

Audited Financial Statements of

# **School District No. 33 (Chilliwack)**

And Independent Auditors' Report thereon

June 30, 2019

# School District No. 33 (Chilliwack)

June 30, 2019

## 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 Financial Assets (Debt) - Statement 4 .....	7
Statement of Cash Flows - Statement 5 .....	8
Notes to the Financial Statements .....	9-28
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited) .....	29
Schedule of Operating Operations - Schedule 2 (Unaudited) .....	30
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited) .....	31
Schedule 2B - Schedule of Operating Expense by Object (Unaudited) .....	32
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited) .....	33
Schedule of Special Purpose Operations - Schedule 3 (Unaudited) .....	35
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited) .....	36
Schedule of Capital Operations - Schedule 4 (Unaudited) .....	38
Schedule 4A - Tangible Capital Assets (Unaudited) .....	39
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited) .....	40
Schedule 4C - Deferred Capital Revenue (Unaudited) .....	41
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited) .....	42

# School District No. 33 (Chilliwack)

## MANAGEMENT REPORT

Version: 5686-4940-2957

### Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 33 (Chilliwack) 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.

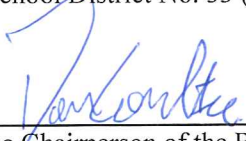
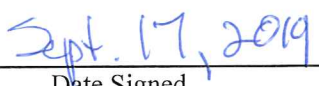
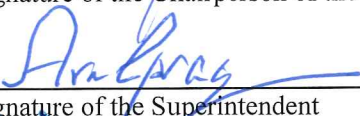
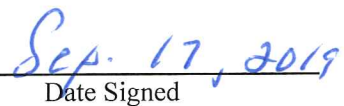
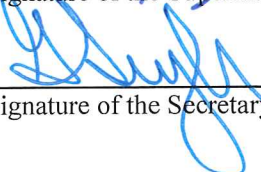
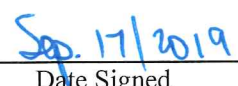
The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 33 (Chilliwack) (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, KPMG, 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. 33 (Chilliwack) 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. 33 (Chilliwack)

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



KPMG LLP  
32575 Simon Avenue  
Abbotsford BC V2T 4W6  
Telephone (604) 854-2200  
Fax (604) 853-2756

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Education of School District No. 33 (Chilliwack), and

To the Minister of Education, Province of British Columbia

### **Opinion**

We have audited the financial statements of School District No. 33 (Chilliwack) (the Entity), which comprise:

- the statement of financial position as at June 30, 2019
- the statement of operations for the year then ended
- the statement of changes in net financial assets (debt) for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements of the Entity as at and for the year ended June 30, 2019 are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

### **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 "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity 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 – Financial Reporting Framework**

We draw attention to note 2 to the financial statements which describes the applicable financial reporting framework and the significant differences between the financial reporting framework and Canadian public sector accounting standards.

Our opinion is not modified in respect of this matter.





### **Other Information**

Management is responsible for the other information. Other information comprises:

- Unaudited Schedules 1-4 attached to the audited financial statements

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

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

We obtained the unaudited schedules documents as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' 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 financial reporting provisions of Section 23.1 of the Budget and Transparency and Accountability Act of the Province of British Columbia and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

### **Auditors' 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 auditors' 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 the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- 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.

*KPMG LLP*

Chartered Professional Accountants


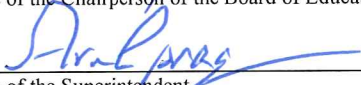

Abbotsford, Canada  
September 17, 2019

**School District No. 33 (Chilliwack)**

Statement 1

## Statement of Financial Position

As at June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	28,053,907	30,196,176
Accounts Receivable		
Due from Province - Ministry of Education	124,961	574,544
Due from LEA Funding	83,132	672,079
Other (Note 3)	192,186	380,986
<b>Total Financial Assets</b>	<b>28,454,186</b>	<b>31,823,785</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	14,125,012	14,011,906
Unearned Revenue (Note 5)	1,263,882	1,197,602
Deferred Revenue (Note 6)	1,373,105	2,039,384
Deferred Capital Revenue (Note 7)	162,672,825	160,668,739
Employee Future Benefits (Note 8)	3,625,502	3,518,896
Other Liabilities	963,023	934,581
<b>Total Liabilities</b>	<b>184,023,349</b>	<b>182,371,108</b>
<b>Net Financial Assets (Debt)</b>	<b>(155,569,163)</b>	<b>(150,547,323)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 9)	224,983,765	218,002,793
Restricted Assets (Endowments) (Note 11)	73,261	73,261
Prepaid Expenses	647,240	470,210
<b>Total Non-Financial Assets</b>	<b>225,704,266</b>	<b>218,546,264</b>
<b>Accumulated Surplus (Deficit) (Note 18)</b>	<b>70,135,103</b>	<b>67,998,941</b>
Contractual Obligations (Note 15)		
Contingent Liabilities (Note 16)		
Approved by the Board		
Signature of the Chairperson of the Board of Education		Sept. 17, 2019 Date Signed
Signature of the Superintendent		Sept. 17, 2019 Date Signed
Signature of the Secretary Treasurer		Sept. 17, 2019 Date Signed

**School District No. 33 (Chilliwack)**

Statement 2

Statement of Operations  
Year Ended June 30, 2019

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	142,860,253	142,993,558	138,111,951
Other	190,000	234,490	283,925
Municipal Grants Spent on Sites			1,697,626
Tuition	1,337,500	1,430,146	1,453,591
Other Revenue	6,443,439	6,743,670	6,465,401
Rentals and Leases	350,000	430,214	350,919
Investment Income	528,000	508,026	471,361
Amortization of Deferred Capital Revenue	6,853,885	6,912,028	6,769,361
<b>Total Revenue</b>	<u>158,563,077</u>	<u>159,252,132</u>	<u>155,604,135</u>
<b>Expenses</b>			
Instruction	124,832,366	124,921,202	120,547,036
District Administration	4,599,109	4,598,648	3,837,990
Operations and Maintenance	23,963,566	23,834,813	22,855,146
Transportation and Housing	3,951,514	3,761,307	3,683,539
<b>Total Expense</b>	<u>157,346,555</u>	<u>157,115,970</u>	<u>150,923,711</u>
<b>Surplus (Deficit) for the year</b>	<u>1,216,522</u>	<u>2,136,162</u>	<u>4,680,424</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		67,998,941	63,318,517
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u>70,135,103</u>	<u>67,998,941</u>

**School District No. 33 (Chilliwack)**

Statement 4

Statement of Changes in Net Financial Assets (Debt)  
Year Ended June 30, 2019

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	<u>1,216,522</u>	<u>2,136,162</u>	<u>4,680,424</u>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(8,745,546)	(14,992,651)	(15,483,295)
Amortization of Tangible Capital Assets	<u>8,062,695</u>	<u>8,011,679</u>	<u>7,834,782</u>
<b>Total Effect of change in Tangible Capital Assets</b>	<u>(682,851)</u>	<u>(6,980,972)</u>	<u>(7,648,513)</u>
Acquisition of Prepaid Expenses		(647,240)	(470,210)
Use of Prepaid Expenses		<u>470,210</u>	<u>982,417</u>
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>-</u>	<u>(177,030)</u>	<u>512,207</u>
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	<u><u>533,671</u></u>	<u>(5,021,840)</u>	<u>(2,455,882)</u>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		<u>(5,021,840)</u>	<u>(2,455,882)</u>
<b>Net Financial Assets (Debt), beginning of year</b>		<u>(150,547,323)</u>	<u>(148,091,441)</u>
<b>Net Financial Assets (Debt), end of year</b>		<u><u>(155,569,163)</u></u>	<u><u>(150,547,323)</u></u>



**School District No. 33 (Chilliwack)**

Statement 5

## Statement of Cash Flows

Year Ended June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	2,136,162	4,680,424
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	1,227,330	(934,748)
Prepaid Expenses	(177,030)	512,207
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	113,106	287,035
Unearned Revenue	66,280	(74,110)
Deferred Revenue	(666,279)	(474,534)
Employee Future Benefits	106,606	65,324
Other Liabilities	28,442	137
Amortization of Tangible Capital Assets	8,011,679	7,834,782
Amortization of Deferred Capital Revenue	(6,912,028)	(6,769,361)
Recognition of Deferred Capital Revenue Spent on Sites	(4,944,048)	(3,843,601)
Bylaw Capital Spent on Non Capital Items	(1,389,245)	(2,224,329)
<b>Total Operating Transactions</b>	<b>(2,399,025)</b>	<b>(940,774)</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(12,997,184)	(10,953,179)
Tangible Capital Assets -WIP Purchased	(1,995,467)	(4,530,116)
<b>Total Capital Transactions</b>	<b>(14,992,651)</b>	<b>(15,483,295)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	15,249,407	12,585,560
<b>Total Financing Transactions</b>	<b>15,249,407</b>	<b>12,585,560</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(2,142,269)</b>	<b>(3,838,509)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>30,196,176</b>	<b>34,034,685</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>28,053,907</b>	<b>30,196,176</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	28,053,907	30,196,176
	<b>28,053,907</b>	<b>30,196,176</b>

**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**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. 33 (Chilliwack)", and operates as "School District No. 33 (Chilliwack)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 33 (Chilliwack) is exempt from federal and provincial corporate income taxes.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the School District are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the School District are as follows:

a) Basis of accounting

The financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia* supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

The *Budget Transparency and Accountability Act* requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 257/2010 requires all tax-payer supported organizations in the Schools, Universities, Colleges and Hospitals sectors to adopt Canadian public sector accounting standards without any PS4200 elections effective their first fiscal year commencing after January 1, 2012.

Regulation 198/2011 requires that restricted contributions received or receivable for acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are to be deferred and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded.

**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

For British Columbia tax-payer supported organizations, these contributions include government transfers and externally restricted contributions.

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which requires that:

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

As a result, revenue recognized in the statement of operations and certain related deferred capital contributions would be recorded differently under Canadian Public Sector Accounting Standards.

**b) Cash and Cash Equivalents**

Cash and cash equivalents include deposits in the Provincial Ministry of Finance Central Deposit Program that are readily convertible to known amounts of cash and that are subject to insignificant risk of change in value. These cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investing.

**c) Accounts Receivable**

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

**d) Unearned Revenue**

Unearned revenue includes tuition fees received for courses to be delivered in future periods and receipt of proceeds for services or products to be delivered in a future period. Revenue will be recognized in that future period when the courses, services, or products are provided.

**e) Deferred Revenue and Deferred Capital Revenue**

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2 (k).

**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2 (a) for the impact of this policy on these financial statements.

**f) Contaminated Sites**

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The School District is directly responsible or accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

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

**g) Employee Future Benefits**

**i) Post-Employment 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 (EARS�) of active employees covered under the plan.



**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

The most recent valuation of the obligation was performed at March 31, 2019 and projected to March 31, 2022. The next valuation will be performed at March 31, 2022 for use at June 30, 2022. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

ii)      Pension Plans

The School District and its employees make contributions to the Teachers' Pension Plan and Municipal Pension Plan. The plans are multi-employer plans where assets and obligations are not separated. The costs are expensed as incurred.

h) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:



**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

Buildings	40 years
Furniture & Equipment	10 years
Vehicles	10 years
Computer Software	5 years
Computer Hardware	5 years

i) Prepaid Expenses

Prepaid expenses consist of unexpired insurance premiums and other prepaid amounts which will be amortized over the term of the policies, or in the period the actual expense relates to, respectively.

Materials and supplies held for use within the School District 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 when approved (see Note 12 – Interfund Transfers and Note 18 – Accumulated Surplus).

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 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.

**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

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.

**l) Expenses**

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

**Allocation of Costs**

- Operating expenses are reported by function, program, and object. Whenever possible, expenses are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

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

m) Endowment Contributions

Endowment contributions are reported as revenue on the Statement of Operations when received. Investment income earned on endowment principal is recorded as deferred revenue if it meets the definition of a liability and is recognized as revenue in the year related expenses (disbursements) are incurred. If the investment income earned does not meet the definition of a liability, it is recognized as revenue in the year it is earned. Endowment assets are reported as restricted non-financial assets on the Statement of Financial Position.

n) 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 and other liabilities.

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

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

o) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in Note 2 (a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.



**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 3      ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Trade receivables	\$ 109,972	\$ 97,987
GST receivable	76,241	127,493
Rent receivable	3,181	11,233
Chilliwack Teachers Assoc.		19,818
CUPE 411		47,843
Simon Fraser University		11,120
Other	2,792	65,492
	<u>\$ 192,186</u>	<u>\$ 380,986</u>

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

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Trade payables	\$ 959,537	\$ 1,850,496
Salaries and benefits payable	11,958,558	10,845,223
Accrued vacation pay	554,095	529,810
Other	652,822	786,377
	<u>\$ 14,125,012</u>	<u>\$ 14,011,906</u>

**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 5      UNEARNED REVENUE**

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Balance, beginning of year	\$ 1,197,602	\$ 1,271,712
Increase:		
Tuition fees	1,496,426	1,379,481
Decrease:		
Tuition fees	<u>1,430,146</u>	<u>1,453,591</u>
Balance, end of year	<u>\$ 1,263,882</u>	<u>\$ 1,197,602</u>

**NOTE 6      DEFERRED REVENUE**

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

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Balance, beginning of year	\$ 2,039,384	\$ 2,513,918
Increase: Contributions received		
Provincial Grants – Ministry of Education	8,651,986	9,352,938
Provincial Grants - Other	15,598	13,600
Other	3,594,719	3,527,334
Investment income	<u>33,380</u>	<u>29,202</u>
	<u>12,295,683</u>	<u>12,923,074</u>
Decrease:		
Expenses	<u>12,961,962</u>	<u>13,397,608</u>
	<u>12,961,962</u>	<u>13,397,608</u>
Net changes for the year	<u>(666,279)</u>	<u>(474,534)</u>
Balance, end of year	<u><u>\$ 1,373,105</u></u>	<u><u>\$ 2,039,384</u></u>



**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 7      DEFERRED CAPITAL REVENUE**

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired.

	Deferred Capital 2019	Unspent Capital 2019	Total Deferred Capital Revenue 2019	Total Deferred Capital Revenue 2018
Balance, beginning of year	\$157,525,003	\$3,143,736	\$160,668,739	\$160,920,470
Increase:				
Transfer from Unspent – Capital Additions	6,553,093		6,553,093	4,723,144
Transfer from Unspent – Work in Progress	1,995,467		1,995,467	3,464,024
Transfer from Deferred Capital Revenue – Work in Progress	4,307,251		4,307,251	-
Provincial Grants – Ministry of Education		14,481,125	14,481,125	11,926,349
Other Income		768,282	768,282	659,211
	12,855,811	15,249,407	28,105,218	20,772,728
Decrease:				
Amortization of Deferred Capital	6,912,028		6,912,028	6,769,361
Capital Additions–transfer to Deferred Capital		6,553,093	6,553,093	4,723,144
Work in Progress–transfer to Deferred Capital	4,307,251	1,995,467	6,302,718	3,464,024
Site Purchases - transfer to Revenue		4,944,048	4,944,048	3,843,601
Facility Improvements Not Capitalized		1,389,245	1,389,245	2,224,329
	11,219,279	14,881,853	26,101,132	21,024,459
Net changes for the year	1,636,532	367,554	2,004,086	(251,731)
Balance, end of year	\$159,161,535	\$3,511,290	\$162,672,825	\$160,668,739

**NOTE 8      EMPLOYEE FUTURE BENEFITS**

Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. Funding is provided when the benefits are paid and accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 8      EMPLOYEE FUTURE BENEFITS (Continued)**

	June 30, 2019	June 30, 2018
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$ 4,022,028	\$ 3,854,092
Service Cost	356,501	317,744
Interest Cost	115,905	110,730
Benefit Payments	(455,278)	(433,337)
Actuarial (Gain) Loss	278,618	172,799
Accrued Benefit Obligation – March 31	<u>\$4,317,774</u>	<u>\$4,022,028</u>
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation - March 31	\$ 4,317,774	\$ 4,022,028
Market Value of Plan Assets - March 31	-	-
Funded Status - Surplus (Deficit)	(4,317,774)	(4,022,028)
Employer Contributions After Measurement Date	180,555	199,401
Benefits Expense After Measurement Date	(125,734)	(118,101)
Unamortized Net Actuarial (Gain) Loss	637,451	421,832
Accrued Benefit Asset (Liability) - June 30	<u>\$ (3,625,502)</u>	<u>\$ (3,518,896)</u>
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability - July 1	\$ 3,518,896	\$ 3,453,572
Net Expense for Fiscal Year	543,038	488,632
Employer Contributions	(436,432)	(423,308)
Accrued Benefit Liability - June 30	<u>\$ 3,625,502</u>	<u>\$ 3,518,896</u>
<b>Components of Net Benefit Expense</b>		
Service Cost	\$ 364,860	\$ 327,433
Interest Cost	115,179	112,024
Amortization of Net Actuarial (Gain)/Loss	62,999	49,175
Net Benefit Expense	<u>\$ 543,038</u>	<u>\$ 488,632</u>
 Discount Rate - April 1	 2.75%	 2.75%
Discount Rate - March 31	2.50%	2.75%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	12.6	12.5

**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 9      TANGIBLE CAPITAL ASSETS**

**Net Book Value**

	Net Book Value June 30, 2019	Net Book Value June 30, 2018
Sites	\$ 47,352,559	\$ 42,408,511
Buildings	170,164,375	164,273,629
Buildings - work in progress	1,278,040	4,764,024
Furniture & Equipment	3,553,885	4,127,751
Vehicles	2,329,352	2,065,806
Computer Software	174,048	148,079
Computer Hardware	131,506	214,993
<b>Total</b>	<b>\$ 224,983,765</b>	<b>\$ 218,002,793</b>

**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 9 TANGIBLE CAPITAL ASSETS (Continued)**

**June 30, 2019**

Cost:	Balance at July 1, 2018	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2019
Sites	\$ 42,408,511	\$ 4,944,048		\$ -	\$ 47,352,559
Buildings	269,513,626	6,972,931		5,481,451	281,968,008
Buildings - work in progress	4,764,024	1,995,467		(5,481,451)	1,278,040
Furniture & Equipment	8,578,629	276,282	(430,583)	-	8,424,328
Vehicles	4,406,053	707,634	(637,990)	-	4,475,697
Computer Software	385,114	96,289	(163,321)	-	318,082
Computer Hardware	445,034	-	(55,194)	-	389,840
Total	\$ 330,500,991	\$ 14,992,651	\$ (1,287,088)	\$ -	\$ 344,206,554

Accumulated Amortization:	Balance at July 1, 2018	Additions	Disposals	Balance at June 30, 2019
Sites	\$ -			\$ -
Buildings	105,239,997	6,563,636		111,803,633
Furniture & Equipment	4,450,878	850,148	(430,583)	4,870,443
Vehicles	2,340,247	444,088	(637,990)	2,146,345
Computer Software	237,035	70,320	(163,321)	144,034
Computer Hardware	230,041	83,487	(55,194)	258,334
Total	\$ 112,498,198	\$ 8,011,679	\$ (1,287,088)	\$ 119,222,789

**June 30, 2018**

Cost:	Balance at July 1, 2017	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2018
Sites	\$ 36,995,654	\$ 5,412,857			\$ 42,408,511
Buildings	265,968,342	3,545,284			269,513,626
Buildings - work in progress	233,908	4,530,116			4,764,024
Furniture & Equipment	8,656,178	837,941	(915,490)		8,578,629
Vehicles	4,526,745	1,005,860	(1,126,552)		4,406,053
Computer Software	369,226	15,888			385,114
Computer Hardware	309,685	135,349			445,034
Total	\$ 317,059,738	\$ 15,483,295	\$ (2,042,042)	\$ -	\$ 330,500,991

Accumulated Amortization:	Balance at July 1, 2017	Additions	Disposals	Balance at June 30, 2018
Sites	\$ -			\$ -
Buildings	98,864,501	6,375,496		105,239,997
Furniture & Equipment	4,504,628	861,740	(915,490)	4,450,878
Vehicles	3,020,159	446,640	(1,126,552)	2,340,247
Computer Software	161,601	75,434		237,035
Computer Hardware	154,569	75,472		230,041
Total	\$ 106,705,458	\$ 7,834,782	\$ (2,042,042)	\$ 112,498,198



**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 10      EMPLOYEE PENSION PLANS**

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2017, the Teachers' Pension Plan has about 46,000 active members and approximately 38,000 retired members. As of December 31, 2017, the Municipal Pension Plan has about 197,000 active members, including approximately 24,000 from school districts.

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

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

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

The School District paid \$11,198,273 for employer contributions to the plans for the year ended June 30, 2019 (2018: \$11,631,433).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2020, with results available in 2021. The next valuation for the Municipal Pension Plan will be as at December 31, 2018, with results available in 2019.

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



**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 11      RESTRICTED ASSETS - ENDOWMENT FUNDS**

Donors have placed restrictions on their contributions to the endowment funds of the School District. One restriction is that the original contribution should not be spent.

Name of Endowment	Balance	Contributions	Balance
	July 1, 2018		July 1, 2019
Brunt	\$ 30,000	\$ -	\$ 30,000
Nelson	10,000	-	10,000
Newberry	13,000	-	13,000
Ford Mountain	20,261	-	20,261
Total	\$ 73,261	\$ -	\$ 73,261

**NOTE 12      INTERFUND TRANSFERS**

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

- A transfer in the amount of \$1,500,043 (2018 - \$817,719) was made from the operating fund to the capital fund for capital equipment purchases.
- A transfer in the amount of \$1,000,000 (2018 - nil) was made from the operating fund to the capital fund for the District share of a new school.
- A transfer in the amount of nil (2018 - \$1,569,256) was made from the operating fund to the capital fund for property purchases.

**NOTE 13      RELATED PARTY TRANSACTIONS**

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

**NOTE 14      BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 26, 2019. The Board adopted a preliminary annual budget on May 29, 2018. The amended budget is used for comparison purposes, as these are based on actual student enrollments. The difference between the two budgets is as follows:

**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 14     BUDGET FIGURES (Continued)**

	2019 Amended	2019 Preliminary	Difference
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	\$142,860,253	\$135,547,890	\$ 7,312,363
Other	190,000	196,295	(6,295)
Tuition	1,337,500	1,411,000	(73,500)
Other Revenue	6,443,439	5,331,411	1,112,028
Rentals and Leases	350,000	350,000	-
Investment Income	528,000	370,740	157,260
Amortization of Deferred Capital Revenue	6,853,885	6,847,544	6,341
<b>Total Revenue</b>	<u>158,563,077</u>	<u>150,054,880</u>	<u>8,508,197</u>
<b>Expenses</b>			
Instruction	124,832,366	120,902,923	3,929,443
District Administration	4,599,109	4,436,685	162,424
Operations and Maintenance	23,963,566	22,966,742	996,824
Transportation and Housing	3,951,514	3,752,775	198,739
<b>Total Expenses</b>	<u>157,346,555</u>	<u>152,059,125</u>	<u>5,287,430</u>
<b>Surplus (Deficit) for the year</b>	<u>1,216,522</u>	<u>(2,004,245)</u>	<u>3,220,767</u>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets			
From Local Capital	(1,481,500)	(1,262,500)	(219,000)
From Deferred Capital Revenue	(7,264,046)	(2,699,197)	(4,564,849)
<b>Total Acquisition of Tangible Capital Assets</b>	<u>(8,745,546)</u>	<u>(3,961,697)</u>	<u>(4,783,849)</u>
Amortization of Tangible Capital Assets	8,062,695	7,965,608	97,087
<b>Total Effect of change in Tangible Capital Assets</b>	<u>(682,851)</u>	<u>4,003,911</u>	<u>(4,686,762)</u>
<b>(Increase) Decrease in Net Financial Assets</b>	<u>\$ 533,671</u>	<u>\$ 1,999,666</u>	<u>\$ (1,465,995)</u>

**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 15      CONTRACTUAL OBLIGATIONS**

The School District has a total of \$1,998,309 of contractual obligations at year end related to the construction or renovation of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met and relate to the unperformed portion of the contracts.

**Contractual Commitments:**

Sardis Secondary - Woodshop Dust Extraction Replacement	CCDC	\$ 395,498
Maintenance Building - Roofing Upgrade	Contract	195,792
McCammon Elementary (Area 3) - Roofing Replacement	Contract	184,066
Rosedale - Storm Water Containment Replacement	Contract	150,453
Cheam Elementary - Reno washrooms,HWT,Navien	Contract	113,000
Bernard Elementary - Exterior Painting	Contract	110,000
McCammon Elementary - Roofing Replacement	Contract	106,112
Mount Slesse Middle - Repair Concrete Entrance	Contract	80,000
Chilliwack Middle - DDC Upgrade	Contract	76,012
Strathcona Elementary - Flooring Replacement	Contract	75,221
Cultus Lake Elementary - Exterior Painting	Contract	74,115
Little Mountain Elementary - Install Roll Shutters	Contract	56,304
Mount Slesse Middle - Lighting Upgrade	PO	51,978
All Sites - DCU Replacement - DDC Upgrade	Contract	45,000
Cultus Lake Elementary - Generator & Transfer Install	PO	43,300
Sardis Secondary - Acoustic Treatment	PO	36,705
Maintenance & Transportation - New Flooring	Contract	33,041
Sardis Elementary - Building Envelope Upgrade	Contract	30,800
Transportation - Demolition Garage	PO	29,418
GW Graham - Gym Floor Repair	PO	27,300
Bernard, Cultus Lake, F.G. Leary, Robertson, Sardis E., Strathcona, Watson, MSMS, Chance, - Roof Inspections	Contract	25,000
Vedder Middle - Locker Retrofit (787)	Contract	20,212
Mount Slesse Middle - Locker Retrofit (100)	Contract	15,863
GW Graham - Mechanical Insulation & Labeling	PO	12,147
Mount Slesse Middle - Generator Tank Replacement	Contract	7,947
Watson Elementary - DDC Upgrade	Contract	3,025
Total Construction Commitments		<u><u>\$ 1,998,309</u></u>

**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 16      CONTINGENT LIABILITIES**

Each year the School District is involved with a number of legal actions and arbitrations. Although the outcomes of these matters are not determinable at this time, management believes they will not have a material adverse effect on the School District's financial position or results of the operation.

**NOTE 17      EXPENSE BY OBJECT**

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Salaries and benefits	\$ 126,735,120	\$ 119,622,019
Services and supplies	22,369,171	23,466,910
Amortization	<u>8,011,679</u>	<u>7,834,782</u>
	<u>\$ 157,115,970</u>	<u>\$ 150,923,711</u>

**NOTE 18      ACCUMULATED SURPLUS**

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
<b>Operating Fund Accumulated Surplus</b>		
Internally Restricted (appropriated by Board for):		
School-based Carry Forwards	\$ 664,475	\$ 1,144,712
Aboriginal Education Targeted Funds Unexpended	68,216	160,305
Early Intervention Support	-	572,000
International Support	<u>30,000</u>	<u>30,000</u>
<b>Total Internally Operating Restricted</b>	<b>762,691</b>	<b>1,907,017</b>
 <b>Unrestricted Operating Surplus</b>	 <b>2,208,342</b>	 <b>5,272,913</b>
 <b>Total Operating Fund Accumulated Surplus</b>	 <u><b>\$ 2,971,033</b></u>	 <u><b>\$ 7,179,930</b></u>
 <b>Special Purpose Funds Surplus</b>	 <u><b>\$ 73,261</b></u>	 <u><b>\$ 73,261</b></u>
 <b>Capital Fund Accumulated Surplus</b>		
Contingency Reserve-Local Capital	1,293,334	292,715
Investment in Tangible Capital Assets	<u>65,797,475</u>	<u>60,453,035</u>
<b>Total Capital Fund Accumulated Surplus</b>	<u><b>\$ 67,090,809</b></u>	<u><b>\$ 60,745,750</b></u>
 <b>Total Accumulated Surplus</b>	 <u><u><b>\$ 70,135,103</b></u></u>	 <u><u><b>\$ 67,998,941</b></u></u>



**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 19      ECONOMIC DEPENDENCE**

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

**NOTE 20      RISK MANAGEMENT**

The School District has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk.

The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit risk

Credit risk is the risk of financial loss to an institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held consisting of cash and accounts receivable.

The School District is exposed to credit risk in the event of non-performance by a borrower. This risk is mitigated as most accounts 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 or with the Provincial Ministry of Finance Central Deposit Program.

b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. It is management's opinion that the School District is not exposed to significant interest rate risk.

**SCHOOL DISTRICT NO. 33 (CHILLIWACK)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2019**

**NOTE 20     RISK MANAGEMENT (Continued)**

c) Liquidity risk

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due.

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

d) Fair value of financial instruments:

Public Sector Accounting Standards define the fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties. The School District uses the following methods and assumptions to estimate the fair value of each class of financial instruments for which the carrying amounts are included in the Statement of Financial Position under the following captions:

- (i) Cash and cash equivalents, accounts receivable, investments, accounts payables and accrued liabilities – the carrying amounts approximate fair value because of the short maturity of the instruments.

The financial instruments measured at fair value held within each investment are classified according to a hierarchy which includes three levels, reflecting the reliability of the inputs involved in the fair value determination. The different levels are defined as follows:

- (i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- (ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- (iii) Level 3: Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

The School District's Instruments are all considered to be level 1 financial instruments for which the fair value is determined based on quoted prices in active markets. Changes in financial instruments valuation methods or in the availability of market observable inputs may result in a transfer between levels. During the year there were no significant transfers of securities between different levels.

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. 33 (Chilliwack)

Schedule 1 (Unaudited)

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

	Operating Fund	Special Purpose Fund	Capital Fund	2019 Actual	2018 Actual
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	7,179,930	73,261	60,745,750	67,998,941	63,318,517
<b>Changes for the year</b>					
Surplus (Deficit) for the year	(1,708,854)		3,845,016	2,136,162	4,680,424
Interfund Transfers	(1,500,043)		1,500,043	-	
Local Capital	(1,000,000)		1,000,000	-	
Other	(4,208,897)	-	6,345,059	2,136,162	4,680,424
<b>Net Changes for the year</b>					
	2,971,033	73,261	67,090,809	70,135,103	67,998,941

Accumulated Surplus (Deficit), end of year - Statement 2

# School District No. 33 (Chilliwack)

## Schedule of Operating Operations

Year Ended June 30, 2019

Schedule 2 (Unaudited)

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	127,199,950	127,871,444	124,122,438
Other	170,000	145,590	179,513
Tuition	1,337,500	1,430,146	1,453,591
Other Revenue	2,774,256	2,692,809	2,820,617
Rentals and Leases	350,000	430,214	350,919
Investment Income	500,000	474,026	440,940
<b>Total Revenue</b>	<b>132,331,706</b>	<b>133,044,229</b>	<b>129,368,018</b>
<b>Expenses</b>			
Instruction	112,629,019	112,415,770	107,605,959
District Administration	4,599,109	4,598,648	3,837,990
Operations and Maintenance	14,098,574	14,421,446	12,786,144
Transportation and Housing	3,509,672	3,317,219	3,236,899
<b>Total Expense</b>	<b>134,836,374</b>	<b>134,753,083</b>	<b>127,466,992</b>
<b>Operating Surplus (Deficit) for the year</b>	<b>(2,504,668)</b>	<b>(1,708,854)</b>	<b>1,901,026</b>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>4,986,168</b>		
<b>Net Transfers (to) from other funds</b>			
Local Capital	(1,481,500)	(1,500,043)	(2,386,435)
Other	(1,000,000)	(1,000,000)	
<b>Total Net Transfers</b>	<b>(2,481,500)</b>	<b>(2,500,043)</b>	<b>(2,386,435)</b>
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>(4,208,897)</b>	<b>(485,409)</b>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>7,179,930</b>	<b>7,665,339</b>
<b>Operating Surplus (Deficit), end of year</b>		<b>2,971,033</b>	<b>7,179,930</b>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		762,691	1,907,017
Unrestricted		2,208,342	5,272,913
<b>Total Operating Surplus (Deficit), end of year</b>		<b>2,971,033</b>	<b>7,179,930</b>



# School District No. 33 (Chilliwack)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2019

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	127,783,782	128,076,655	124,084,969
ISC/LEA Recovery	(2,292,396)	(2,237,995)	(2,292,396)
Other Ministry of Education Grants			
Pay Equity	864,624	864,624	864,624
Funding for Graduated Adults	200,000	88,491	215,893
Transportation Supplement	329,456	329,456	329,456
Economic Stability Dividend	82,000	156,669	82,162
Return of Administrative Savings			603,535
Carbon Tax Grant	108,000	110,484	108,296
Employer Health Tax Grant			-
Strategic Priorities - Mental Health Grant			-
Support Staff Benefits Grant			-
BCTEA - LEA Capacity Building Grant			-
FSA Marking	14,000	14,329	14,329
Other Grants			17,830
Benefit Funding	110,484	110,484	93,740
Health Tax Funding		320,747	
District Entered		37,500	
<b>Total Provincial Grants - Ministry of Education</b>	<b>127,199,950</b>	<b>127,871,444</b>	<b>124,122,438</b>
<b>Provincial Grants - Other</b>	<b>170,000</b>	<b>145,590</b>	<b>179,513</b>
<b>Federal Grants</b>			-
<b>Tuition</b>			
International and Out of Province Students	1,337,500	1,430,146	1,453,591
<b>Total Tuition</b>	<b>1,337,500</b>	<b>1,430,146</b>	<b>1,453,591</b>
<b>Other Revenues</b>			
LEA Funding from First Nations	2,292,396	2,237,995	2,292,400
Miscellaneous			
Distance Learning Course Fees	5,000	(500)	29,183
Print Shop Recoveries	40,000	48,969	77,483
Transportation Fee Revenue	120,000	132,551	126,245
Energy Program Revenue	30,000	34,255	67,797
Other Miscellaneous	286,860	219,194	149,084
Textbook Deposit Revenue		20,345	78,425
<b>Total Other Revenue</b>	<b>2,774,256</b>	<b>2,692,809</b>	<b>2,820,617</b>
<b>Rentals and Leases</b>	<b>350,000</b>	<b>430,214</b>	<b>350,919</b>
<b>Investment Income</b>	<b>500,000</b>	<b>474,026</b>	<b>440,940</b>
<b>Total Operating Revenue</b>	<b>132,331,706</b>	<b>133,044,229</b>	<b>129,368,018</b>

**School District No. 33 (Chilliwack)**

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2019

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	58,003,574	57,521,695	52,443,074
Principals and Vice Principals	7,531,441	7,607,088	7,114,280
Educational Assistants	10,229,168	10,493,462	9,108,719
Support Staff	12,332,357	12,350,632	11,562,880
Other Professionals	2,956,998	3,018,156	2,802,497
Substitutes	4,959,316	5,211,980	7,183,838
<b>Total Salaries</b>	<b>96,012,854</b>	<b>96,203,013</b>	<b>90,215,288</b>
<b>Employee Benefits</b>	<b>22,011,148</b>	<b>22,298,281</b>	<b>20,644,564</b>
<b>Total Salaries and Benefits</b>	<b>118,024,002</b>	<b>118,501,294</b>	<b>110,859,852</b>
<b>Services and Supplies</b>			
Services	4,680,924	4,680,752	5,258,952
Student Transportation	9,700	7,640	7,296
Professional Development and Travel	1,156,448	1,098,090	1,071,611
Rentals and Leases	24,000	22,482	24,392
Dues and Fees	377,060	311,089	219,731
Insurance	209,000	157,518	434,047
Interest	-	-	-
Supplies	7,798,243	7,386,836	7,227,703
Utilities	2,556,997	2,587,382	2,363,408
<b>Total Services and Supplies</b>	<b>16,812,372</b>	<b>16,251,789</b>	<b>16,607,140</b>
<b>Total Operating Expense</b>	<b>134,836,374</b>	<b>134,753,083</b>	<b>127,466,992</b>

# School District No. 33 (Chilliwack)

Operating Expense by Function, Program and Object  
Year Ended June 30, 2019

Schedule 2C (Unaudited)

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	46,288,814	1,070,697	1,643	644,555		3,737,715	51,743,424
1.03 Career Programs	114,555	-		480,341	76,410	2,451	673,757
1.07 Library Services	1,388,036	38,546		97,621		40,351	1,564,554
1.08 Counselling	2,051,927	83,615				25,857	2,161,399
1.10 Special Education	5,909,963	246,344	9,389,950	69,454		610,690	16,226,401
1.30 English Language Learning	967,597	96,007				18,790	1,082,394
1.31 Aboriginal Education	416,277	-	1,094,632	2,878	76,410	51,105	1,641,302
1.41 School Administration	-	5,712,882		2,384,427	335,174	100,354	8,532,837
1.60 Summer School	98,670	45,198	7,237	2,710			153,815
1.61 Continuing Education	127,545	-		21,496		4,585	127,545
1.62 International and Out of Province Students	158,311	115,861		102,356	94,918	685	300,253
1.64 Other	-	-					197,959
<b>Total Function 1</b>	<b>57,521,695</b>	<b>7,409,150</b>	<b>10,493,462</b>	<b>3,805,838</b>	<b>582,912</b>	<b>4,592,583</b>	<b>84,405,640</b>
<b>4 District Administration</b>							
4.11 Educational Administration					789,442		789,442
4.40 School District Governance					143,689		143,689
4.41 Business Administration		197,938		617,771	1,027,366	7,092	1,850,167
<b>Total Function 4</b>	<b>-</b>	<b>197,938</b>	<b>-</b>	<b>617,771</b>	<b>1,960,497</b>	<b>7,092</b>	<b>2,783,298</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				78,751	392,384		471,135
5.50 Maintenance Operations				5,504,691		388,953	5,893,644
5.52 Maintenance of Grounds				696,336			696,336
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,279,778</b>	<b>392,384</b>	<b>388,953</b>	<b>7,061,115</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				137,770	82,363		220,133
7.70 Student Transportation				1,509,475		223,352	1,732,827
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,647,245</b>	<b>82,363</b>	<b>223,352</b>	<b>1,952,960</b>
<b>9 Debt Services</b>							
9.92 Interest on Bank Loans							-
9.94 Interest on Temporary Borrowing							-
<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>57,521,695</b>	<b>7,607,088</b>	<b>10,493,462</b>	<b>12,350,632</b>	<b>3,018,156</b>	<b>5,211,980</b>	<b>96,203,013</b>

# School District No. 33 (Chilliwack)

Operating Expense by Function, Program and Object  
Year Ended June 30, 2019

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2019 Actual	2019 Budget (Note 14)	2018 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	51,743,424	12,068,466	63,811,890	5,900,405	69,712,295	69,389,369	66,895,092
1.03 Career Programs	673,757	167,350	841,107	340,505	1,181,612	1,390,620	1,210,117
1.07 Library Services	1,564,554	356,062	1,920,616	128,582	2,049,198	2,176,888	1,961,077
1.08 Counselling	2,161,399	479,703	2,641,102	-	2,641,102	2,816,741	2,637,263
1.10 Special Education	16,226,401	4,006,780	20,233,181	580,523	20,813,704	21,026,204	19,632,011
1.30 English Language Learning	1,082,394	245,755	1,328,149	61,871	1,390,020	1,264,630	1,119,372
1.31 Aboriginal Education	1,641,302	384,175	2,025,477	696,507	2,721,984	2,815,952	2,579,362
1.41 School Administration	8,532,837	1,891,544	10,424,381	172,681	10,597,062	10,499,829	10,351,019
1.60 Summer School	153,815	28,405	182,220	2,222	184,442	143,242	128,245
1.61 Continuing Education	127,545	28,315	155,860	6,800	162,660	116,878	119,178
1.62 International and Out of Province Students	300,253	67,070	367,323	295,902	663,225	683,210	623,837
1.64 Other	197,959	39,516	237,475	60,991	298,466	305,456	349,386
<b>Total Function 1</b>	<b>84,405,640</b>	<b>19,763,141</b>	<b>104,168,781</b>	<b>8,246,989</b>	<b>112,415,770</b>	<b>112,629,019</b>	<b>107,605,939</b>
<b>4 District Administration</b>							
4.11 Educational Administration	789,442	151,278	940,720	145,960	1,086,680	1,069,084	985,989
4.40 School District Governance	143,689	4,516	148,205	289,922	438,127	404,572	262,066
4.41 Business Administration	1,850,167	382,635	2,232,802	841,039	3,073,841	3,125,453	2,589,935
<b>Total Function 4</b>	<b>2,783,298</b>	<b>538,429</b>	<b>3,321,727</b>	<b>1,276,921</b>	<b>4,598,648</b>	<b>4,599,109</b>	<b>3,837,990</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	471,135	90,074	561,209	713,882	1,275,091	1,302,150	1,153,505
5.50 Maintenance Operations	5,893,644	1,302,990	7,196,634	2,230,182	9,426,816	9,114,214	8,143,303
5.52 Maintenance of Grounds	696,336	165,404	861,740	270,417	1,132,157	1,125,213	1,125,929
5.56 Utilities	-	-	-	2,587,382	2,587,382	2,556,997	2,363,407
<b>Total Function 5</b>	<b>7,061,115</b>	<b>1,558,468</b>	<b>8,619,583</b>	<b>5,801,863</b>	<b>14,421,446</b>	<b>14,098,574</b>	<b>12,786,144</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	220,133	52,454	272,587	105,452	378,039	375,142	347,383
7.70 Student Transportation	1,732,827	385,789	2,118,616	820,564	2,939,180	3,134,530	2,889,516
<b>Total Function 7</b>	<b>1,952,960</b>	<b>438,243</b>	<b>2,391,203</b>	<b>926,016</b>	<b>3,317,219</b>	<b>3,509,672</b>	<b>3,236,899</b>
<b>9 Debt Services</b>							
9.92 Interest on Bank Loans	-	-	-	-	-	-	-
9.94 Interest on Temporary Borrowing	-	-	-	-	-	-	-
<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>96,203,013</b>	<b>22,298,281</b>	<b>118,501,294</b>	<b>16,251,789</b>	<b>134,753,083</b>	<b>134,836,374</b>	<b>127,466,992</b>



**School District No. 33 (Chilliwack)**

Schedule 3 (Unaudited)

## Schedule of Special Purpose Operations

Year Ended June 30, 2019

	2019 Budget (Note 14)	2019 Actual	2018 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	8,942,695	8,859,689	9,709,195
Other	20,000	18,032	14,426
Other Revenue	3,669,183	4,050,861	3,644,784
Investment Income	28,000	33,381	29,203
<b>Total Revenue</b>	<u>12,659,878</u>	<u>12,961,963</u>	<u>13,397,608</u>
<b>Expenses</b>			
Instruction	12,203,347	12,505,432	12,941,077
Operations and Maintenance	456,531	456,531	456,531
<b>Total Expense</b>	<u>12,659,878</u>	<u>12,961,963</u>	<u>13,397,608</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>		73,261	73,261
<b>Special Purpose Surplus (Deficit), end of year</b>		<u>73,261</u>	<u>73,261</u>
<b>Special Purpose Surplus (Deficit), end of year</b>			
Endowment Contributions		73,261	73,261
<b>Total Special Purpose Surplus (Deficit), end of year</b>		<u>73,261</u>	<u>73,261</u>

## Schedule 3A (Unaudited)

Deferred Revenue, beginning of year

706,022

788,685

31,557

788,685

133,301

1

1

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**School District No. 33 (Chilliwack)**  
Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2019

	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	After School Sports Initiatives	Miscellaneous Grants	TOTAL
	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	-	98,019	94,817	14,366	2,039,384
Add: Restricted Grants						
Provincial Grants - Ministry of Education	438,837	5,968,496	284,673	15,598		8,750,005
Provincial Grants - Other					26,087	15,598
Investment Income						3,594,719
						33,381
Less: Allocated to Revenue	438,837	5,968,496	284,673	15,598	26,087	12,393,703
Recovered	438,837	5,968,496	284,673	82,713	8,221	12,961,963
Deferred Revenue, end of year	-	-	-	27,702	32,232	98,019
						<b>1,373,105</b>
Revenues						
Provincial Grants - Ministry of Education	438,837	5,968,496	284,673	15,598	2,434	8,859,689
Provincial Grants - Other				67,115	5,787	18,032
Other Revenue						4,050,861
Investment Income						33,381
	438,837	5,968,496	284,673	82,713	8,221	12,961,963
Expenses						
Salaries						
Teachers						5,141,489
Principals and Vice Principals	169,220	4,843,307	242,220	354		193,699
Educational Assistants				597		945,325
Support Staff	63,365					226,947
Other Professionals	9,851					9,851
Substitutes	114,289				64	173,138
	356,725	4,843,307	242,220	951	64	6,690,449
Employee Benefits	68,287	1,125,189	42,453			1,543,377
Services and Supplies	13,825			81,757	8,157	4,728,137
	438,837	5,968,496	284,673	82,713	8,221	12,961,963
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-
Additional Expenses funded by, and reported in, the Operating Fund	296,729	229,718				570,123

# School District No. 33 (Chilliwack)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2019

	2019 Budget (Note 14)	2019 Actual			2018 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education	6,717,608	6,262,425		6,262,425	4,280,318
Other		70,868		70,868	89,986
Municipal Grants Spent on Sites				-	1,697,626
Investment Income			619	619	1,218
Amortization of Deferred Capital Revenue	6,853,885	6,912,028		6,912,028	6,769,361
<b>Total Revenue</b>	<b>13,571,493</b>	<b>13,245,321</b>	<b>619</b>	<b>13,245,940</b>	<b>12,838,509</b>
<b>Expenses</b>					
Operations and Maintenance	1,787,608	1,389,245		1,389,245	2,224,329
Amortization of Tangible Capital Assets					
Operations and Maintenance	7,620,853	7,567,591		7,567,591	7,388,142
Transportation and Housing	441,842	444,088		444,088	446,640
<b>Total Expense</b>	<b>9,850,303</b>	<b>9,400,924</b>	<b>-</b>	<b>9,400,924</b>	<b>10,059,111</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>3,721,190</b>	<b>3,844,397</b>	<b>619</b>	<b>3,845,016</b>	<b>2,779,398</b>
<b>Net Transfers (to) from other funds</b>					
Local Capital	1,481,500		1,500,043	1,500,043	2,386,435
Transfer to Local Capital for New School	1,000,000		1,000,000	1,000,000	
<b>Total Net Transfers</b>	<b>2,481,500</b>	<b>-</b>	<b>2,500,043</b>	<b>2,500,043</b>	<b>2,386,435</b>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		1,500,043	(1,500,043)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>1,500,043</b>	<b>(1,500,043)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>6,202,690</b>	<b>5,344,440</b>	<b>1,000,619</b>	<b>6,345,059</b>	<b>5,165,833</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>60,453,037</b>	<b>292,713</b>	<b>60,745,750</b>	<b>55,579,917</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>65,797,477</b>	<b>1,293,332</b>	<b>67,090,809</b>	<b>60,745,750</b>



# School District No. 33 (Chilliwack)

Tangible Capital Assets

Year Ended June 30, 2019

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	42,408,511	269,513,626	8,578,629	4,406,053	385,114	445,034	325,736,967
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	4,944,048	6,293,156	51,212	168,597			11,457,013
Deferred Capital Revenue - Other			40,128				40,128
Local Capital		679,775	184,942	539,037	96,289		1,500,043
Transferred from Work in Progress	4,944,048	5,481,451					5,481,451
		12,454,382	276,282	707,634	96,289	-	18,478,635
Decrease:							
Deemed Disposals			430,583	637,990	163,321	55,194	1,287,088
	-	-	430,583	637,990	163,321	55,194	1,287,088
Cost, end of year	47,352,559	281,968,008	8,424,328	4,475,697	318,082	389,840	342,928,514
Work in Progress, end of year		1,278,040					1,278,040
Cost and Work in Progress, end of year	47,352,559	283,246,048	8,424,328	4,475,697	318,082	389,840	344,206,554
Accumulated Amortization, beginning of year		105,239,997	4,450,878	2,340,247	237,035	230,041	112,498,198
Changes for the Year							
Increase: Amortization for the Year		6,563,636	850,148	444,088	70,320	83,487	8,011,679
Decrease:							
Deemed Disposals			430,583	637,990	163,321	55,194	1,287,088
		-	430,583	637,990	163,321	55,194	1,287,088
Accumulated Amortization, end of year		111,803,633	4,870,443	2,146,345	144,034	258,334	119,222,789
Tangible Capital Assets - Net	47,352,559	171,442,415	3,553,885	2,329,352	174,048	131,506	224,983,765

**School District No. 33 (Chilliwack)**

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2019

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	4,764,024	-	-	-	4,764,024
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	1,995,467				1,995,467
	1,995,467	-	-	-	1,995,467
Decrease:					
Transferred to Tangible Capital Assets	5,481,451				5,481,451
	5,481,451	-	-	-	5,481,451
Net Changes for the Year	(3,485,984)	-	-	-	(3,485,984)
Work in Progress, end of year	1,278,040	-	-	-	1,278,040

**School District No. 33 (Chilliwack)**

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2019

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	153,195,228	171,860	693,891	154,060,979
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	6,512,965		40,128	6,553,093
Transferred from Work in Progress	4,307,251			4,307,251
	10,820,216	-	40,128	10,860,344
Decrease:				
Amortization of Deferred Capital Revenue	6,833,661	12,559	65,808	6,912,028
	6,833,661	12,559	65,808	6,912,028
<b>Net Changes for the Year</b>	3,986,555	(12,559)	(25,680)	3,948,316
<b>Deferred Capital Revenue, end of year</b>	157,181,783	159,301	668,211	158,009,295
<b>Work in Progress, beginning of year</b>	2,992,325	471,699	-	3,464,024
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	1,995,467			1,995,467
	1,995,467	-	-	1,995,467
Decrease				
Transferred to Deferred Capital Revenue	4,307,251			4,307,251
	4,307,251	-	-	4,307,251
<b>Net Changes for the Year</b>	(2,311,784)	-	-	(2,311,784)
<b>Work in Progress, end of year</b>	680,541	471,699	-	1,152,240
<b>Total Deferred Capital Revenue, end of year</b>	157,862,324	631,000	668,211	159,161,535

# School District No. 33 (Chilliwack)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2019

Schedule 4D (Unaudited)

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	289,732	1	24,341	2,672,473	157,189	3,143,736
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	14,481,125					14,481,125
Provincial Grants - Other			58,466			58,466
Investment Income				60,440		60,440
Municipal				599,376		599,376
Donations					50,000	50,000
	14,481,125	-	58,466	659,816	50,000	15,249,407
Decrease:						
Transferred to DCR - Capital Additions	6,512,965				40,128	6,553,093
Transferred to DCR - Work in Progress	1,995,467					1,995,467
Transferred to Revenue - Site Purchases	4,944,048					4,944,048
Facility Improvements not Capitalized	1,318,377		70,868			1,389,245
	14,770,857	-	70,868	-	40,128	14,881,853
Net Changes for the Year	(289,732)	-	(12,402)	659,816	9,872	367,554
Balance, end of year	-	1	11,939	3,332,289	167,061	3,511,290