 13 CONTRACTUAL RIGHTS

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The School District's contractual rights arise because of contracts entered into for lease. The following table summarizes the contractual rights of the School District for future revenue.

Fiscal Year	Amount
2025-26	\$ 277,435

NOTE 14 CONTINGENCIES

In the ordinary course of operations, the School District has legal proceedings brought against it which remain outstanding at the year end. It is the opinion of management that final determination of these claims will not have material effect on the financial position or operations of the School District.

NOTE 15 EXPENSE BY OBJECT

	June 30, 2025	June 30, 2024
Salaries and benefits	\$ 83,025,193	\$ 79,914,037
Services and supplies	11,844,138	11,813,088
Scholarships	21,500	20,450
Amortization	4,306,327	4,116,528
Write-off/down of building	-	(164,956)
Debt services	79,230	16,422
	<u>\$ 99,276,388</u>	<u>\$ 95,715,569</u>

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 16 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Appropriations Summary	June 2025	June 2024
<u>Special Education</u>		
- District Summary	\$ 665,213	\$ -
- Itinerant Summary 707	494,063	99,344
	1,159,276	99,344
<u>Schools</u>		
- Operating	(60,828)	9,425
- Learning Resources	89,464	82,525
- Growth Plans	49,392	66,612
- School Based Special Ed	14,305	-
	92,332	158,562
<u>Other appropriations</u>		
Contractual Pro-D	185,732	109,588
Aboriginal Education 131	8,000	-
Technology Program 701	567,961	345,021
Student Learning 702	-	6,961
Education Accounts 703	37,663	1,062
Education Plan 708	181,893	14,675
Capital Support Fund – Major Projects	950,000	250,000
School Generated Funds	1,276,870	1,189,129
Operating Projects	639,229	325,434
Transportation Fund	751,940	411,337
Appropriations - Restricted	\$ 5,850,987	\$ 2,911,113
 <u>Surplus Summary June 2024</u>		
Surplus Beginning of year	\$ 6,115,600	\$ 2,437,968
Surplus/Deficit for year	3,851,947	4,581,389
Transfer to Local Capital	(850,985)	(903,757)
Accumulated Surplus	\$ 9,116,562	\$ 6,115,600
 Appropriations - Restricted	\$ 5,850,987	\$ 2,911,113
Appropriations - Unrestricted	3,265,575	3,204,487
Accumulated Surplus	\$ 9,116,562	\$ 6,115,600

SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 17 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.

NOTE 18 RISK MANAGEMENT

The School District has exposure to the following risks from its use of financial instruments: credit 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 borrower. 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.

b) 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.

School District No. 5 (Southeast Kootenay)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2025

	Operating Fund	Special Purpose Fund	Capital Fund	2025 Actual	2024 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	6,115,600		20,499,617	26,615,217	22,494,930
Changes for the year					
Surplus (Deficit) for the year	3,851,947	68,408	(927,178)	2,993,177	4,120,287
Interfund Transfers					
Tangible Capital Assets Purchased		(68,408)	68,408	-	
Local Capital	(650,000)		650,000	-	
Other	(200,985)		200,985	-	
Net Changes for the year	3,000,962	-	(7,785)	2,993,177	4,120,287
Accumulated Surplus (Deficit), end of year - Statement 2	9,116,562	-	20,491,832	29,608,394	26,615,217

School District No. 5 (Southeast Kootenay)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	80,374,870	81,385,656	80,017,204
Other	68,000	96,900	103,074
Federal Grants	103,074		
Other Revenue	722,424	1,143,023	1,029,650
Rentals and Leases	200,000	235,903	202,596
Investment Income	80,000	418,988	256,781
Total Revenue	81,548,368	83,280,470	81,609,305
Expenses			
Instruction	66,809,085	65,349,563	63,621,225
District Administration	3,053,835	3,189,047	2,983,669
Operations and Maintenance	8,696,207	8,506,515	7,932,712
Transportation and Housing	2,396,289	2,383,398	2,490,310
Total Expense	80,955,416	79,428,523	77,027,916
Operating Surplus (Deficit) for the year	592,952	3,851,947	4,581,389
Net Transfers (to) from other funds			
Local Capital	(592,952)	(650,000)	(800,000)
Other		(200,985)	(103,757)
Total Net Transfers	(592,952)	(850,985)	(903,757)
Total Operating Surplus (Deficit), for the year	-	3,000,962	3,677,632
Operating Surplus (Deficit), beginning of year		6,115,600	2,437,968
Operating Surplus (Deficit), end of year		9,116,562	6,115,600
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 16)		5,850,987	2,911,113
Unrestricted		3,265,575	3,204,487
Total Operating Surplus (Deficit), end of year		9,116,562	6,115,600

School District No. 5 (Southeast Kootenay)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	78,879,535	79,994,685	78,032,036
ISC/LEA Recovery	(340,061)	(291,446)	(276,660)
Other Ministry of Education and Child Care Grants			
Pay Equity	457,171	457,171	457,171
Funding for Graduated Adults	-	14,937	13,075
Student Transportation Fund	361,459	361,459	361,459
Support Staff Benefits Grant	106,661	106,661	106,661
FSA Scorer Grant	8,187	8,187	8,187
Labour Settlement Funding	901,918	734,002	1,308,275
Equity in Action	-	-	7,000
Total Provincial Grants - Ministry of Education and Child Care	80,374,870	81,385,656	80,017,204
Provincial Grants - Other	68,000	96,900	103,074
Federal Grants	103,074	-	-
Other Revenues			
Other School District/Education Authorities	345,363	432,098	379,269
Funding from First Nations	340,061	291,446	276,660
Miscellaneous			
Miscellaneous	10,000	352,310	342,205
Coursey Riders	-	36,160	-
Health Promoting Schools	27,000	31,009	31,516
Total Other Revenue	722,424	1,143,023	1,029,650
Rentals and Leases	200,000	235,903	202,596
Investment Income	80,000	418,988	256,781
Total Operating Revenue	81,548,368	83,280,470	81,609,305

School District No. 5 (Southeast Kootenay)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Salaries			
Teachers	32,353,270	31,074,855	30,157,085
Principals and Vice Principals	5,634,904	5,533,204	5,503,163
Educational Assistants	7,411,954	7,024,863	6,618,372
Support Staff	7,428,302	6,669,155	6,295,284
Other Professionals	2,844,719	3,135,697	2,687,979
Substitutes	2,500,021	3,916,451	3,908,900
Total Salaries	58,173,170	57,354,225	55,170,783
Employee Benefits	14,616,145	13,719,367	13,196,921
Total Salaries and Benefits	72,789,315	71,073,592	68,367,704
Services and Supplies			
Services	2,217,276	2,376,378	2,456,195
Student Transportation	142,556	167,526	138,829
Professional Development and Travel	923,023	793,016	848,751
Rentals and Leases	148,607	100,643	121,501
Dues and Fees	75,450	82,057	78,443
Insurance	208,800	198,258	169,618
Supplies	3,185,389	3,034,930	3,282,725
Utilities	1,265,000	1,602,123	1,564,150
Total Services and Supplies	8,166,101	8,354,931	8,660,212
Total Operating Expense	80,955,416	79,428,523	77,027,916

School District No. 5 (Southeast Kootenay)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2025

	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	25,690,004	1,585,120		559,139	210,970	2,649,630	30,694,863
1.03 Career Programs							-
1.07 Library Services	744,482			153,082		39,439	937,003
1.08 Counselling	965,469					24,758	990,227
1.10 Inclusive Education	3,490,139	161,832	6,246,602	25,303	697,213	840,784	11,461,873
1.30 English Language Learning	53,379						53,379
1.31 Indigenous Education	131,382	129,373	778,261		168,537	2,894	1,210,447
1.41 School Administration		3,486,562		1,136,712		110,919	4,734,193
Total Function 1	31,074,855	5,362,887	7,024,863	1,874,236	1,076,720	3,668,424	50,081,985
4 District Administration							
4.11 Educational Administration		170,317			313,572	16,274	500,163
4.40 School District Governance					143,937		143,937
4.41 Business Administration				195,782	1,168,624	5,007	1,369,413
Total Function 4	-	170,317	-	195,782	1,626,133	21,281	2,013,513
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				24,783	281,028	1,707	307,518
5.50 Maintenance Operations				3,353,510		134,987	3,488,497
5.52 Maintenance of Grounds				88,936		25,358	114,294
5.56 Utilities							-
Total Function 5	-	-	-	3,467,229	281,028	162,052	3,910,309
7 Transportation and Housing							
7.41 Transportation and Housing Administration					151,816		151,816
7.70 Student Transportation				1,131,908		64,694	1,196,602
Total Function 7	-	-	-	1,131,908	151,816	64,694	1,348,418
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	31,074,855	5,533,204	7,024,863	6,669,155	3,135,697	3,916,451	57,354,225

School District No. 5 (Southeast Kootenay)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2025

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2025 Actual	2025 Budget	2024 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	30,694,863	6,778,769	37,473,632	2,388,244	39,861,876	40,212,369	38,514,358
1.03 Career Programs	-		-	50,603	50,603	100,750	43,381
1.07 Library Services	937,003	248,440	1,185,443	130,737	1,316,180	1,260,497	1,201,667
1.08 Counselling	990,227	242,268	1,232,495	4,418	1,236,913	1,300,284	1,129,079
1.10 Inclusive Education	11,461,873	3,081,887	14,543,760	334,491	14,878,251	15,516,863	14,604,479
1.30 English Language Learning	53,379	13,342	66,721	5,205	71,926	87,700	90,516
1.31 Indigenous Education	1,210,447	338,184	1,548,631	376,267	1,924,898	2,021,589	1,978,322
1.41 School Administration	4,734,193	1,174,778	5,908,971	99,945	6,008,916	6,309,033	6,059,423
Total Function 1	50,081,985	11,877,668	61,959,653	3,389,910	65,349,563	66,809,085	63,621,225
4 District Administration							
4.11 Educational Administration	500,163	107,407	607,570	135,451	743,021	714,090	666,995
4.40 School District Governance	143,937	6,440	150,377	109,220	259,597	630,831	279,259
4.41 Business Administration	1,369,413	332,961	1,702,374	484,055	2,186,429	1,708,914	2,037,415
Total Function 4	2,013,513	446,808	2,460,321	728,726	3,189,047	3,053,835	2,983,669
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	307,518	66,916	374,434	182,544	556,978	642,912	532,323
5.50 Maintenance Operations	3,488,497	921,275	4,409,772	1,459,754	5,869,526	6,363,167	5,325,455
5.52 Maintenance of Grounds	114,294	16,141	130,435	347,453	477,888	425,128	510,784
5.56 Utilities	-		-	1,602,123	1,602,123	1,265,000	1,564,150
Total Function 5	3,910,309	1,004,332	4,914,641	3,591,874	8,506,515	8,696,207	7,932,712
7 Transportation and Housing							
7.41 Transportation and Housing Administration	151,816	34,350	186,166	2,827	188,993	168,071	181,938
7.70 Student Transportation	1,196,602	356,209	1,552,811	641,594	2,194,405	2,228,218	2,308,372
Total Function 7	1,348,418	390,559	1,738,977	644,421	2,383,398	2,396,289	2,490,310
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	57,354,225	13,719,367	71,073,592	8,354,931	79,428,523	80,955,416	77,027,916

School District No. 5 (Southeast Kootenay)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2025

	2025 Budget	2025 Actual	2024 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	12,207,524	12,856,435	12,431,787
Other			112,474
Other Revenue	655,000	2,658,781	2,292,298
Investment Income	20,000	15,500	13,200
Total Revenue	<u>12,882,524</u>	<u>15,530,716</u>	<u>14,849,759</u>
Expenses			
Instruction	12,592,473	15,437,878	14,695,229
District Administration	3,000	-	-
Operations and Maintenance	24,430	24,430	24,430
Total Expense	<u>12,619,903</u>	<u>15,462,308</u>	<u>14,719,659</u>
Special Purpose Surplus (Deficit) for the year	<u>262,621</u>	<u>68,408</u>	<u>130,100</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(262,621)	(68,408)	(130,100)
Total Net Transfers	<u>(262,621)</u>	<u>(68,408)</u>	<u>(130,100)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 5 (Southeast Kootenay)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2025

	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	312,455		821,615	399,510	7,378	19,517	235,730	187	
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	287,051	279,294			128,000	29,400	224,238	422,724	169,780
Provincial Grants - Other									
Federal Grants									
Other			6,000	2,689,114					
Investment Income			32,476						
	287,051	279,294	38,476	2,689,114	128,000	29,400	224,238	422,724	169,780
Less: Allocated to Revenue	92,838	279,294	21,500	2,652,781	135,378	22,128	174,502	422,911	169,780
Deferred Revenue, end of year	506,668	-	838,591	435,843	-	26,789	285,466	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	92,838	279,294			135,378	22,128	174,502	422,911	169,780
Other Revenue			6,000	2,652,781					
Investment Income			15,500						
	92,838	279,294	21,500	2,652,781	135,378	22,128	174,502	422,911	169,780
Expenses									
Salaries									
Teachers								73,286	
Principals and Vice Principals									
Educational Assistants		211,614					45,439		
Support Staff								206,636	135,071
Other Professionals									
Substitutes						5,000			
	-	211,614	-	-	-	5,000	45,439	279,922	135,071
Employee Benefits		67,680				1,250	14,212	99,775	33,768
Services and Supplies	24,430		21,500	2,652,781	135,378	15,878	114,851	43,214	941
	24,430	279,294	21,500	2,652,781	135,378	22,128	174,502	422,911	169,780
Net Revenue (Expense) before Interfund Transfers	68,408	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(68,408)								
	(68,408)	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 5 (Southeast Kootenay)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2025

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Student & Family Affordability	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	Feeding Futures Fund
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			47,972	26,066		155,993	16,002	20,321	119,966
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	9,989,795	132,246	3,525	52,000	11,250		19,000	175,000	771,379
Provincial Grants - Other									
Federal Grants									123,333
Other									
Investment Income									
	9,989,795	132,246	3,525	52,000	11,250	-	19,000	175,000	894,712
Less: Allocated to Revenue	9,989,795	132,246	5,387	43,028	9,259	155,993	25,506	191,893	894,908
Deferred Revenue, end of year	-	-	46,110	35,038	1,991	-	9,496	3,428	119,770
Revenues									
Provincial Grants - Ministry of Education and Child Care	9,989,795	132,246	5,387	43,028	9,259	155,993	25,506	191,893	894,908
Other Revenue									
Investment Income									
	9,989,795	132,246	5,387	43,028	9,259	155,993	25,506	191,893	894,908
Expenses									
Salaries									
Teachers	7,602,870								
Principals and Vice Principals								143,904	
Educational Assistants									
Support Staff									420,902
Other Professionals									75,192
Substitutes		105,797		6,835	7,945		16,000		
	7,602,870	105,797	-	6,835	7,945	-	16,000	143,904	496,094
Employee Benefits	2,386,925	26,449		1,708	902		4,000	28,417	123,555
Services and Supplies			5,387	34,485	412	155,993	5,506	19,572	275,259
	9,989,795	132,246	5,387	43,028	9,259	155,993	25,506	191,893	894,908
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 5 (Southeast Kootenay)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2025

Schedule 3A (Unaudited)

	Professional Learning Grant	MCF Programs	Estate of Clarence SES	TOTAL
	\$	\$	\$	\$
Deferred Revenue, beginning of year			55,000	2,237,712
Add: Restricted Grants				
Provincial Grants - Ministry of Education and Child Care	225,839			12,920,521
Provincial Grants - Other		110,164		110,164
Federal Grants				123,333
Other		1,425	17,518	2,714,057
Investment Income				32,476
	225,839	111,589	17,518	15,900,551
Less: Allocated to Revenue	-	111,589	-	15,530,716
Deferred Revenue, end of year	225,839	-	72,518	2,607,547
Revenues				
Provincial Grants - Ministry of Education and Child Care		111,589		12,856,435
Other Revenue				2,658,781
Investment Income				15,500
	-	111,589	-	15,530,716
Expenses				
Salaries				
Teachers				7,676,156
Principals and Vice Principals				143,904
Educational Assistants				257,053
Support Staff				762,609
Other Professionals		86,565		161,757
Substitutes				141,577
	-	86,565	-	9,143,056
Employee Benefits		19,904		2,808,545
Services and Supplies		5,120		3,510,707
	-	111,589	-	15,462,308
Net Revenue (Expense) before Interfund Transfers	-	-	-	68,408
Interfund Transfers				
Tangible Capital Assets Purchased				(68,408)
	-	-	-	(68,408)
Net Revenue (Expense)	-	-	-	-

School District No. 5 (Southeast Kootenay)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2025

	2025 Budget	2025 Actual			2024 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Investment Income	25,000		45,243	45,243	62,815
Amortization of Deferred Capital Revenue	3,440,477	3,413,136		3,413,136	3,313,977
Total Revenue	<u>3,465,477</u>	<u>3,413,136</u>	<u>45,243</u>	<u>3,458,379</u>	<u>3,376,792</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	4,124,371	4,306,327		4,306,327	4,116,528
Write-off/down of Buildings and Sites				-	(164,956)
Debt Services					
Capital Lease Interest	26,000		79,230	79,230	16,422
Total Expense	<u>4,150,371</u>	<u>4,306,327</u>	<u>79,230</u>	<u>4,385,557</u>	<u>3,967,994</u>
Capital Surplus (Deficit) for the year	<u>(684,894)</u>	<u>(893,191)</u>	<u>(33,987)</u>	<u>(927,178)</u>	<u>(591,202)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	355,573	68,408		68,408	130,100
Local Capital	500,000		650,000	650,000	800,000
Capital Lease Payment	-		200,985	200,985	103,757
Total Net Transfers	<u>855,573</u>	<u>68,408</u>	<u>850,985</u>	<u>919,393</u>	<u>1,033,857</u>
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		165,807	(165,807)	-	
Principal Payment					
Capital Lease		200,985	(200,985)	-	
Total Other Adjustments to Fund Balances		<u>366,792</u>	<u>(366,792)</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>170,679</u>	<u>(457,991)</u>	<u>450,206</u>	<u>(7,785)</u>	<u>442,655</u>
Capital Surplus (Deficit), beginning of year		19,516,278	983,339	20,499,617	20,056,962
Capital Surplus (Deficit), end of year		<u>19,058,287</u>	<u>1,433,545</u>	<u>20,491,832</u>	<u>20,499,617</u>

School District No. 5 (Southeast Kootenay)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2025

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	9,437,116	169,111,485	2,285,577	4,218,273		670,591	185,723,042
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		4,379,359	122,665	754,132			5,256,156
Deferred Capital Revenue - Other		1,564,009	179,070				1,743,079
Special Purpose Funds		68,408					68,408
Local Capital			165,807				165,807
Equipment Under Capital Lease				281,539		389,150	670,689
	-	6,011,776	467,542	1,035,671	-	389,150	7,904,139
Decrease:							
Deemed Disposals			907,066	168,599		43,176	1,118,841
	-	-	907,066	168,599	-	43,176	1,118,841
Cost, end of year	9,437,116	175,123,261	1,846,053	5,085,345	-	1,016,565	192,508,340
Work in Progress, end of year							-
Cost and Work in Progress, end of year	9,437,116	175,123,261	1,846,053	5,085,345	-	1,016,565	192,508,340
Accumulated Amortization, beginning of year		93,282,128	1,306,400	1,599,499		282,351	96,470,378
Changes for the Year							
Increase: Amortization for the Year		3,409,312	206,582	491,389		199,044	4,306,327
Decrease:							
Deemed Disposals			907,066	168,599		43,176	1,118,841
		-	907,066	168,599	-	43,176	1,118,841
Accumulated Amortization, end of year		96,691,440	605,916	1,922,289	-	438,219	99,657,864
Tangible Capital Assets - Net	9,437,116	78,431,821	1,240,137	3,163,056	-	578,346	92,850,476

School District No. 5 (Southeast Kootenay)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2025

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	62,411,981	2,572,866	1,977,283	66,962,130
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	5,256,156	1,564,009	179,070	6,999,235
	5,256,156	1,564,009	179,070	6,999,235
Decrease:				
Amortization of Deferred Capital Revenue	3,212,478	112,072	88,586	3,413,136
	3,212,478	112,072	88,586	3,413,136
Net Changes for the Year	2,043,678	1,451,937	90,484	3,586,099
Deferred Capital Revenue, end of year	64,455,659	4,024,803	2,067,767	70,548,229
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	-	-	-	-
Work in Progress, end of year	-	-	-	-
Total Deferred Capital Revenue, end of year	64,455,659	4,024,803	2,067,767	70,548,229

School District No. 5 (Southeast Kootenay)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2025

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	130,484	4,606	957,112		172,357	1,264,559
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	5,329,479		2,708,673			8,038,152
Other					109,013	109,013
Investment Income		183				183
	5,329,479	183	2,708,673	-	109,013	8,147,348
Decrease:						
Transferred to DCR - Capital Additions	5,256,156		1,564,009		179,070	6,999,235
	5,256,156	-	1,564,009	-	179,070	6,999,235
Net Changes for the Year	73,323	183	1,144,664	-	(70,057)	1,148,113
Balance, end of year	203,807	4,789	2,101,776	-	102,300	2,412,672