

Audited Financial Statements of

# **School District No. 5 (Southeast Kootenay)**

And Independent Auditors' Report thereon

June 30, 2024

# School District No. 5 (Southeast Kootenay)

June 30, 2024

## Table of Contents

|   |      |
|---|------|
| Management Report .....   | 1    |
| Independent Auditors' Report .....  | 2-4  |
| Statement of Financial Position - Statement 1 .....   | 5    |
| Statement of Operations - Statement 2 .....   | 6    |
| Statement of Changes in Net Debt - Statement 4 .....  | 7    |
| Statement of Cash Flows - Statement 5 .....   | 8    |
| Notes to the Financial Statements .....   | 9-25 |
| 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) .....                               | 36   |
| Schedule 4A - Tangible Capital Assets (Unaudited) .....                                     | 37   |
| Schedule 4C - Deferred Capital Revenue (Unaudited) .....                                    | 38   |
| Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited) .....                 | 39   |

# School District No. 5 (Southeast Kootenay)

## MANAGEMENT REPORT

Version: 7611-6865-4883

### 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.


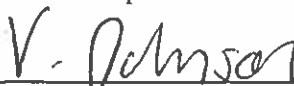
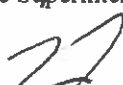
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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)

|   |                       |
|---|-----------------------|
|   | <u>2024-09-10</u>     |
| Signature of the Chairperson of the Board of Education                              | Date Signed           |
|  | <u>Sept 10/24</u>     |
| Signature of the Superintendent   | Date Signed           |
|  | <u>Sept. 10, 2024</u> |
| Signature of the Secretary Treasurer  | Date Signed           |



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BDO Canada LLP  
571 6<sup>th</sup> Street NE  
Suite 201  
Salmon Arm, BC V1E 1R6 Canada

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## Independent Auditor's Report

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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, 2024, 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, 2024 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 11, 2024

# School District No. 5 (Southeast Kootenay)

## Statement of Financial Position

As at June 30, 2024

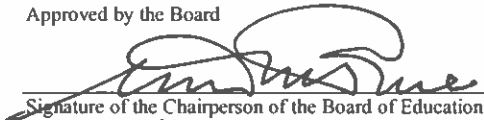
Statement 1

|  | 2024<br>Actual<br>\$ | 2023<br>Actual<br>\$ |
|--|----------------------|----------------------|
| <b>Financial Assets</b>                                |                      |                      |
| Cash and Cash Equivalents                              | 18,212,873           | 10,317,351           |
| Accounts Receivable                                    |                      |                      |
| Due from First Nations                                 | 106,629              | 54,121               |
| Other (Note 3)   | 1,035,258            | 2,154,561            |
| <b>Total Financial Assets</b>                          | <u>19,354,760</u>    | <u>12,526,033</u>    |
| <b>Liabilities</b>                                     |                      |                      |
| Accounts Payable and Accrued Liabilities               |                      |                      |
| Due to Province - Ministry of Education and Child Care |                      | 24,645               |
| Other (Note 4)   | 8,422,459            | 7,417,256            |
| Deferred Revenue (Note 5)                              | 2,237,712            | 1,826,544            |
| Deferred Capital Revenue (Note 6)                      | 68,226,689           | 67,870,808           |
| Employee Future Benefits (Note 7)                      | 867,727              | 778,318              |
| Asset Retirement Obligation (Note 8)                   | 2,344,839            | 2,509,795            |
| Capital Lease Obligations (Note 9)                     | 429,417              | 287,337              |
| <b>Total Liabilities</b>                               | <u>82,528,843</u>    | <u>80,714,703</u>    |
| <b>Net Debt</b>  | <u>(63,174,083)</u>  | <u>(68,188,670)</u>  |
| <b>Non-Financial Assets</b>                            |                      |                      |
| Tangible Capital Assets (Note 10)                      | 89,252,664           | 89,461,481           |
| Prepaid Expenses                                       | 536,636              | 1,222,119            |
| <b>Total Non-Financial Assets</b>                      | <u>89,789,300</u>    | <u>90,683,600</u>    |
| <b>Accumulated Surplus (Deficit)</b>                   | <u>26,615,217</u>    | <u>22,494,930</u>    |

Contractual Obligations (Note 13)

Contractual Rights (Note 14)

Approved by the Board

  
Signature of the Chairperson of the Board of Education

2024-09-10  
Date Signed

  
Signature of the Superintendent

Sept 10/24  
Date Signed

  
Signature of the Secretary/Treasurer

Sept. 10, 2024  
Date Signed

# School District No. 5 (Southeast Kootenay)

Statement of Operations  
Year Ended June 30, 2024

Statement 2

|   | 2024<br>Budget    | 2024<br>Actual    | 2023<br>Actual     |
|---|-------------------|-------------------|--------------------|
|   | \$                | \$                | \$                 |
| <b>Revenues</b>   |                   |                   |                    |
| Provincial Grants   |                   |                   |                    |
| Ministry of Education and Child Care                                    | 82,812,722        | 92,448,991        | 79,536,628         |
| Other   | 178,164           | 215,548           | 183,079            |
| Other Revenue   | 1,474,395         | 3,321,948         | 3,075,614          |
| Rentals and Leases  | 200,000           | 202,596           | 233,405            |
| Investment Income   | 95,000            | 332,796           | 161,745            |
| Amortization of Deferred Capital Revenue                                | 3,318,467         | 3,313,977         | 3,198,168          |
| <b>Total Revenue</b>  | <u>88,078,748</u> | <u>99,835,856</u> | <u>86,388,639</u>  |
| <b>Expenses (Note 16)</b>   |                   |                   |                    |
| Instruction   | 70,474,601        | 78,316,454        | 70,849,425         |
| District Administration   | 2,745,949         | 2,983,669         | 2,613,563          |
| Operations and Maintenance  | 12,031,245        | 12,073,670        | 12,312,698         |
| Transportation and Housing  | 2,390,282         | 2,490,310         | 2,520,002          |
| Debt Services   |                   | 16,422            | 3,447              |
| Write-off/down of Buildings and Sites                                   |                   | (164,956)         |                    |
| <b>Total Expense</b>  | <u>87,642,077</u> | <u>95,715,569</u> | <u>88,299,135</u>  |
| <b>Surplus (Deficit) for the year</b>                                   | <u>436,671</u>    | <u>4,120,287</u>  | <u>(1,910,496)</u> |
| <b>Accumulated Surplus (Deficit) from Operations, beginning of year</b> |                   | 22,494,930        | 24,405,426         |
| <b>Accumulated Surplus (Deficit) from Operations, end of year</b>       |                   | <u>26,615,217</u> | <u>22,494,930</u>  |



# School District No. 5 (Southeast Kootenay)

## Statement of Changes in Net Debt

Year Ended June 30, 2024

Statement 4

|   | 2024<br>Budget | 2024<br>Actual | 2023<br>Actual |
|---|----------------|----------------|----------------|
|   | \$             | \$             | \$             |
| <b>Surplus (Deficit) for the year</b>   | 436,671        | 4,120,287      | (1,910,496)    |
| <b>Effect of change in Tangible Capital Assets</b>                              |                |                |                |
| Acquisition of Tangible Capital Assets (Note 10)                                | (4,310,885)    | (4,801,594)    | (8,794,289)    |
| Amortization of Tangible Capital Assets (Note 10)                               | 3,994,029      | 4,116,528      | 3,888,363      |
| Write-down carrying value of Tangible Capital Assets                            |                | 893,883        |                |
| <b>Total Effect of change in Tangible Capital Assets</b>                        | (316,856)      | 208,817        | (4,905,926)    |
| Acquisition of Prepaid Expenses   | (150,000)      | (536,636)      | (449,635)      |
| Use of Prepaid Expenses   | 150,000        | 1,222,119      | 529,074        |
| <b>Total Effect of change in Other Non-Financial Assets</b>                     | -              | 685,483        | 79,439         |
| <b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b> | 119,815        | 5,014,587      | (6,736,983)    |
| <b>Net Remeasurement Gains (Losses)</b>   |                |                |                |
| <b>(Increase) Decrease in Net Debt</b>  |                | 5,014,587      | (6,736,983)    |
| <b>Net Debt, beginning of year</b>  |                | (68,188,670)   | (61,451,687)   |
| <b>Net Debt, end of year</b>  |                | (63,174,083)   | (68,188,670)   |

# School District No. 5 (Southeast Kootenay)

Statement of Cash Flows  
Year Ended June 30, 2024

|   | 2024<br>Actual     | 2023<br>Actual     |
|---|--------------------|--------------------|
|   | \$                 | \$                 |
| <b>Operating Transactions</b>                                 |                    |                    |
| Surplus (Deficit) for the year                                | 4,120,287          | (1,910,496)        |
| Changes in Non-Cash Working Capital                           |                    |                    |
| Decrease (Increase)   |                    |                    |
| Accounts Receivable   | 1,066,795          | 498,644            |
| Prepaid Expenses  | 685,483            | 79,441             |
| Increase (Decrease)   |                    |                    |
| Accounts Payable and Accrued Liabilities                      | 980,558            | 1,882,437          |
| Deferred Revenue  | 411,168            | 184,955            |
| Employee Future Benefits                                      | 89,409             | 76,960             |
| Asset Retirement Obligations                                  | (164,956)          |                    |
| Amortization of Tangible Capital Assets                       | 4,116,528          | 3,888,363          |
| Amortization of Deferred Capital Revenue                      | (3,313,977)        | (3,198,168)        |
| <b>Total Operating Transactions</b>                           | <u>7,991,295</u>   | <u>1,502,136</u>   |
| <b>Capital Transactions</b>                                   |                    |                    |
| Tangible Capital Assets Purchased                             | (4,572,179)        | (8,490,406)        |
| <b>Total Capital Transactions</b>                             | <u>(4,572,179)</u> | <u>(8,490,406)</u> |
| <b>Financing Transactions</b>                                 |                    |                    |
| Capital Revenue Received                                      | 4,563,741          | 8,697,197          |
| Decrease in Capital Lease Obligation                          | (87,335)           | (16,546)           |
| <b>Total Financing Transactions</b>                           | <u>4,476,406</u>   | <u>8,680,651</u>   |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>   | <u>7,895,522</u>   | <u>1,692,381</u>   |
| <b>Cash and Cash Equivalents, beginning of year</b>           | <u>10,317,351</u>  | <u>8,624,970</u>   |
| <b>Cash and Cash Equivalents, end of year</b>                 | <u>18,212,873</u>  | <u>10,317,351</u>  |
| <b>Cash and Cash Equivalents, end of year, is made up of:</b> |                    |                    |
| Cash  | 16,784,633         | 9,000,776          |
| Cash Equivalents  | 1,428,240          | 1,316,575          |
|   | <u>18,212,873</u>  | <u>10,317,351</u>  |

**SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

**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, 2024**

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

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, 2024**

**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, 2024**

**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 17 – Internally Restricted Surplus – Operating Fund).

**SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

**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, 2024**

**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, 2024**

**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, 2024</u> | <u>June 30, 2023</u> |
|-----------------------------|----------------------|----------------------|
| Due from Federal government | \$204,253            | \$275,847            |
| Employee benefit surplus    | 469,421              | 1,329,222            |
| Other                       | 361,584              | 549,492              |
|                             | <u>\$1,035,258</u>   | <u>\$2,154,561</u>   |

**NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER**

|                               | <u>June 30, 2024</u> | <u>June 30, 2023</u> |
|-------------------------------|----------------------|----------------------|
| Trade payables                | \$1,041,697          | \$1,016,731          |
| Salaries and benefits payable | 7,380,762            | 6,400,525            |
|                               | <u>\$8,422,459</u>   | <u>\$7,417,256</u>   |

**SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

**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.

|   | <u>June 30, 2024</u> | <u>June 30, 2023</u> |
|---|----------------------|----------------------|
| Ministry of Education Grants                  | \$961,587            | \$592,581            |
| Province of BC Grants                         | -                    | 2,310                |
| School generated                              | 399,510              | 386,339              |
| Scholarships                                  | 821,615              | 790,314              |
| Other   | 55,000               | 55,000               |
|   | <u>\$2,237,712</u>   | <u>\$1,826,544</u>   |
|   | <u>June 30, 2024</u> | <u>June 30, 2023</u> |
| Balance, beginning of year                    | \$1,826,544          | \$1,641,589          |
| Changes for the year:                         |                      |                      |
| Increase: Grants and contributions received   |                      |                      |
| Provincial                                    | 12,910,957           | 6,026,011            |
| Other   | 2,349,970            | 2,160,678            |
| Decrease: Grants and contributions recognized |                      |                      |
| Provincial                                    | (12,544,261)         | (5,896,758)          |
| Other   | (2,305,498)          | (2,104,976)          |
| Balance, end of year                          | <u>\$2,237,712</u>   | <u>\$1,826,544</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.

|  | <u>June 30, 2024</u> | <u>June 30, 2023</u> |
|--|----------------------|----------------------|
| Balance, beginning of year                   | \$67,870,808         | \$62,371,779         |
| Increase:                                    |                      |                      |
| Grants and contributions received            | 4,563,741            | 8,697,197            |
| Decrease:                                    |                      |                      |
| Amortization of deferred capital revenue     | (3,313,977)          | (3,198,168)          |
| Revenue Recognized on Write-down of Building | (893,883)            | -                    |
| Balance, end of year                         | <u>\$68,226,689</u>  | <u>\$67,870,808</u>  |

**SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

**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.

|  | <b>June 30, 2024</b> | <b>June 30, 2023</b> |
|--|----------------------|----------------------|
| <b>Reconciliation of Accrued Benefit Obligation</b>          |                      |                      |
| Accrued Benefit Obligation – April 1                         | \$858,908            | \$ 830,659           |
| Service Cost   | 74,886               | 77,311               |
| Interest Cost  | 35,959               | 28,493               |
| Benefit Payments   | (48,059)             | (73,831)             |
| Actuarial Loss   | (39,293)             | (3,724)              |
| Accrued Benefit Obligation – March 31                        | \$882,401            | \$ 858,908           |
| <b>Reconciliation of Funded Status at End of Fiscal Year</b> |                      |                      |
| Funded Status - Deficit                                      | \$(882,401)          | \$ (858,908)         |
| Benefit Expenses After Measurement Date                      | (28,154)             | (27,711)             |
| Unamortized Net Actuarial Loss                               | 42,828               | 108,301              |
| Accrued Benefit Liability - June 30                          | \$(867,727)          | \$ (778,318)         |
| <b>Reconciliation of Change in Accrued Benefit Liability</b> |                      |                      |
| Accrued Benefit Liability - July 1                           | \$778,318            | \$ 701,358           |
| Net Expense for Fiscal Year                                  | 137,468              | 150,791              |
| Employer Contributions                                       | (48,059)             | (73,831)             |
| Accrued Benefit Liability - June 30                          | \$867,727            | \$ 778,318           |
| <b>Components of Net Benefit Expense</b>                     |                      |                      |
| Service Cost   | \$74,544             | \$ 76,705            |
| Interest Cost  | 36,744               | 30,359               |
| Amortization of Net Actuarial Loss                           | 26,180               | 43,727               |
| Net Benefit Expense  | \$137,468            | \$ 150,791           |

**SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

**NOTE 7 EMPLOYEE FUTURE BENEFITS (Continued)**

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

|                                    | <u>June 30, 2024</u> | <u>June 30, 2023</u> |
|------------------------------------|----------------------|----------------------|
| Discount Rate – April 1            | 4.00%                | 3.25%                |
| Discount Rate – March 31           | 4.25%                | 4.00%                |
| 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                   | 11.0                 | 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, 2023 and June 30, 2024    \$ 2,344,839 (2023 - \$2,509,795)

**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:

|  |                         |
|--|-------------------------|
| 2024-25  | 140,174                 |
| 2025-26  | 140,174                 |
| 2026-27  | 124,344                 |
| 2027-28  | 61,114                  |
| 2028-29  | 26,022                  |
| Total minimum lease payments   | <u>\$ 491,828</u>       |
| Less amounts representing interest ( <i>ranging from 3.84% to 11.29%</i> ) | <u>62,411</u>           |
| Present value of net minimum capital lease payments                        | <u><b>\$429,417</b></u> |

Total interest on leases for 2024 \$16,422 (2023 - \$3,447).

**SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

**NOTE 10 TANGIBLE CAPITAL ASSETS**

**June 30, 2024**

| Cost:                      | Balance at<br>June 30, 2023 | Additions          | Disposals        | Write-off of<br>Building | Balance at<br>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                     |
| <b>Total</b>               | <b>\$183,038,447</b>        | <b>\$4,801,594</b> | <b>\$642,972</b> | <b>\$1,474,027</b>       | <b>\$185,723,042</b>        |

| Accumulated Amortization:  | Balance at<br>June 30, 2023 | Additions          | Disposals        | Write-off of<br>Building | Balance at<br>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                     |
| <b>Total</b>               | <b>\$93,576,966</b>         | <b>\$4,116,528</b> | <b>\$642,972</b> | <b>\$580,144</b>         | <b>\$96,470,378</b>         |

| Net Book Value             | Net Book Value<br>June 30, 2023 | Net Book Value<br>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                         |
| <b>Total</b>               | <b>\$89,461,481</b>             | <b>\$89,252,664</b>             |

**SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

**NOTE 10 TANGIBLE CAPITAL ASSETS (Continued)**

**June 30, 2023**

| Cost:                      | Balance at<br>June 30, 2022<br>(restated) | Additions          | Disposals        | Balance at<br>June 30, 2023 |
|----------------------------|---|--------------------|------------------|-----------------------------|
| Sites                      | \$ 9,437,116                              | \$ -               | \$ -             | \$ 9,437,116                |
| Buildings                  | 159,380,256                               | 7,384,585          | -                | 166,764,841                 |
| Furniture & Equipment      | 1,941,218                                 | 46,319             | 65,271           | 1,922,266                   |
| Vehicles                   | 3,686,512                                 | 1,004,697          | 344,972          | 4,346,237                   |
| Computer Hardware          | 223,289                                   | 54,805             | 13,990           | 264,104                     |
| Assets Under Capital Lease | -   | 303,883            | -                | 303,883                     |
| <b>Total</b>               | <b>\$174,668,391</b>                      | <b>\$8,794,289</b> | <b>\$424,233</b> | <b>\$183,038,447</b>        |

| Accumulated Amortization: | Balance at<br>June 30, 2022<br>(restated) | Additions          | Disposals        | Balance at<br>June 30, 2023 |
|---------------------------|---|--------------------|------------------|-----------------------------|
| Sites                     | \$ -                                      | \$ -               | \$ -             | \$ -                        |
| Buildings                 | 87,325,355                                | 3,226,697          | -                | 90,552,052                  |
| Furniture & Equipment     | 991,354                                   | 1,193,174          | 65,271           | 1,119,257                   |
| Vehicles                  | 1,702,690                                 | 401,637            | 344,972          | 1,759,355                   |
| Computer Hardware         | 93,437                                    | 48,739             | 13,990           | 128,186                     |
| Asset Under Capital Lease | -   | 18,116             | -                | 18,116                      |
| <b>Total</b>              | <b>\$90,112,836</b>                       | <b>\$3,888,363</b> | <b>\$424,233</b> | <b>\$93,576,966</b>         |

| Net Book Value             | Net Book Value<br>June 30, 2022<br>(restated) | Net Book Value<br>June 30, 2023 |
|----------------------------|---|---------------------------------|
| Sites                      | \$ 9,437,116                                  | \$ 9,437,116                    |
| Buildings                  | 72,054,901                                    | 76,212,789                      |
| Furniture & Equipment      | 949,864                                       | 803,009                         |
| Vehicles                   | 1,983,822                                     | 2,586,882                       |
| Computer Hardware          | 129,852                                       | 135,918                         |
| Assets Under Capital Lease | -   | 285,767                         |
| <b>Total</b>               | <b>\$84,555,555</b>                           | <b>\$89,461,481</b>             |

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, 2024**

**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, 2023, 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, 2023 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, 2020, indicated a \$1,584 million surplus for basic pension benefits on a going concern basis. The next valuation will be December 31, 2023, with results available in 2024.

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 will be December 31, 2024, with results available in 2025.

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 \$6,464,962 (2023 - \$5,767,832) for employer contributions to these plans in the year ended June 30, 2024.

**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, 2024**

**NOTE 13 CONTRACTUAL OBLIGATIONS**

The School District has equipment under operating leases. Lease commitments over the next five years are due as follows:

| Fiscal Year | Amount    |
|-------------|-----------|
| 2024-25     | \$ 70,450 |
| 2025-26     | \$ 16,610 |

**NOTE 14 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     |
|-------------|------------|
| 2024-25     | \$ 219,725 |
| 2025-26     | \$ 167,273 |

**NOTE 15 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 16 EXPENSE BY OBJECT**

|                            | <b>June 30, 2024</b> | <b>June 30, 2023</b> |
|----------------------------|----------------------|----------------------|
| Salaries and benefits      | \$79,914,037         | \$72,279,517         |
| Services and supplies      | 11,813,088           | 12,101,208           |
| Scholarships               | 20,450               | 26,600               |
| Amortization               | 4,116,528            | 3,888,363            |
| Write-off/down of building | (164,956)            | -                    |
| Debt services              | 16,422               | 3,447                |
|                            | <u>\$95,715,569</u>  | <u>\$88,299,135</u>  |

**SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

**NOTE 17 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND**

| <b>Appropriations Summary</b>           | <b>June 2024</b> | <b>June 2023</b>   |
|---|------------------|--------------------|
| <b><u>Special Education</u></b>         |                  |                    |
| - District Summary                      | \$ -             | \$ (236,068)       |
| - Itinerant Summary 707                 | 99,344           | 295,135            |
|   | 99,344           | 59,067             |
| <b><u>Schools</u></b>                   |                  |                    |
| - Operating                             | 9,425            | -                  |
| - Learning Resources                    | 82,525           | 90,846             |
| - Growth Plans                          | 66,612           | 62,555             |
| - School Based Special Ed               | -                | 148,907            |
|   | 158,562          | 302,308            |
| <b><u>Other appropriations</u></b>      |                  |                    |
| Contractual Pro-D                       | 109,588          | 130,865            |
| Aboriginal Education 131                | -                | 43,762             |
| Technology Program 701                  | 345,021          | 290,851            |
| Student Learning 702                    | 6,961            | 9,280              |
| Education Accounts 703                  | 1,062            | -                  |
| Education Plan 708                      | 14,675           | -                  |
| Capital Support Fund – Major Projects   | 250,000          | -                  |
| School Generated Funds                  | 1,189,129        | 978,543            |
| Operating Projects                      | 325,434          | 144,535            |
| Transportation Fund                     | 411,337          | -                  |
| <b>Appropriations - Restricted</b>      | <b>2,911,113</b> | <b>\$1,959,211</b> |
| <b><u>Surplus Summary June 2024</u></b> |                  |                    |
| Surplus Beginning of year               | \$2,437,968      | \$4,450,512        |
| Surplus/Deficit for year                | 4,581,389        | (1,495,998)        |
| Transfer to Local Capital               | (903,757)        | (516,546)          |
| Accumulated Surplus                     | \$6,115,600      | \$2,437,968        |
| Appropriations - Restricted             | \$2,911,113      | \$1,959,211        |
| Appropriations - Unrestricted           | 3,204,487        | 478,757            |
| Accumulated Surplus                     | \$6,115,600      | \$2,437,968        |

**SCHOOL DISTRICT NO. 5 (SOUTHEAST KOOTENAY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2024**

**NOTE 18 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 19 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, 2024

|   | Operating Fund   | Special Purpose Fund | Capital Fund      | 2024 Actual       | 2023 Actual        |
|---|------------------|----------------------|-------------------|-------------------|--------------------|
|   | \$               | \$                   | \$                | \$                | \$                 |
| <b>Accumulated Surplus (Deficit), beginning of year</b>         | 2,437,968        |                      | 20,056,962        | <b>22,494,930</b> | 24,405,426         |
| <b>Changes for the year</b>                                     |                  |                      |                   |                   |                    |
| Surplus (Deficit) for the year                                  | 4,581,389        | 130,100              | (591,202)         | <b>4,120,287</b>  | (1,910,496)        |
| Interfund Transfers   |                  |                      |                   |                   |                    |
| Tangible Capital Assets Purchased                               |                  | (130,100)            | 130,100           | -                 |                    |
| Local Capital   | (800,000)        |                      | 800,000           | -                 |                    |
| Other   | (103,757)        |                      | 103,757           | -                 |                    |
| <b>Net Changes for the year</b>                                 | <b>3,677,632</b> | <b>-</b>             | <b>442,655</b>    | <b>4,120,287</b>  | <b>(1,910,496)</b> |
| <b>Accumulated Surplus (Deficit), end of year - Statement 2</b> | <b>6,115,600</b> | <b>-</b>             | <b>20,499,617</b> | <b>26,615,217</b> | <b>22,494,930</b>  |

# School District No. 5 (Southeast Kootenay)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2024

|  | 2024<br>Budget    | 2024<br>Actual    | 2023<br>Actual     |
|--|-------------------|-------------------|--------------------|
|  | \$                | \$                | \$                 |
| <b>Revenues</b>  |                   |                   |                    |
| Provincial Grants                                      |                   |                   |                    |
| Ministry of Education and Child Care                   | 77,106,057        | 80,017,204        | 73,799,041         |
| Other  | 68,000            | 103,074           | 59,259             |
| Other Revenue  | 809,395           | 1,029,650         | 955,587            |
| Rentals and Leases                                     | 200,000           | 202,596           | 233,405            |
| Investment Income                                      | 80,000            | 256,781           | 117,270            |
| <b>Total Revenue</b>                                   | <b>78,263,452</b> | <b>81,609,305</b> | <b>75,164,562</b>  |
| <b>Expenses</b>  |                   |                   |                    |
| Instruction  | 64,277,823        | 63,621,225        | 63,275,072         |
| District Administration                                | 2,742,949         | 2,983,669         | 2,613,563          |
| Operations and Maintenance                             | 8,012,786         | 7,932,712         | 8,275,923          |
| Transportation and Housing                             | 2,390,282         | 2,490,310         | 2,496,002          |
| <b>Total Expense</b>                                   | <b>77,423,840</b> | <b>77,027,916</b> | <b>76,660,560</b>  |
| <b>Operating Surplus (Deficit) for the year</b>        | <b>839,612</b>    | <b>4,581,389</b>  | <b>(1,495,998)</b> |
| <b>Net Transfers (to) from other funds</b>             |                   |                   |                    |
| Tangible Capital Assets Purchased                      | (39,612)          |                   |                    |
| Local Capital  | (800,000)         | (800,000)         | (500,000)          |
| Other  |                   | (103,757)         | (16,546)           |
| <b>Total Net Transfers</b>                             | <b>(839,612)</b>  | <b>(903,757)</b>  | <b>(516,546)</b>   |
| <b>Total Operating Surplus (Deficit), for the year</b> | <b>-</b>          | <b>3,677,632</b>  | <b>(2,012,544)</b> |
| <b>Operating Surplus (Deficit), beginning of year</b>  |                   | <b>2,437,968</b>  | <b>4,450,512</b>   |
| <b>Operating Surplus (Deficit), end of year</b>        |                   | <b>6,115,600</b>  | <b>2,437,968</b>   |
| <b>Operating Surplus (Deficit), end of year</b>        |                   |                   |                    |
| Internally Restricted (Note 17)                        |                   | <b>2,911,113</b>  | <b>1,959,211</b>   |
| Unrestricted   |                   | <b>3,204,487</b>  | <b>478,757</b>     |
| <b>Total Operating Surplus (Deficit), end of year</b>  |                   | <b>6,115,600</b>  | <b>2,437,968</b>   |

# School District No. 5 (Southeast Kootenay)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source  
Year Ended June 30, 2024

|   | 2024<br>Budget<br>\$ | 2024<br>Actual<br>\$ | 2023<br>Actual<br>\$ |
|---|----------------------|----------------------|----------------------|
| <b>Provincial Grants - Ministry of Education and Child Care</b>       |                      |                      |                      |
| Operating Grant, Ministry of Education and Child Care                 | 75,567,344           | 78,032,036           | 70,499,605           |
| ISC/LEA Recovery  | (341,145)            | (276,660)            | (288,405)            |
| <b>Other Ministry of Education and Child Care Grants</b>              |                      |                      |                      |
| Pay Equity  | 457,171              | 457,171              | 457,171              |
| Funding for Graduated Adults  |                      | 13,075               | 16,348               |
| 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                |
| Early Learning Framework (ELF) Implementation                         |                      |                      | 852                  |
| Labour Settlement Funding   | 946,380              | 1,308,275            | 2,630,734            |
| Anti Racism in Early Care   |                      |                      | 6,429                |
| Equity in Action Grant  |                      | 7,000                |                      |
| <b>Total Provincial Grants - Ministry of Education and Child Care</b> | <b>77,106,057</b>    | <b>80,017,204</b>    | <b>73,799,041</b>    |
| <b>Provincial Grants - Other</b>                                      | <b>68,000</b>        | <b>103,074</b>       | <b>59,259</b>        |
| <b>Other Revenues</b>   |                      |                      |                      |
| Other School District/Education Authorities                           | 431,250              | 379,269              | 399,168              |
| Funding from First Nations  | 341,145              | 276,660              | 288,405              |
| Miscellaneous   |                      |                      |                      |
| Miscellaneous   | 10,000               | 342,205              | 225,716              |
| Courtsey Riders   |                      |                      | 15,298               |
| Health Promoting Schools  | 27,000               | 31,516               | 27,000               |
| <b>Total Other Revenue</b>  | <b>809,395</b>       | <b>1,029,650</b>     | <b>955,587</b>       |
| <b>Rentals and Leases</b>   | <b>200,000</b>       | <b>202,596</b>       | <b>233,405</b>       |
| <b>Investment Income</b>  | <b>80,000</b>        | <b>256,781</b>       | <b>117,270</b>       |
| <b>Total Operating Revenue</b>  | <b>78,263,452</b>    | <b>81,609,305</b>    | <b>75,164,562</b>    |

# School District No. 5 (Southeast Kootenay)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object  
Year Ended June 30, 2024

|                                     | 2024<br>Budget    | 2024<br>Actual    | 2023<br>Actual |
|-------------------------------------|-------------------|-------------------|----------------|
|                                     | \$                | \$                | \$             |
| <b>Salaries</b>                     |                   |                   |                |
| Teachers                            | 31,836,572        | <b>30,157,085</b> | 30,672,135     |
| Principals and Vice Principals      | 4,933,947         | <b>5,503,163</b>  | 5,058,889      |
| Educational Assistants              | 7,189,606         | <b>6,618,372</b>  | 6,628,272      |
| Support Staff                       | 6,922,925         | <b>6,295,284</b>  | 6,173,854      |
| Other Professionals                 | 2,487,646         | <b>2,687,979</b>  | 2,357,226      |
| Substitutes                         | 2,382,066         | <b>3,908,900</b>  | 3,289,513      |
| <b>Total Salaries</b>               | <b>55,752,762</b> | <b>55,170,783</b> | 54,179,889     |
| <b>Employee Benefits</b>            | 14,001,486        | <b>13,196,921</b> | 13,672,214     |
| <b>Total Salaries and Benefits</b>  | <b>69,754,248</b> | <b>68,367,704</b> | 67,852,103     |
| <b>Services and Supplies</b>        |                   |                   |                |
| Services                            | 2,035,928         | <b>2,456,195</b>  | 2,290,364      |
| Student Transportation              | 141,968           | <b>138,829</b>    | 137,961        |
| Professional Development and Travel | 844,804           | <b>848,751</b>    | 863,820        |
| Rentals and Leases                  | 118,660           | <b>121,501</b>    | 229,327        |
| Dues and Fees                       | 74,700            | <b>78,443</b>     | 73,611         |
| Insurance                           | 171,300           | <b>169,618</b>    | 154,240        |
| Supplies                            | 3,022,232         | <b>3,282,725</b>  | 3,338,918      |
| Utilities                           | 1,260,000         | <b>1,564,150</b>  | 1,720,216      |
| <b>Total Services and Supplies</b>  | <b>7,669,592</b>  | <b>8,660,212</b>  | 8,808,457      |
| <b>Total Operating Expense</b>      | <b>77,423,840</b> | <b>77,027,916</b> | 76,660,560     |

# School District No. 5 (Southeast Kootenay)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2024

|  | Teachers<br>Salaries | Principals and<br>Vice Principals<br>Salaries | Educational<br>Assistants<br>Salaries | Support<br>Staff<br>Salaries | Other<br>Professionals<br>Salaries | Substitutes<br>Salaries | Total<br>Salaries |
|--|----------------------|---|---------------------------------------|------------------------------|------------------------------------|-------------------------|-------------------|
|  | \$                   | \$  | \$                                    | \$                           | \$                                 | \$                      | \$                |
| <b>1 Instruction</b>                           |                      |   |                                       |                              |                                    |                         |                   |
| 1 02 Regular Instruction                       | 25,061,962           | 1,534,052                                     |                                       | 453,622                      | 34,710                             | 2,343,747               | 29,428,093        |
| 1 03 Career Programs                           |                      |   |                                       |                              |                                    |                         | -                 |
| 1 07 Library Services                          | 656,643              |   |                                       | 151,275                      |                                    | 35,973                  | 843,891           |
| 1 08 Counselling                               | 858,139              |   |                                       |                              |                                    | 45,900                  | 904,039           |
| 1 10 Special Education                         | 3,378,979            | 143,284                                       | 5,911,550                             | 23,944                       | 697,451                            | 1,014,642               | 11,169,850        |
| 1 30 English Language Learning                 | 63,601               |   |                                       |                              |                                    |                         | 63,601            |
| 1 31 Indigenous Education                      | 137,761              | 113,439                                       | 706,822                               |                              | 186,372                            | 27,235                  | 1,171,629         |
| 1 41 School Administration                     |                      | 3,565,845                                     |                                       | 1,091,980                    |                                    | 125,385                 | 4,783,210         |
| <b>Total Function 1</b>                        | <b>30,157,085</b>    | <b>5,356,620</b>                              | <b>6,618,372</b>                      | <b>1,720,821</b>             | <b>918,533</b>                     | <b>3,592,882</b>        | <b>48,364,313</b> |
| <b>4 District Administration</b>               |                      |   |                                       |                              |                                    |                         |                   |
| 4 11 Educational Administration                |                      | 146,543                                       |                                       |                              | 248,203                            | 59,195                  | 453,941           |
| 4 40 School District Governance                |                      |   |                                       |                              | 143,937                            |                         | 143,937           |
| 4 41 Business Administration                   |                      |   |                                       | 328,210                      | 965,744                            | 3,275                   | 1,297,229         |
| <b>Total Function 4</b>                        | <b>-</b>             | <b>146,543</b>                                | <b>-</b>                              | <b>328,210</b>               | <b>1,357,884</b>                   | <b>62,470</b>           | <b>1,895,107</b>  |
| <b>5 Operations and Maintenance</b>            |                      |   |                                       |                              |                                    |                         |                   |
| 5 41 Operations and Maintenance Administration |                      |   |                                       | 24,012                       | 265,792                            | 604                     | 290,408           |
| 5 50 Maintenance Operations                    |                      |   |                                       | 3,002,397                    |                                    | 158,699                 | 3,161,096         |
| 5 52 Maintenance of Grounds                    |                      |   |                                       | 79,817                       |                                    | 30,809                  | 110,626           |
| 5 56 Utilities                                 |                      |   |                                       |                              |                                    |                         | -                 |
| <b>Total Function 5</b>                        | <b>-</b>             | <b>-</b>                                      | <b>-</b>                              | <b>3,106,226</b>             | <b>265,792</b>                     | <b>190,112</b>          | <b>3,562,130</b>  |
| <b>7 Transportation and Housing</b>            |                      |   |                                       |                              |                                    |                         |                   |
| 7 41 Transportation and Housing Administration |                      |   |                                       |                              | 145,770                            |                         | 145,770           |
| 7 70 Student Transportation                    |                      |   |                                       | 1,140,027                    |                                    | 63,436                  | 1,203,463         |
| <b>Total Function 7</b>                        | <b>-</b>             | <b>-</b>                                      | <b>-</b>                              | <b>1,140,027</b>             | <b>145,770</b>                     | <b>63,436</b>           | <b>1,349,233</b>  |
| <b>9 Debt Services</b>                         |                      |   |                                       |                              |                                    |                         |                   |
| <b>Total Function 9</b>                        | <b>-</b>             | <b>-</b>                                      | <b>-</b>                              | <b>-</b>                     | <b>-</b>                           | <b>-</b>                | <b>-</b>          |
| <b>Total Functions 1 - 9</b>                   | <b>30,157,085</b>    | <b>5,503,163</b>                              | <b>6,618,372</b>                      | <b>6,295,284</b>             | <b>2,687,979</b>                   | <b>3,908,900</b>        | <b>55,170,783</b> |



# School District No. 5 (Southeast Kootenay)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2024

|  | Total Salaries    | Employee Benefits | Total Salaries and Benefits | Services and Supplies | 2024 Actual       | 2024 Budget       | 2023 Actual       |
|--|-------------------|-------------------|-----------------------------|-----------------------|-------------------|-------------------|-------------------|
|  | \$                | \$                | \$                          | \$                    | \$                | \$                | \$                |
| <b>1 Instruction</b>                           |                   |                   |                             |                       |                   |                   |                   |
| 1 02 Regular Instruction                       | 29,428,093        | 6,748,761         | 36,176,854                  | 2,337,504             | 38,514,358        | 37,885,322        | 37,830,121        |
| 1 03 Career Programs                           | -                 | -                 | -                           | 43,381                | 43,381            | 91,336            | 44,962            |
| 1 07 Library Services                          | 843,891           | 220,065           | 1,063,956                   | 137,711               | 1,201,667         | 1,390,646         | 1,377,741         |
| 1 08 Counselling                               | 904,039           | 219,973           | 1,124,012                   | 5,067                 | 1,129,079         | 1,501,563         | 1,541,361         |
| 1 10 Special Education                         | 11,169,850        | 2,899,267         | 14,069,117                  | 535,362               | 14,604,479        | 15,713,369        | 15,135,752        |
| 1 30 English Language Learning                 | 63,601            | 15,902            | 79,503                      | 11,013                | 90,516            | 255,733           | 197,151           |
| 1 31 Indigenous Education                      | 1,171,629         | 292,679           | 1,464,308                   | 514,014               | 1,978,322         | 1,845,947         | 1,718,729         |
| 1 41 School Administration                     | 4,783,210         | 1,172,358         | 5,955,568                   | 103,855               | 6,059,423         | 5,593,907         | 5,429,255         |
| <b>Total Function 1</b>                        | <b>48,364,313</b> | <b>11,569,005</b> | <b>59,933,318</b>           | <b>3,687,907</b>      | <b>63,621,225</b> | <b>64,277,823</b> | <b>63,275,072</b> |
| <b>4 District Administration</b>               |                   |                   |                             |                       |                   |                   |                   |
| 4 11 Educational Administration                | 453,941           | 85,646            | 539,587                     | 127,408               | 666,995           | 609,990           | 620,271           |
| 4 40 School District Governance                | 143,937           | 6,792             | 150,729                     | 128,530               | 279,259           | 266,340           | 314,224           |
| 4 41 Business Administration                   | 1,297,229         | 321,789           | 1,619,018                   | 418,397               | 2,037,415         | 1,866,619         | 1,679,068         |
| <b>Total Function 4</b>                        | <b>1,895,107</b>  | <b>414,227</b>    | <b>2,309,334</b>            | <b>674,335</b>        | <b>2,983,669</b>  | <b>2,742,949</b>  | <b>2,613,563</b>  |
| <b>5 Operations and Maintenance</b>            |                   |                   |                             |                       |                   |                   |                   |
| 5 41 Operations and Maintenance Administration | 290,408           | 61,449            | 351,857                     | 180,466               | 532,323           | 565,961           | 516,832           |
| 5 50 Maintenance Operations                    | 3,161,096         | 760,997           | 3,922,093                   | 1,403,362             | 5,325,455         | 5,768,233         | 5,553,892         |
| 5 52 Maintenance of Grounds                    | 110,626           | 19,928            | 130,554                     | 380,230               | 510,784           | 418,592           | 484,983           |
| 5 56 Utilities                                 | -                 | -                 | -                           | 1,564,150             | 1,564,150         | 1,260,000         | 1,720,216         |
| <b>Total Function 5</b>                        | <b>3,562,130</b>  | <b>842,374</b>    | <b>4,404,504</b>            | <b>3,528,208</b>      | <b>7,932,712</b>  | <b>8,012,786</b>  | <b>8,275,923</b>  |
| <b>7 Transportation and Housing</b>            |                   |                   |                             |                       |                   |                   |                   |
| 7 41 Transportation and Housing Administration | 145,770           | 31,949            | 177,719                     | 4,219                 | 181,938           | 154,225           | 166,648           |
| 7 70 Student Transportation                    | 1,203,463         | 339,366           | 1,542,829                   | 765,543               | 2,308,372         | 2,236,057         | 2,329,354         |
| <b>Total Function 7</b>                        | <b>1,349,233</b>  | <b>371,315</b>    | <b>1,720,548</b>            | <b>769,762</b>        | <b>2,490,310</b>  | <b>2,390,282</b>  | <b>2,496,002</b>  |
| <b>9 Debt Services</b>                         |                   |                   |                             |                       |                   |                   |                   |
| <b>Total Function 9</b>                        | <b>-</b>          | <b>-</b>          | <b>-</b>                    | <b>-</b>              | <b>-</b>          | <b>-</b>          | <b>-</b>          |
| <b>Total Functions 1 - 9</b>                   | <b>55,170,783</b> | <b>13,196,921</b> | <b>68,367,704</b>           | <b>8,660,212</b>      | <b>77,027,916</b> | <b>77,423,840</b> | <b>76,660,560</b> |

# School District No. 5 (Southeast Kootenay)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations  
Year Ended June 30, 2024

|   | 2024<br>Budget   | 2024<br>Actual    | 2023<br>Actual   |
|---|------------------|-------------------|------------------|
|   | \$               | \$                | \$               |
| <b>Revenues</b>   |                  |                   |                  |
| Provincial Grants   |                  |                   |                  |
| Ministry of Education and Child Care                        | 5,706,665        | 12,431,787        | 5,737,587        |
| Other   | 110,164          | 112,474           | 123,820          |
| Other Revenue   | 665,000          | 2,292,298         | 2,120,027        |
| Investment Income   | 5,000            | 13,200            | 20,300           |
| <b>Total Revenue</b>  | <b>6,486,829</b> | <b>14,849,759</b> | <b>8,001,734</b> |
| <b>Expenses</b>   |                  |                   |                  |
| Instruction   | 6,196,778        | 14,695,229        | 7,574,353        |
| District Administration                                     | 3,000            |                   |                  |
| Operations and Maintenance                                  | 24,430           | 24,430            | 148,412          |
| Transportation and Housing                                  |                  |                   | 24,000           |
| <b>Total Expense</b>  | <b>6,224,208</b> | <b>14,719,659</b> | <b>7,746,765</b> |
| <b>Special Purpose Surplus (Deficit) for the year</b>       | <b>262,621</b>   | <b>130,100</b>    | <b>254,969</b>   |
| <b>Net Transfers (to) from other funds</b>                  |                  |                   |                  |
| Tangible Capital Assets Purchased                           | (262,621)        | (130,100)         | (254,969)        |
| <b>Total Net Transfers</b>                                  | <b>(262,621)</b> | <b>(130,100)</b>  | <b>(254,969)</b> |
| <b>Total Special Purpose Surplus (Deficit) for the year</b> | <b>-</b>         | <b>-</b>          | <b>-</b>         |
| <b>Special Purpose Surplus (Deficit), beginning of year</b> |                  |                   |                  |
| <b>Special Purpose Surplus (Deficit), end of year</b>       |                  | <b>-</b>          | <b>-</b>         |

# School District No. 5 (Southeast Kootenay)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2024

Schedule 3A (Unaudited)

|   | Annual<br>Facility<br>Grant | Learning<br>Improvement<br>Fund | Scholarships<br>and<br>Bursaries | School<br>Generated<br>Funds | Strong<br>Start | Ready,<br>Set,<br>Learn | OLEP           | CommunityLINK | Classroom<br>Enhancement<br>Fund - Overhead |
|---|-----------------------------|---------------------------------|----------------------------------|------------------------------|-----------------|-------------------------|----------------|---------------|---|
|   | \$                          | \$                              | \$                               | \$                           | \$              | \$                      | \$             | \$            | \$  |
| <b>Deferred Revenue, beginning of year</b>                                | 179,934                     |                                 | 790,314                          | 386,339                      | 16,345          | 13,542                  | 117,709        | 11,900        |   |
| <b>Add:</b> Restricted Grants   |                             |                                 |                                  |                              |                 |                         |                |               |   |
| Provincial Grants - Ministry of Education and Child Care                  | 287,051                     | 293,563                         |                                  |                              | 128,000         | 26,950                  | 588,243        | 412,537       | 162,905                                     |
| Provincial Grants - Other   |                             |                                 | 7,250                            | 2,298,219                    |                 |                         |                |               |   |
| Other   |                             |                                 | 44,501                           |                              |                 |                         |                |               |   |
| Investment Income   |                             |                                 |                                  |                              |                 |                         |                |               |   |
|   | 287,051                     | 293,563                         | 51,751                           | 2,298,219                    | 128,000         | 26,950                  | 588,243        | 412,537       | 162,905                                     |
| <b>Less:</b> Allocated to Revenue   | 154,530                     | 293,563                         | 20,450                           | 2,285,048                    | 136,967         | 20,975                  | 470,222        | 424,250       | 162,905                                     |
| <b>Deferred Revenue, end of year</b>                                      | <b>312,455</b>              | <b>-</b>                        | <b>821,615</b>                   | <b>399,510</b>               | <b>7,378</b>    | <b>19,517</b>           | <b>235,730</b> | <b>187</b>    | <b>-</b>                                    |
| <b>Revenues</b>   |                             |                                 |                                  |                              |                 |                         |                |               |   |
| Provincial Grants - Ministry of Education and Child Care                  | 154,530                     | 293,563                         |                                  |                              | 136,967         | 20,975                  | 470,222        | 424,250       | 162,905                                     |
| Provincial Grants - Other   |                             |                                 | 7,250                            | 2,285,048                    |                 |                         |                |               |   |
| Other Revenue   |                             |                                 | 13,200                           |                              |                 |                         |                |               |   |
| Investment Income   |                             |                                 |                                  |                              |                 |                         |                |               |   |
|   | 154,530                     | 293,563                         | 20,450                           | 2,285,048                    | 136,967         | 20,975                  | 470,222        | 424,250       | 162,905                                     |
| <b>Expenses</b>   |                             |                                 |                                  |                              |                 |                         |                |               |   |
| Salaries  |                             |                                 |                                  |                              |                 |                         |                |               |   |
| Teachers  |                             |                                 |                                  |                              |                 |                         | 117,604        |               |   |
| Principals and Vice Principals  |                             |                                 |                                  |                              |                 |                         |                |               |   |
| Educational Assistants  |                             | 221,424                         |                                  |                              |                 |                         | 128,106        |               |   |
| Support Staff   |                             |                                 |                                  |                              |                 |                         |                | 299,766       | 88,544                                      |
| Other Professionals   |                             |                                 |                                  |                              |                 |                         |                |               |   |
| Substitutes   |                             |                                 |                                  |                              |                 | 5,694                   | 34,759         |               |   |
|   | -                           | 221,424                         | -                                | -                            | -               | 5,694                   | 280,469        | 299,766       | 88,544                                      |
| Employee Benefits   |                             | 72,139                          |                                  |                              |                 | 1,424                   | 49,894         | 93,828        | 22,136                                      |
| Services and Supplies   | 24,430                      |                                 | 20,450                           | 2,285,048                    | 136,967         | 13,857                  | 139,859        | 30,656        | 52,225                                      |
|   | 24,430                      | 293,563                         | 20,450                           | 2,285,048                    | 136,967         | 20,975                  | 470,222        | 424,250       | 162,905                                     |
| <b>Net Revenue (Expense) before Interfund Transfers</b>                   | <b>130,100</b>              | <b>-</b>                        | <b>-</b>                         | <b>-</b>                     | <b>-</b>        | <b>-</b>                | <b>-</b>       | <b>-</b>      | <b>-</b>                                    |
| <b>Interfund Transfers</b>  |                             |                                 |                                  |                              |                 |                         |                |               |   |
| Tangible Capital Assets Purchased   | (130,100)                   |                                 |                                  |                              |                 |                         |                |               |   |
|   | (130,100)                   | -                               | -                                | -                            | -               | -                       | -              | -             | -   |
| <b>Net Revenue (Expense)</b>  | <b>-</b>                    | <b>-</b>                        | <b>-</b>                         | <b>-</b>                     | <b>-</b>        | <b>-</b>                | <b>-</b>       | <b>-</b>      | <b>-</b>                                    |
| <b>Additional Expenses funded by, and reported in, the Operating Fund</b> |                             |                                 |                                  |                              |                 |                         |                |               | <b>801,198</b>                              |

**School District No. 5 (Southeast Kootenay)**

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2024

|   | Classroom<br>Enhancement<br>Fund - Staffing | Classroom<br>Enhancement<br>Fund - Remedies | First Nation<br>Student<br>Transportation | Mental<br>Health<br>in Schools | Changing<br>Results for<br>Young Children | Student &<br>Family<br>Affordability | SEY2KT<br>(Early Years to<br>Kindergarten) | ECL<br>(Early Care<br>& Learning) | Feeding<br>Futures<br>Fund |
|---|---|---|---|--------------------------------|---|--------------------------------------|--|-----------------------------------|----------------------------|
|   | \$  | \$  | \$  | \$                             | \$  | \$                                   | \$   | \$                                | \$                         |
| <b>Deferred Revenue, beginning of year</b>                                |   |   | 20,523                                    | 2,398                          | 2,137                                     | 176,919                              | 12,727                                     | 38,447                            |                            |
| <b>Add: Restricted Grants</b>   |   |   |   |                                |   |                                      |  |                                   |                            |
| Provincial Grants - Ministry of Education and Child Care                  | 9,533,498                                   | 123,532                                     | 27,449                                    | 52,000                         | 11,250                                    | 151,000                              | 19,000                                     | 175,000                           | 808,815                    |
| Provincial Grants - Other   |   |   |   |                                |   |                                      |  |                                   |                            |
| Other   |   |   |   |                                |   |                                      |  |                                   |                            |
| Investment Income   |   |   |   |                                |   |                                      |  |                                   |                            |
|   | 9,533,498                                   | 123,532                                     | 27,449                                    | 52,000                         | 11,250                                    | 151,000                              | 19,000                                     | 175,000                           | 808,815                    |
| <b>Less: Allocated to Revenue</b>   | 9,533,498                                   | 123,532                                     | -   | 28,332                         | 13,387                                    | 171,926                              | 15,725                                     | 193,126                           | 688,849                    |
| <b>Deferred Revenue, end of year</b>                                      | -   | -   | 47,972                                    | 26,066                         | -   | 155,993                              | 16,002                                     | 20,321                            | 119,966                    |
| <b>Revenues</b>   |   |   |   |                                |   |                                      |  |                                   |                            |
| Provincial Grants - Ministry of Education and Child Care                  | 9,533,498                                   | 123,532                                     |   | 28,332                         | 13,387                                    | 171,926                              | 15,725                                     | 193,126                           | 688,849                    |
| Provincial Grants - Other   |   |   |   |                                |   |                                      |  |                                   |                            |
| Other Revenue   |   |   |   |                                |   |                                      |  |                                   |                            |
| Investment Income   |   |   |   |                                |   |                                      |  |                                   |                            |
|   | 9,533,498                                   | 123,532                                     | -   | 28,332                         | 13,387                                    | 171,926                              | 15,725                                     | 193,126                           | 688,849                    |
| <b>Expenses</b>   |   |   |   |                                |   |                                      |  |                                   |                            |
| Salaries  |   |   |   |                                |   |                                      |  |                                   |                            |
| Teachers  | 7,328,658                                   |   |   |                                |   |                                      |  |                                   |                            |
| Principals and Vice Principals  |   |   |   |                                |   |                                      |  | 142,083                           |                            |
| Educational Assistants  |   |   |   |                                |   |                                      |  |                                   |                            |
| Support Staff   |   |   |   |                                |   |                                      |  |                                   | 350,601                    |
| Other Professionals   |   |   |   |                                |   |                                      |  |                                   |                            |
| Substitutes   |   | 98,827                                      |   | 3,623                          | 8,628                                     |                                      | 10,093                                     |                                   |                            |
|   | 7,328,658                                   | 98,827                                      | -   | 3,623                          | 8,628                                     | -                                    | 10,093                                     | 142,083                           | 350,601                    |
| Employee Benefits   | 2,204,840                                   | 24,705                                      |   | 905                            | 2,155                                     |                                      | 2,523                                      | 28,417                            | 99,615                     |
| Services and Supplies   |   |   |   | 23,804                         | 2,604                                     | 171,926                              | 3,109                                      | 22,626                            | 238,633                    |
|   | 9,533,498                                   | 123,532                                     | -   | 28,332                         | 13,387                                    | 171,926                              | 15,725                                     | 193,126                           | 688,849                    |
| <b>Net Revenue (Expense) before Interfund Transfers</b>                   | -   | -   | -   | -                              | -   | -                                    | -  | -                                 | -                          |
| <b>Interfund Transfers</b>  |   |   |   |                                |   |                                      |  |                                   |                            |
| Tangible Capital Assets Purchased   |   |   |   |                                |   |                                      |  |                                   |                            |
|   | -   | -   | -   | -                              | -   | -                                    | -  | -                                 | -                          |
| <b>Net Revenue (Expense)</b>  | -   | -   | -   | -                              | -   | -                                    | -  | -                                 | -                          |
| <b>Additional Expenses funded by, and reported in, the Operating Fund</b> | 47,269                                      | 12,682                                      |   |                                |   |                                      |  |                                   |                            |

# School District No. 5 (Southeast Kootenay)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2024

|   | MCF<br>Programs | Estate of<br>Clarence SES | TOTAL      |
|---|-----------------|---------------------------|------------|
|   | \$              | \$                        | \$         |
| <b>Deferred Revenue, beginning of year</b>                                | 2,310           | 55,000                    | 1,826,544  |
| <b>Add: Restricted Grants</b>   |                 |                           |            |
| Provincial Grants - Ministry of Education and Child Care                  |                 |                           | 12,800,793 |
| Provincial Grants - Other   | 110,164         |                           | 110,164    |
| Other   |                 |                           | 2,305,469  |
| Investment Income   |                 |                           | 44,501     |
|   | 110,164         | -                         | 15,260,927 |
| <b>Less: Allocated to Revenue</b>   | 112,474         | -                         | 14,849,759 |
| <b>Deferred Revenue, end of year</b>                                      | -               | 55,000                    | 2,237,712  |
| <b>Revenues</b>   |                 |                           |            |
| Provincial Grants - Ministry of Education and Child Care                  |                 |                           | 12,431,787 |
| Provincial Grants - Other   | 112,474         |                           | 112,474    |
| Other Revenue   |                 |                           | 2,292,298  |
| Investment Income   |                 |                           | 13,200     |
|   | 112,474         | -                         | 14,849,759 |
| <b>Expenses</b>   |                 |                           |            |
| Salaries  |                 |                           |            |
| Teachers  |                 |                           | 7,446,262  |
| Principals and Vice Principals  |                 |                           | 142,083    |
| Educational Assistants  |                 |                           | 349,530    |
| Support Staff   |                 |                           | 738,911    |
| Other Professionals   | 83,869          |                           | 83,869     |
| Substitutes   |                 |                           | 161,624    |
|   | 83,869          | -                         | 8,922,279  |
| Employee Benefits   | 21,473          |                           | 2,624,054  |
| Services and Supplies   | 7,132           |                           | 3,173,326  |
|   | 112,474         | -                         | 14,719,659 |
| <b>Net Revenue (Expense) before Interfund Transfers</b>                   | -               | -                         | 130,100    |
| <b>Interfund Transfers</b>  |                 |                           |            |
| Tangible Capital Assets Purchased   |                 |                           | (130,100)  |
|   | -               | -                         | (130,100)  |
| <b>Net Revenue (Expense)</b>  | -               | -                         | -          |
| <b>Additional Expenses funded by, and reported in, the Operating Fund</b> |                 |                           | 861,149    |

# School District No. 5 (Southeast Kootenay)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2024

|  | 2024<br>Budget   | 2024 Actual                            |                  |                   | 2023<br>Actual    |
|--|------------------|--|------------------|-------------------|-------------------|
|  |                  | Invested in Tangible<br>Capital Assets | Local<br>Capital | Fund<br>Balance   |                   |
|  | \$               | \$                                     | \$               | \$                | \$                |
| <b>Revenues</b>                                      |                  |  |                  |                   |                   |
| Investment Income                                    | 10,000           |  | 62,815           | 62,815            | 24,175            |
| Amortization of Deferred Capital Revenue             | 3,318,467        | 3,313,977                              |                  | 3,313,977         | 3,198,168         |
| <b>Total Revenue</b>                                 | <b>3,328,467</b> | <b>3,313,977</b>                       | <b>62,815</b>    | <b>3,376,792</b>  | <b>3,222,343</b>  |
| <b>Expenses</b>                                      |                  |  |                  |                   |                   |
| Amortization of Tangible Capital Assets              |                  |  |                  |                   |                   |
| Operations and Maintenance                           | 3,994,029        | 4,116,528                              |                  | 4,116,528         | 3,888,363         |
| Write-off/down of Buildings and Sites                |                  | (164,956)                              |                  | (164,956)         |                   |
| Debt Services  |                  |  |                  |                   |                   |
| Capital Lease Interest                               |                  |  | 16,422           | 16,422            | 3,447             |
| <b>Total Expense</b>                                 | <b>3,994,029</b> | <b>3,951,572</b>                       | <b>16,422</b>    | <b>3,967,994</b>  | <b>3,891,810</b>  |
| <b>Capital Surplus (Deficit) for the year</b>        | <b>(665,562)</b> | <b>(637,595)</b>                       | <b>46,393</b>    | <b>(591,202)</b>  | <b>(669,467)</b>  |
| <b>Net Transfers (to) from other funds</b>           |                  |  |                  |                   |                   |
| Tangible Capital Assets Purchased                    | 302,233          | 130,100                                |                  | 130,100           | 254,969           |
| Local Capital  | 800,000          |  | 800,000          | 800,000           | 500,000           |
| Capital Lease Payment                                |                  |  | 103,757          | 103,757           | 16,546            |
| <b>Total Net Transfers</b>                           | <b>1,102,233</b> | <b>130,100</b>                         | <b>903,757</b>   | <b>1,033,857</b>  | <b>771,515</b>    |
| <b>Other Adjustments to Fund Balances</b>            |                  |  |                  |                   |                   |
| Tangible Capital Assets Purchased from Local Capital |                  | 462,175                                | (462,175)        | -                 |                   |
| Principal Payment                                    |                  |  |                  |                   |                   |
| Capital Lease  |                  | 87,335                                 | (87,335)         | -                 |                   |
| <b>Total Other Adjustments to Fund Balances</b>      |                  | <b>549,510</b>                         | <b>(549,510)</b> | <b>-</b>          |                   |
| <b>Total Capital Surplus (Deficit) for the year</b>  | <b>436,671</b>   | <b>42,015</b>                          | <b>400,640</b>   | <b>442,655</b>    | <b>102,048</b>    |
| <b>Capital Surplus (Deficit), beginning of year</b>  |                  | <b>19,474,263</b>                      | <b>582,699</b>   | <b>20,056,962</b> | <b>19,954,914</b> |
| <b>Capital Surplus (Deficit), end of year</b>        |                  | <b>19,516,278</b>                      | <b>983,339</b>   | <b>20,499,617</b> | <b>20,056,962</b> |

# School District No. 5 (Southeast Kootenay)

Tangible Capital Assets  
Year Ended June 30, 2024

Schedule 4A (Unaudited)

|  | Sites            | Buildings         | Furniture and<br>Equipment | Vehicles         | Computer<br>Software | Computer<br>Hardware | Total             |
|--|------------------|-------------------|----------------------------|------------------|----------------------|----------------------|-------------------|
|  | \$               | \$                | \$                         | \$               | \$                   | \$                   | \$                |
| <b>Cost, beginning of year</b>                     | 9,437,116        | 166,764,841       | 1,922,266                  | 4,346,237        | -                    | 567,987              | 183,038,447       |
| <b>Changes for the Year</b>                        |                  |                   |                            |                  |                      |                      |                   |
| Increase:  |                  |                   |                            |                  |                      |                      |                   |
| Purchases from:                                    |                  |                   |                            |                  |                      |                      |                   |
| Deferred Capital Revenue - Bylaw                   |                  | 3,277,670         | 261,441                    | 344,873          |                      |                      | 3,883,984         |
| Deferred Capital Revenue - Other                   |                  | 75,920            | 20,000                     |                  |                      |                      | 95,920            |
| Special Purpose Funds                              |                  | 130,100           |                            |                  |                      |                      | 130,100           |
| Local Capital                                      |                  | 336,981           | 105,119                    |                  |                      | 20,075               | 462,175           |
| Equipment under capital lease                      |                  |                   |                            | 121,310          |                      | 108,105              | 229,415           |
|  | -                | 3,820,671         | 386,560                    | 466,183          | -                    | 128,180              | 4,801,594         |
| Decrease:  |                  |                   |                            |                  |                      |                      |                   |
| Deemed Disposals                                   |                  |                   | 23,249                     | 594,147          |                      | 25,576               | 642,972           |
| Written-off/down During Year                       |                  | 1,474,027         |                            |                  |                      |                      | 1,474,027         |
|  | -                | 1,474,027         | 23,249                     | 594,147          | -                    | 25,576               | 2,116,999         |
| <b>Cost, end of year</b>                           | 9,437,116        | 169,111,485       | 2,285,577                  | 4,218,273        | -                    | 670,591              | 185,723,042       |
| <b>Work in Progress, end of year</b>               |                  |                   |                            |                  |                      |                      | -                 |
| <b>Cost and Work in Progress, end of year</b>      | 9,437,116        | 169,111,485       | 2,285,577                  | 4,218,273        | -                    | 670,591              | 185,723,042       |
| <b>Accumulated Amortization, beginning of year</b> |                  | 90,552,052        | 1,119,257                  | 1,759,355        |                      | 146,302              | 93,576,966        |
| <b>Changes for the Year</b>                        |                  |                   |                            |                  |                      |                      |                   |
| Increase: Amortization for the Year                |                  | 3,310,220         | 210,392                    | 434,291          |                      | 161,625              | 4,116,528         |
| Decrease:  |                  |                   |                            |                  |                      |                      |                   |
| Deemed Disposals                                   |                  |                   | 23,249                     | 594,147          |                      | 25,576               | 642,972           |
| Written-off During Year                            |                  | 580,144           |                            |                  |                      |                      | 580,144           |
|  |                  | 580,144           | 23,249                     | 594,147          | -                    | 25,576               | 1,223,116         |
| <b>Accumulated Amortization, end of year</b>       |                  | 93,282,128        | 1,306,400                  | 1,599,499        | -                    | 282,351              | 96,470,378        |
| <b>Tangible Capital Assets - Net</b>               | <b>9,437,116</b> | <b>75,829,357</b> | <b>979,177</b>             | <b>2,618,774</b> | <b>-</b>             | <b>388,240</b>       | <b>89,252,664</b> |

# School District No. 5 (Southeast Kootenay)

Schedule 4C (Unaudited)

Deferred Capital Revenue  
Year Ended June 30, 2024

|   | Bylaw<br>Capital  | Other<br>Provincial | Other<br>Capital | Total<br>Capital  |
|---|-------------------|---------------------|------------------|-------------------|
|   | \$                | \$                  | \$               | \$                |
| <b>Deferred Capital Revenue, beginning of year</b>    | 62,563,862        | 2,588,518           | 2,037,706        | 67,190,086        |
| <b>Changes for the Year</b>                           |                   |                     |                  |                   |
| Increase:   |                   |                     |                  |                   |
| Transferred from Deferred Revenue - Capital Additions | 3,883,984         | 75,920              | 20,000           | 3,979,904         |
|   | <u>3,883,984</u>  | <u>75,920</u>       | <u>20,000</u>    | <u>3,979,904</u>  |
| Decrease:   |                   |                     |                  |                   |
| Amortization of Deferred Capital Revenue              | 3,141,982         | 91,572              | 80,423           | 3,313,977         |
| Revenue Recognized on Write-off/down of Buildings     | 893,883           |                     |                  | 893,883           |
|   | <u>4,035,865</u>  | <u>91,572</u>       | <u>80,423</u>    | <u>4,207,860</u>  |
| <b>Net Changes for the Year</b>                       | <u>(151,881)</u>  | <u>(15,652)</u>     | <u>(60,423)</u>  | <u>(227,956)</u>  |
| <b>Deferred Capital Revenue, end of year</b>          | <u>62,411,981</u> | <u>2,572,866</u>    | <u>1,977,283</u> | <u>66,962,130</u> |
| <b>Work in Progress, beginning of year</b>            |                   |                     |                  | -                 |
| <b>Changes for the Year</b>                           |                   |                     |                  |                   |
| Net Changes for the Year                              | -                 | -                   | -                | -                 |
| <b>Work in Progress, end of year</b>                  | -                 | -                   | -                | -                 |
| <b>Total Deferred Capital Revenue, end of year</b>    | <u>62,411,981</u> | <u>2,572,866</u>    | <u>1,977,283</u> | <u>66,962,130</u> |



# School District No. 5 (Southeast Kootenay)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2024

Schedule 4D (Unaudited)

|  | Bylaw<br>Capital | MECC<br>Restricted<br>Capital | Other<br>Provincial<br>Capital | Land<br>Capital | Other<br>Capital | Total     |
|--|------------------|-------------------------------|--------------------------------|-----------------|------------------|-----------|
|  | \$               | \$                            | \$                             | \$              | \$               | \$        |
| <b>Balance, beginning of year</b>                        | 595,788          | 4,358                         |                                |                 | 80,576           | 680,722   |
| <b>Changes for the Year</b>                              |                  |                               |                                |                 |                  |           |
| Increase:  |                  |                               |                                |                 |                  |           |
| Provincial Grants - Ministry of Education and Child Care | 3,418,680        |                               | 1,033,032                      |                 |                  | 4,451,712 |
| Other  |                  |                               |                                |                 | 111,781          | 111,781   |
| Investment Income  |                  | 248                           |                                |                 |                  | 248       |
|  | 3,418,680        | 248                           | 1,033,032                      | -               | 111,781          | 4,563,741 |
| Decrease:  |                  |                               |                                |                 |                  |           |
| Transferred to DCR - Capital Additions                   | 3,883,984        |                               | 75,920                         |                 | 20,000           | 3,979,904 |
|  | 3,883,984        | -                             | 75,920                         | -               | 20,000           | 3,979,904 |
| <b>Net Changes for the Year</b>                          | (465,304)        | 248                           | 957,112                        | -               | 91,781           | 583,837   |
| <b>Balance, end of year</b>                              | 130,484          | 4,606                         | 957,112                        | -               | 172,357          | 1,264,559 |