

**School District Statement of Financial Information (SOFI)**

**School District No. 85 (Vancouver Island North)**

**Fiscal Year Ended June 30, 2017**

**Table of Contents**

Documents are arranged in the following order:

1. Approval of Statement of Financial Information
2. Financial Information Act Submission Checklist
3. Management Report
4. Audited Financial Statements
5. Schedule of Debt
6. Schedule of Guarantee and Indemnity Agreements
7. Schedule of Remuneration and Expenses including Statement of Severance Agreements
8. Schedule of Payments for the Provision of Goods and Services
9. Reconciliation of Schedule of Remuneration and Expenses and Schedule of Payments for Goods and Services to the Audited Financial Statements



Ministry of Education

# SCHOOL DISTRICT STATEMENT OF FINANCIAL INFORMATION (SOFI)

6049

|   |  |   |
|---|--|---|
| SCHOOL DISTRICT NUMBER<br><b>85</b>               | NAME OF SCHOOL DISTRICT<br><b>Vancouver Island North</b> | YEAR<br><b>2016 - 2017</b>              |
| OFFICE LOCATION(S)<br><b>6975 Rupert Street</b>   |  | TELEPHONE NUMBER<br><b>250-949-6618</b> |
| MAILING ADDRESS<br><b>PO Box 90</b>               |  |   |
| CITY<br><b>Port Hardy</b>                         | PROVINCE<br><b>BC</b>                                    | POSTAL CODE<br><b>V0N2P0</b>            |
| NAME OF SUPERINTENDENT<br><b>Carol Robertson</b>  |  | TELEPHONE NUMBER<br><b>250-949-6618</b> |
| NAME OF SECRETARY TREASURER<br><b>John Martin</b> |  | TELEPHONE NUMBER<br><b>250-949-6618</b> |

### DECLARATION AND SIGNATURES

We, the undersigned, certify that the attached is a correct and true copy of the Statement of Financial Information for the year ended June 30, 2017

for School District No. 85 as required under Section 2 of the Financial Information Act.

|  |                                     |
|--|-------------------------------------|
| SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION | DATE SIGNED<br><b>Oct. 12, 2017</b> |
| SIGNATURE OF SUPERINTENDENT                        | DATE SIGNED<br><b>Oct. 12, 2017</b> |
| SIGNATURE OF SECRETARY TREASURER                   | DATE SIGNED<br><b>Oct. 12, 2017</b> |

## Statement of Financial Information for Year Ended June 30, 2017

### Financial Information Act - Submission Checklist

#### Due Date: September 30, 2017

- a) A statement of assets and liabilities (audited financial statements).
- b) An operational statement including,
  - i) a Statement of Income and
  - ii) a Statement of Changes in Financial Position (audited financial statements).
- c) A schedule of debts (audited financial statements).
- d) A schedule of guarantee and indemnity agreements including the names of the entities involved and the amount of money involved. (Note: Nil schedules can be submitted December 31).

#### Due Date: December 31, 2017

- e) A schedule of remuneration and expenses, including:
  - i) an alphabetical list of employees earning over \$75,000, the total amount of expenses paid to or on behalf of each employee for the year reported and a consolidated total for employees earning under \$75,000. If the total wages and expenses differs from the audited financial statements, an explanation is required,
  - ii) a list by name and position of Board Members with the amount of any salary and expenses paid to or on behalf of the member and
  - iii) the number of severance agreements started during the fiscal year and the range of months' pay covered by the agreement, in respect of excluded employees. If there are no agreements to report, an explanation is required.
- f) An alphabetical list of suppliers receiving over \$25,000 and a consolidated total for those suppliers receiving less than \$25,000. If the total differs from the audited financial statements, an explanation is required.
- g) Approval of Statement of Financial Information.
- h) A management report approved by the Chief Financial Officer.

## School District Statement of Financial Information (SOFI)

### School District No. 85 (Vancouver Island North)

Fiscal Year Ended June 30, 2017

#### Management Report

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with accounting principle generally accepted for British Columbia school districts as prescribed or permitted by the Ministry of Education and the integrity and objectivity of these statements are management's responsibility.

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

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

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

On behalf of School District No. 85 (Vancouver Island North):

---

Carol Robertson  
Acting Superintendent of Schools  
October 12, 2017

---

John Martin  
Secretary-Treasurer  
October 12, 2017

Audited Financial Statements of

**School District No. 85 (Vancouver Island North)**

June 30, 2017

# School District No. 85 (Vancouver Island North)

June 30, 2017

## Table of Contents

|   |      |
|---|------|
| Management Report .....   | 1    |
| Independent Auditors' Report .....  | 2    |
| Statement of Financial Position - Statement 1 .....                             | 3    |
| Statement of Operations - Statement 2 .....                                     | 4    |
| Statement of Changes in Net Financial Assets (Debt) - Statement 4 .....         | 5    |
| Statement of Cash Flows - Statement 5 .....                                     | 6    |
| Notes to the Financial Statements .....   | 7-24 |
| Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 ..... | 25   |
| Schedule of Operating Operations - Schedule 2 .....                             | 26   |
| Schedule 2A - Schedule of Operating Revenue by Source .....                     | 27   |
| Schedule 2B - Schedule of Operating Expense by Object .....                     | 28   |
| Schedule 2C - Operating Expense by Function, Program and Object .....           | 29   |
| Schedule of Special Purpose Operations - Schedule 3 .....                       | 31   |
| Schedule 3A - Changes in Special Purpose Funds and Expense by Object .....      | 32   |
| Schedule of Capital Operations - Schedule 4 .....                               | 34   |
| Schedule 4A - Tangible Capital Assets .....                                     | 35   |
| Schedule 4C - Deferred Capital Revenue .....                                    | 36   |
| Schedule 4D - Changes in Unspent Deferred Capital Revenue .....                 | 37   |

# School District No. 85 (Vancouver Island North)

## MANAGEMENT REPORT

Version: 7482-6736-4754

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 85 (Vancouver Island North) 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. 85 (Vancouver Island North) (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, Chan Nowosad Boates, 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. 85 (Vancouver Island North) 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. 85 (Vancouver Island North)

---

|  |             |
|--|-------------|
| Signature of the Chairperson of the Board of Education | Date Signed |
|--|-------------|

---

|                                 |             |
|---------------------------------|-------------|
| Signature of the Superintendent | Date Signed |
|---------------------------------|-------------|

---

|                                      |             |
|--------------------------------------|-------------|
| Signature of the Secretary Treasurer | Date Signed |
|--------------------------------------|-------------|



## INDEPENDENT AUDITORS' REPORT

To: The Board of Education of  
School District No. 85 (Vancouver Island North)  
and the Minister of Education of the Province of  
British Columbia

We have audited the accompanying financial statements of School District No. 85 (Vancouver Island North) which comprise the statement of financial position as at June 30, 2017 and the statement of operations, statement of changes in net financial assets (debt) and statement of cash flows for the year ended June 30, 2017 and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with the accounting requirements of 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, 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.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements of School District No. 85 (Vancouver Island North) as at and for the year ended June 30, 2017 and the results of its operations, statement of changes in net financial assets (debt) and cash flows 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, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board.

### Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 (a) to the financial statements which describes the basis of accounting and the significant differences between such basis of accounting and Canadian public sector accounting standards.

### Other Matters

We draw attention to the Supplementary Financial Information included in Schedules 1 to 4D which has not been subjected to the auditing procedures applied in the financial statements and, accordingly, we express no opinion on it.

Chartered Professional Accountants  
Campbell River, BC

September 11, 2017



# School District No. 85 (Vancouver Island North)

Statement 1

## Statement of Financial Position

As at June 30, 2017

|  | 2017<br>Actual      | 2016<br>Actual      |
|--|---------------------|---------------------|
|  | \$                  | \$                  |
| <b>Financial Assets</b>                  |                     |                     |
| Cash and Cash Equivalents                | 2,914,241           | 2,470,065           |
| Accounts Receivable                      |                     |                     |
| Other (Note 3)                           | 127,514             | 151,073             |
| Portfolio Investments (Note 4)           | 1,609,500           | 2,209,500           |
| <b>Total Financial Assets</b>            | <b>4,651,255</b>    | <b>4,830,638</b>    |
| <b>Liabilities</b>                       |                     |                     |
| Accounts Payable and Accrued Liabilities |                     |                     |
| Other (Note 5)                           | 1,810,826           | 1,563,176           |
| Deferred Revenue (Note 6)                | 375,869             | 334,822             |
| Deferred Capital Revenue (Note 7)        | 19,739,238          | 17,821,307          |
| Employee Future Benefits (Note 8)        | 1,392,065           | 1,411,697           |
| <b>Total Liabilities</b>                 | <b>23,317,998</b>   | <b>21,131,002</b>   |
| <b>Net Financial Assets (Debt)</b>       | <b>(18,666,743)</b> | <b>(16,300,364)</b> |
| <b>Non-Financial Assets</b>              |                     |                     |
| Tangible Capital Assets (Note 9)         | 30,303,265          | 28,410,214          |
| Prepaid Expenses                         | 56,412              | 10,212              |
| <b>Total Non-Financial Assets</b>        | <b>30,359,677</b>   | <b>28,420,426</b>   |
| <b>Accumulated Surplus (Deficit)</b>     | <b>11,692,934</b>   | <b>12,120,062</b>   |

Contractual Obligations and Contingencies

Approved by the Board

\_\_\_\_\_  
Signature of the Chairperson of the Board of Education

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Signature of the Superintendent

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Signature of the Secretary Treasurer

\_\_\_\_\_  
Date Signed

# School District No. 85 (Vancouver Island North)

Statement of Operations  
Year Ended June 30, 2017

|   | 2017<br>Budget     | 2017<br>Actual                  | 2016<br>Actual    |
|---|--------------------|---------------------------------|-------------------|
|   | \$                 | \$                              | \$                |
| <b>Revenues</b>   |                    |                                 |                   |
| Provincial Grants   |                    |                                 |                   |
| Ministry of Education   | 18,675,186         | <b>18,971,392</b>               | 18,762,218        |
| Federal Grants  |                    |                                 | 50,000            |
| Other Revenue   | 348,000            | <b>510,560</b>                  | 464,311           |
| Rentals and Leases  | 119,500            | <b>118,205</b>                  | 128,681           |
| Investment Income   | 75,200             | <b>67,357</b>                   | 71,636            |
| Amortization of Deferred Capital Revenue                                | 949,470            | <b>949,470</b>                  | 945,262           |
| <b>Total Revenue</b>  | <u>20,167,356</u>  | <u><b>20,616,984</b></u>        | <u>20,422,108</u> |
| <b>Expenses (Note 14)</b>   |                    |                                 |                   |
| Instruction   | 15,539,427         | <b>15,242,938</b>               | 15,158,001        |
| District Administration   | 1,112,648          | <b>934,955</b>                  | 1,032,063         |
| Operations and Maintenance  | 4,039,345          | <b>4,099,362</b>                | 4,020,053         |
| Transportation and Housing  | 752,915            | <b>766,857</b>                  | 710,489           |
| <b>Total Expense</b>  | <u>21,444,335</u>  | <u><b>21,044,112</b></u>        | <u>20,920,606</u> |
| <b>Surplus (Deficit) for the year</b>                                   | <u>(1,276,979)</u> | <u><b>(427,128)</b></u>         | <u>(498,498)</u>  |
| <b>Accumulated Surplus (Deficit) from Operations, beginning of year</b> |                    | <b>12,120,062</b>               | 12,618,560        |
| <b>Accumulated Surplus (Deficit) from Operations, end of year</b>       |                    | <u><u><b>11,692,934</b></u></u> | <u>12,120,062</u> |

# School District No. 85 (Vancouver Island North)

Statement 4

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2017

|  | 2017<br>Budget     | 2017<br>Actual      | 2016<br>Actual      |
|--|--------------------|---------------------|---------------------|
|  | \$                 | \$                  | \$                  |
| <b>Surplus (Deficit) for the year</b>  | <u>(1,276,979)</u> | <u>(427,128)</u>    | <u>(498,498)</u>    |
| <b>Effect of change in Tangible Capital Assets</b>   |                    |                     |                     |
| Acquisition of Tangible Capital Assets   |                    | (3,216,642)         | (1,981,332)         |
| Amortization of Tangible Capital Assets  |                    | 1,323,591           | 1,330,175           |
| <b>Total Effect of change in Tangible Capital Assets</b>   |                    | <u>-</u>            | <u>(651,157)</u>    |
| Acquisition of Prepaid Expenses  |                    | (56,412)            | (10,212)            |
| Use of Prepaid Expenses  |                    | 10,212              | 45,352              |
| <b>Total Effect of change in Other Non-Financial Assets</b>  |                    | <u>-</u>            | <u>35,140</u>       |
| <b>(Increase) Decrease in Net Financial Assets (Debt),<br/>before Net Remeasurement Gains (Losses)</b> | <u>(1,276,979)</u> | <u>(2,366,379)</u>  | <u>(1,114,515)</u>  |
| <b>Net Remeasurement Gains (Losses)</b>  |                    |                     |                     |
| <b>(Increase) Decrease in Net Financial Assets (Debt)</b>  |                    | <u>(2,366,379)</u>  | <u>(1,114,515)</u>  |
| <b>Net Financial Assets (Debt), beginning of year</b>  |                    | <u>(16,300,364)</u> | <u>(15,185,849)</u> |
| <b>Net Financial Assets (Debt), end of year</b>  |                    | <u>(18,666,743)</u> | <u>(16,300,364)</u> |

# School District No. 85 (Vancouver Island North)

Statement 5

Statement of Cash Flows  
Year Ended June 30, 2017

|   | 2017<br>Actual     | 2016<br>Actual     |
|---|--------------------|--------------------|
|   | \$                 | \$                 |
| <b>Operating Transactions</b>                                 |                    |                    |
| Surplus (Deficit) for the year                                | (427,128)          | (498,498)          |
| Changes in Non-Cash Working Capital                           |                    |                    |
| Decrease (Increase)   |                    |                    |
| Accounts Receivable   | 23,559             | (1,455)            |
| Prepaid Expenses  | (46,200)           | 35,140             |
| Increase (Decrease)   |                    |                    |
| Accounts Payable and Accrued Liabilities                      | 247,650            | (126,563)          |
| Deferred Revenue  | 41,047             | (12,245)           |
| Employee Future Benefits                                      | (19,632)           | 131,190            |
| Amortization of Tangible Capital Assets                       | 1,323,591          | 1,330,175          |
| Amortization of Deferred Capital Revenue                      | (949,470)          | (945,262)          |
| <b>Total Operating Transactions</b>                           | <u>193,417</u>     | <u>(87,518)</u>    |
| <b>Capital Transactions</b>                                   |                    |                    |
| Tangible Capital Assets Purchased                             | (3,216,642)        | (1,981,332)        |
| <b>Total Capital Transactions</b>                             | <u>(3,216,642)</u> | <u>(1,981,332)</u> |
| <b>Financing Transactions</b>                                 |                    |                    |
| Capital Revenue Received                                      | 2,867,401          | 1,518,807          |
| <b>Total Financing Transactions</b>                           | <u>2,867,401</u>   | <u>1,518,807</u>   |
| <b>Investing Transactions</b>                                 |                    |                    |
| Proceeds on Disposal of Portfolio Investments                 | 600,000            | 1,000,000          |
| <b>Total Investing Transactions</b>                           | <u>600,000</u>     | <u>1,000,000</u>   |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>   | <b>444,176</b>     | 449,957            |
| <b>Cash and Cash Equivalents, beginning of year</b>           | <u>2,470,065</u>   | 2,020,108          |
| <b>Cash and Cash Equivalents, end of year</b>                 | <u>2,914,241</u>   | 2,470,065          |
| <b>Cash and Cash Equivalents, end of year, is made up of:</b> |                    |                    |
| Cash  | 1,600              | 1,800              |
| Cash Equivalents  | 2,912,641          | 2,468,265          |
|   | <u>2,914,241</u>   | <u>2,470,065</u>   |
| Supplementary Cash Flow Information                           |                    |                    |

**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

**NOTE 1      AUTHORITY AND PURPOSE**

The School District, established on July 1, 1965 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. 85 (Vancouver Island North)", and operates as "School District No. 85 (Vancouver Island North)." 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. 85 (Vancouver Island North) is exempt from federal and provincial corporate income taxes.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia*. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2 (f) and 2 (m).

In November 2011, Treasury Board provided a directive through Restricted Contributions Regulation 198/2011 providing direction for the reporting of restricted contributions whether they are received or receivable by the School District before or after this regulation was in effect.

As noted in Notes 2 (f) and 2 (m), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue.

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

Year-ended June 30, 2016 – decrease annual surplus by \$573,545

June 30, 2016 – decrease accumulated surplus and increase deferred capital revenue by \$17,821,307

Year-ended June 30, 2017 – decrease annual surplus by \$1,917,931

June 30, 2017 – decrease accumulated surplus and increase deferred capital revenue by \$19,739,238

**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

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

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid securities that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

c) Accounts Receivable

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

d) Portfolio Investments

The School District has investments in GIC's that have a maturity of greater than 3 months at the time of acquisition. GIC's and other investments not quoted in an active market are reported at cost or amortized cost.

Detailed information regarding portfolio investments is disclosed in Note 4.

f) Deferred Revenue and Deferred Capital Revenue

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

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

**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

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

g) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2017 and projected to March 31, 2019. The next valuation will be performed at March 31, 2019 for use at June 30, 2019. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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

h) Asset Retirement Obligations

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.

**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

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

i) Liability for Contaminated Sites

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

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

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



**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

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

j) Tangible Capital Assets

The following criteria apply:

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

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

k) Prepaid Expenses

Prepaid expenses for services that extend beyond the current period, such as insurance premiums and membership fees, are included as prepaid expenses and stated at acquisition cost and are charged to expense over the periods expected to benefit from them.

**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

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

l) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 11 – Interfund Transfers and Note 15 – Internally Restricted Surplus). Funds and reserves are disclosed on Schedules 2, 3 and 4.

m) Revenue Recognition

Revenues are recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated.

Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral as described below. Eligibility criteria are the criteria that the School District has to meet in order to receive the contributions including authorization by the transferring government.

For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized as follows:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year related expenses are incurred,
- Contributions restricted for site acquisitions are recorded as revenue when the sites are purchased, and
- Contributions restricted for tangible capital assets acquisitions other than sites are recorded as deferred capital revenue and amortized over the useful life of the related assets.

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

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

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

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

**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

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

n) Expenditures

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

Categories of Salaries

- Principals and Vice-Principals employed under an individual employment contract are categorized as Principals and Vice-Principals.
- Trustees, Superintendents, Assistant Superintendents, Directors of Instruction, Secretary-Treasurers and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

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

o) Financial Instruments

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

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

**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

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

o) Financial Instruments *(Continued)*

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.

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.

p) Measurement Uncertainty

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

**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

**NOTE 3      ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

|                                     | June 30,<br>2017 | June 30,<br>2016 |
|-------------------------------------|------------------|------------------|
| a) LEA/Direct Funding Receivable    |                  |                  |
| Due from Direct Funding (2002-2003) | \$79,245         | \$79,245         |
| Allowance for Doubtful Accounts     | \$79,245         | \$79,245         |
|                                     | \$ -             | \$ -             |

|                              | June 30,<br>2017 | June 30,<br>2016 |
|------------------------------|------------------|------------------|
| b) Accounts Receivable Other |                  |                  |
| Due from Federal Government  | \$ 39,843        | \$ 20,924        |
| Due from Other               | \$ 87,671        | \$130,149        |
|                              | \$127,514        | \$151,073        |

**NOTE 4      PORTFOLIO INVESTMENTS**

|  | June 30,<br>2017 | June 30,<br>2016 |
|--|------------------|------------------|
| Investments in the cost and amortized cost category: |                  |                  |
| GIC's  | \$1,609,500      | \$2,209,500      |
|  | \$1,609,500      | \$2,209,500      |

**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

**NOTE 5      ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER**

|                               | June 30,<br>2017 | June 30,<br>2016 |
|-------------------------------|------------------|------------------|
| Trade payables                | \$ 263,643       | \$ 200,652       |
| Salaries and benefits payable | \$1,336,338      | \$1,103,655      |
| Accrued vacation pay          | \$ 192,764       | \$ 207,294       |
| Other payables                | \$ 18,081        | \$ 51,575        |
|                               | \$1,810,826      | \$1,563,176      |

**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.

|                                    | June 30,<br>2017 | June 30,<br>2016 |
|------------------------------------|------------------|------------------|
| Balance, beginning of year         | \$ 334,822       | \$ 347,067       |
| Changes for the year:              |                  |                  |
| Increase – Grants:                 |                  |                  |
| Provincial – Ministry of Education | \$1,158,007      | \$ 960,301       |
| School generated funds             | \$ 508,441       | \$ 440,738       |
| Other                              | \$ 2,389         | \$ 1,672         |
|                                    | \$1,668,837      | \$1,749,778      |
| Decrease – Allocated to Revenue:   |                  |                  |
| Provincial – Ministry of Education | \$1,147,498      | \$ 979,258       |
| School generated funds             | \$ 474,492       | \$ 430,748       |
| Other                              | \$ 5,800         | \$ 4,950         |
|                                    | \$1,627,790      | \$1,414,956      |
| Balance, end of year               | \$ 375,869       | \$ 334,822       |

**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

**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.

|  | June 30,<br>2017    | June 30,<br>2016    |
|--|---------------------|---------------------|
| <b>Deferred capital revenue subject to amortization</b>    |                     |                     |
| Balance, beginning of year                                 | \$17,821,307        | \$17,235,006        |
| Changes for the year:                                      |                     |                     |
| Increase:  |                     |                     |
| Capital Additions  | \$ 2,867,401        | \$ 1,518,807        |
| Decrease:  |                     |                     |
| Amortization   | \$ 949,470          | \$ 945,262          |
|  | \$19,726,482        | \$17,808,551        |
| <b>Deferred capital revenue - unspent</b>                  |                     |                     |
| Balance, beginning of year                                 | \$ 12,756           | \$ 12,756           |
| Changes for the year:                                      |                     |                     |
| Increase:  |                     |                     |
| Provincial grants – Ministry of Education                  | \$ 2,811,561        | \$ 1,518,807        |
| Provincial grants – ITA                                    | \$ 55,840           |                     |
| Decrease:  |                     |                     |
| Transfer to deferred capital revenue                       | \$ 2,867,401        | \$ 1,518,807        |
|  | \$ 12,756           | \$ 12,756           |
| <b>Total deferred capital revenue balance, end of year</b> | <b>\$19,739,238</b> | <b>\$17,821,307</b> |

**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

**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.

|   | June 30, 2017 | June 30, 2016 |
|---|---------------|---------------|
| <b>Reconciliation of Accrued Benefit Obligation</b> |               |               |
| Accrued Benefit Obligation – April 1                | \$1,262,613   | \$1,458,770   |
| Service Cost  | 106,244       | 128,200       |
| Interest Cost                                       | 32,633        | 34,181        |
| Benefit Payments                                    | (110,126)     | (74,718)      |
| Actuarial (Gain) Loss                               | (40,329)      | (283,820)     |
| Accrued Benefit Obligation – March 31               | \$1,251,035   | \$1,262,613   |

|  |               |               |
|--|---------------|---------------|
| <b>Reconciliation of Funded Status at End of Fiscal Year</b> |               |               |
| Accrued Benefit Obligation – March 31                        | \$ 1,251,035  | \$ 1,262,613  |
| Market Value of Plan Assets – March 31                       | -             | -             |
| Funded Status – Deficit                                      | \$(1,251,035) | \$(1,262,613) |
| Employer Contributions After Measurement Date                | 62,589        | 23,746        |
| Benefits Expense After Measurement Date                      | (35,341)      | (34,719)      |
| Unamortized Net Actuarial (Gain) Loss                        | (168,278)     | (138,111)     |
| Accrued Benefit Liability – June 30                          | \$(1,392,065) | \$(1,411,697) |

|  |             |             |
|--|-------------|-------------|
| <b>Reconciliation of Change in Accrued Benefit Liability</b> |             |             |
| Accrued Benefit Liability – July 1                           | \$1,411,697 | \$1,280,507 |
| Net expense for Fiscal Year                                  | 129,337     | 172,623     |
| Employer Contributions                                       | (148,969)   | (41,433)    |
| Accrued Benefit Liability – June 30                          | \$1,392,065 | \$1,411,697 |

|  |            |            |
|--|------------|------------|
| <b>Components of Net Benefit Expense</b> |            |            |
| Service Cost                             | \$ 106,180 | \$ 122,711 |
| Interest Cost                            | 33,319     | 33,794     |
| Amortization of Net Actuarial Loss       | (10,161)   | 16,118     |
| Net Benefit Expense                      | \$ 129,337 | \$ 172,623 |

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

|                                    |                   |                   |
|------------------------------------|-------------------|-------------------|
| <b>Assumptions</b>                 |                   |                   |
| Discount Rate – April 1            | 2.50%             | 2.25%             |
| Discount Rate – March 31           | 2.75%             | 2.50%             |
| Long Term Salary Growth – April 1  | 2.50% + seniority | 2.50% + seniority |
| Long Term Salary Growth – March 31 | 2.50% + seniority | 2.50% + seniority |
| EARSL – March 31                   | 10.8              | 10.8              |



**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

**NOTE 9 TANGIBLE CAPITAL ASSETS**

**Net Book Value:**

|                       | Net Book Value<br>2017 | Net Book Value<br>2016 |
|-----------------------|------------------------|------------------------|
| Sites                 | \$ 2,891,161           | \$ 2,891,161           |
| Buildings             | 25,794,858             | 24,299,529             |
| Furniture & Equipment | 412,208                | 404,817                |
| Vehicles              | 1,060,296              | 656,136                |
| Computer Software     | -                      | -                      |
| Computer Hardware     | 144,742                | 158,571                |
| <b>Total</b>          | <b>\$30,303,265</b>    | <b>\$28,410,214</b>    |

**June 30, 2017**

|                       | Opening Cost        | Additions          | Disposals        | Total<br>2017       |
|-----------------------|---------------------|--------------------|------------------|---------------------|
| Sites                 | \$ 2,891,161        | \$ -               | \$ -             | \$ 2,891,161        |
| Buildings             | 57,709,486          | 2,579,207          | -                | 60,288,693          |
| Furniture & Equipment | 748,755             | 82,267             | 28,294           | 802,728             |
| Vehicles              | 1,183,548           | 522,515            | 13,174           | 1,692,889           |
| Computer Software     | -                   | -                  | -                | -                   |
| Computer Hardware     | 232,408             | 32,653             | 68,096           | 196,965             |
| <b>Total</b>          | <b>\$62,765,358</b> | <b>\$3,216,642</b> | <b>\$109,564</b> | <b>\$65,872,436</b> |

|                       | Opening<br>Accumulated<br>Amortization | Additions          | Disposals        | Total<br>2017       |
|-----------------------|--|--------------------|------------------|---------------------|
| Sites                 | \$ -                                   | \$ -               | \$ -             | \$ -                |
| Buildings             | 33,409,957                             | 1,083,878          | -                | 34,493,835          |
| Furniture & Equipment | 343,938                                | 74,876             | 28,294           | 390,520             |
| Vehicles              | 527,412                                | 118,355            | 13,174           | 632,593             |
| Computer Software     | -                                      | -                  | -                | -                   |
| Computer Hardware     | 73,837                                 | 46,482             | 68,096           | 52,223              |
| <b>Total</b>          | <b>\$34,355,144</b>                    | <b>\$1,323,591</b> | <b>\$109,564</b> | <b>\$35,569,171</b> |

**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

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

**June 30, 2016**

|                       | Opening Cost        | Additions          | Disposals        | Total<br>2016       |
|-----------------------|---------------------|--------------------|------------------|---------------------|
| Sites                 | \$ 2,891,161        | \$ -               | \$ -             | \$ 2,891,161        |
| Buildings             | 55,877,997          | 1,831,489          | -                | 57,709,486          |
| Furniture & Equipment | 911,888             | 17,655             | 180,788          | 748,755             |
| Vehicles              | 1,394,518           | 18,027             | 228,997          | 1,183,548           |
| Computer Software     | 7,069               | -                  | 7,069            | -                   |
| Computer Hardware     | 240,339             | 114,161            | 122,092          | 232,408             |
| <b>Total</b>          | <b>\$61,322,972</b> | <b>\$1,981,332</b> | <b>\$538,946</b> | <b>\$62,765,358</b> |

|                       | Opening<br>Accumulated<br>Amortization | Additions          | Disposals        | Total<br>2016       |
|-----------------------|--|--------------------|------------------|---------------------|
| Sites                 | \$ -                                   | \$ -               | \$ -             | \$ -                |
| Buildings             | 32,359,904                             | 1,050,053          | -                | 33,409,957          |
| Furniture & Equipment | 433,537                                | 91,189             | 180,788          | 343,938             |
| Vehicles              | 616,957                                | 139,452            | 228,997          | 527,412             |
| Computer Software     | 5,656                                  | 1,413              | 7,069            | -                   |
| Computer Hardware     | 147,861                                | 48,068             | 122,092          | 73,837              |
| <b>Total</b>          | <b>\$33,563,915</b>                    | <b>\$1,330,175</b> | <b>\$538,946</b> | <b>\$34,355,144</b> |

**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

**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, 2015, the Teachers' Pension Plan has about 45,000 active members and approximately 36,000 retired members. As of December 31, 2015, the Municipal Pension Plan has about 189,000 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, 2014, indicated a \$449 million surplus for basic pension benefits on a going concern basis.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis.

The School District paid \$1,439,060 for employer contributions to the plans for the year ended June 30, 2017 (2016: \$1,211,106)

The next valuation for the Teachers' Pension Plan will be as at December 31, 2017, with results available in 2018. 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. 85  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2017**

---

**NOTE 11 INTERFUND TRANSFERS**

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2017, were as follows:

|  |            |
|--|------------|
| 1. Transfer from Operating Fund to Capital Fund        | \$ 100,000 |
| 2. Transfer from Special Purpose Funds to Capital Fund | 163,971    |

These transfers were made in order to fund the cost of capital building programs and the acquisition costs of furniture, equipment, vehicles and computer hardware.

**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. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

**NOTE 13 BUDGET FIGURES**

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an amended annual budget bylaw on February 14, 2017. The amended budget is based on a more accurate estimation of revenue and expenditure than the budget approved before the commencement of the fiscal year.

**NOTE 14 EXPENSE BY OBJECT**

Total expenses as per Statement 2, detailed by object.

|                       | June 30,<br>2017 | June 30,<br>2016 |
|-----------------------|------------------|------------------|
| Salaries and benefits | \$16,153,177     | \$16,099,506     |
| Services and supplies | 3,567,344        | 3,490,925        |
| Amortization          | 1,323,591        | 1,330,175        |
|                       | \$21,044,112     | \$20,920,606     |

**NOTE 15 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND**

Internally Restricted (appropriated) by the Board for:

|  |           |            |
|--|-----------|------------|
| Appropriation to 2017 – 2018 Annual Budget       | \$ 89,043 |            |
| Offset loss of Funding Protection in 2018 – 2019 | 247,598   |            |
| School-Based Budgets Carried Forward             | 112,853   |            |
| District Budgets Carried Forward                 | 5,332     |            |
| Pro-D Allocations Carried Forward                | 23,791    |            |
| Internally Restricted Surplus                    |           | \$ 478,617 |
| Unrestricted Operating Surplus                   |           | 380,410    |
| Total Available for Future Operations            |           | \$ 859,027 |

**NOTE 16 ECONOMIC DEPENDENCE**

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

**SCHOOL DISTRICT NO. 85**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2017**

---

**NOTE 17     RISK MANAGEMENT**

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

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

a) Credit risk:

Credit risk is the risk of financial loss to an institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held consisting of cash, amounts receivable and investments. The School District is not exposed to significant credit risk associated with its amounts receivable.

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 guaranteed investment certificates.

b) Market risk :

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as it invests solely in guaranteed investment certificates that have a maturity date of no more than 5 years.

c) Liquidity risk

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

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

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance.

# School District No. 85 (Vancouver Island North)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
 Year Ended June 30, 2017

|   | Operating<br>Fund | Special Purpose<br>Fund | Capital<br>Fund   | 2017<br>Actual    | 2016<br>Actual   |
|---|-------------------|-------------------------|-------------------|-------------------|------------------|
|   | \$                | \$                      | \$                | \$                | \$               |
| <b>Accumulated Surplus (Deficit), beginning of year</b>         | 1,176,005         |                         | 10,944,057        | <b>12,120,062</b> | 12,618,560       |
| <b>Changes for the year</b>                                     |                   |                         |                   |                   |                  |
| Surplus (Deficit) for the year                                  | (216,978)         | 163,971                 | (374,121)         | <b>(427,128)</b>  | (498,498)        |
| Interfund Transfers   |                   |                         |                   |                   |                  |
| Tangible Capital Assets Purchased                               |                   | (163,971)               | 163,971           | -                 |                  |
| Local Capital   | (100,000)         |                         | 100,000           | -                 |                  |
| <b>Net Changes for the year</b>                                 | <b>(316,978)</b>  | <b>-</b>                | <b>(110,150)</b>  | <b>(427,128)</b>  | <b>(498,498)</b> |
| <b>Accumulated Surplus (Deficit), end of year - Statement 2</b> | <b>859,027</b>    | <b>-</b>                | <b>10,833,907</b> | <b>11,692,934</b> | 12,120,062       |

# School District No. 85 (Vancouver Island North)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2017

|   | 2017<br>Budget     | 2017<br>Actual           | 2016<br>Actual    |
|---|--------------------|--------------------------|-------------------|
|   | \$                 | \$                       | \$                |
| <b>Revenues</b>   |                    |                          |                   |
| Provincial Grants   |                    |                          |                   |
| Ministry of Education   | 17,694,749         | <b>17,823,894</b>        | 17,782,960        |
| Federal Grants  |                    |                          | 50,000            |
| Other Revenue   | 5,000              | <b>30,268</b>            | 28,613            |
| Rentals and Leases  | 119,500            | <b>118,205</b>           | 128,681           |
| Investment Income   | 75,000             | <b>67,357</b>            | 71,636            |
| <b>Total Revenue</b>  | <u>17,894,249</u>  | <u><b>18,039,724</b></u> | <u>18,061,890</u> |
| <b>Expenses</b>   |                    |                          |                   |
| Instruction   | 14,378,706         | <b>13,817,010</b>        | 13,904,053        |
| District Administration   | 1,112,648          | <b>934,955</b>           | 1,032,063         |
| Operations and Maintenance                                      | 2,796,218          | <b>2,856,235</b>         | 2,747,928         |
| Transportation and Housing                                      | 634,560            | <b>648,502</b>           | 571,037           |
| <b>Total Expense</b>  | <u>18,922,132</u>  | <u><b>18,256,702</b></u> | <u>18,255,081</u> |
| <b>Operating Surplus (Deficit) for the year</b>                 | <u>(1,027,883)</u> | <u><b>(216,978)</b></u>  | <u>(193,191)</u>  |
| <b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b> | <u>1,127,883</u>   |                          |                   |
| <b>Net Transfers (to) from other funds</b>                      |                    |                          |                   |
| Local Capital   | (100,000)          | <b>(100,000)</b>         | (450,000)         |
| <b>Total Net Transfers</b>                                      | <u>(100,000)</u>   | <u><b>(100,000)</b></u>  | <u>(450,000)</u>  |
| <b>Total Operating Surplus (Deficit), for the year</b>          | <u>-</u>           | <u><b>(316,978)</b></u>  | <u>(643,191)</u>  |
| <b>Operating Surplus (Deficit), beginning of year</b>           |                    | <b>1,176,005</b>         | 1,819,196         |
| <b>Operating Surplus (Deficit), end of year</b>                 |                    | <u><b>859,027</b></u>    | <u>1,176,005</u>  |
| <b>Operating Surplus (Deficit), end of year</b>                 |                    |                          |                   |
| Internally Restricted (Note 15)                                 |                    | <b>478,617</b>           | 734,048           |
| Unrestricted  |                    | <b>380,410</b>           | 441,957           |
| <b>Total Operating Surplus (Deficit), end of year</b>           |                    | <u><b>859,027</b></u>    | <u>1,176,005</u>  |



# School District No. 85 (Vancouver Island North)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2017

|  | 2017<br>Budget           | 2017<br>Actual                  | 2016<br>Actual           |
|--|--------------------------|---------------------------------|--------------------------|
|  | \$                       | \$                              | \$                       |
| <b>Provincial Grants - Ministry of Education</b>       |                          |                                 |                          |
| Operating Grant, Ministry of Education                 | 17,372,097               | <b>17,372,097</b>               | 17,644,758               |
| Other Ministry of Education Grants                     |                          |                                 |                          |
| Pay Equity   | 115,216                  | <b>115,216</b>                  | 115,216                  |
| Transportation Supplement                              | 118,179                  | <b>118,179</b>                  |                          |
| Economic Stability Dividend                            |                          | <b>7,226</b>                    | 9,814                    |
| Return of Administrative Savings                       | 89,257                   | <b>89,257</b>                   |                          |
| Carbon Tax Grant                                       |                          | <b>34,157</b>                   |                          |
| Student Learning Grant                                 |                          | <b>68,356</b>                   |                          |
| FSA  |                          | <b>7,506</b>                    | 7,972                    |
| Curriculum Implementation                              |                          |                                 | 4,450                    |
| MyEd Training  |                          | <b>1,000</b>                    | 750                      |
| Shoulder Tapper  |                          | <b>10,900</b>                   |                          |
| <b>Total Provincial Grants - Ministry of Education</b> | <u>17,694,749</u>        | <u><b>17,823,894</b></u>        | <u>17,782,960</u>        |
| <b>Federal Grants</b>                                  |                          |                                 | <u>50,000</u>            |
| <b>Other Revenues</b>                                  |                          |                                 |                          |
| Miscellaneous  |                          |                                 |                          |
| Sales  | 5,000                    | <b>25,771</b>                   | 8,492                    |
| Other  |                          | <b>4,497</b>                    | 20,121                   |
| <b>Total Other Revenue</b>                             | <u>5,000</u>             | <u><b>30,268</b></u>            | <u>28,613</u>            |
| <b>Rentals and Leases</b>                              | <u>119,500</u>           | <u><b>118,205</b></u>           | <u>128,681</u>           |
| <b>Investment Income</b>                               | <u>75,000</u>            | <u><b>67,357</b></u>            | <u>71,636</u>            |
| <b>Total Operating Revenue</b>                         | <u><u>17,894,249</u></u> | <u><u><b>18,039,724</b></u></u> | <u><u>18,061,890</u></u> |

# School District No. 85 (Vancouver Island North)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2017

|                                     | 2017<br>Budget    | 2017<br>Actual    | 2016<br>Actual |
|-------------------------------------|-------------------|-------------------|----------------|
|                                     | \$                | \$                | \$             |
| <b>Salaries</b>                     |                   |                   |                |
| Teachers                            | 5,823,233         | <b>5,945,663</b>  | 6,080,842      |
| Principals and Vice Principals      | 1,584,141         | <b>1,596,054</b>  | 1,551,088      |
| Educational Assistants              | 1,838,526         | <b>1,589,402</b>  | 1,475,117      |
| Support Staff                       | 2,197,243         | <b>2,183,384</b>  | 2,197,189      |
| Other Professionals                 | 679,645           | <b>661,177</b>    | 702,450        |
| Substitutes                         | 653,480           | <b>560,493</b>    | 528,488        |
| <b>Total Salaries</b>               | <b>12,776,268</b> | <b>12,536,173</b> | 12,535,174     |
| <b>Employee Benefits</b>            | 3,154,880         | <b>2,777,278</b>  | 3,001,062      |
| <b>Total Salaries and Benefits</b>  | <b>15,931,148</b> | <b>15,313,451</b> | 15,536,236     |
| <b>Services and Supplies</b>        |                   |                   |                |
| Services                            | 799,473           | <b>741,418</b>    | 667,520        |
| Student Transportation              | 74,892            | <b>76,576</b>     | 43,357         |
| Professional Development and Travel | 423,407           | <b>327,046</b>    | 423,039        |
| Rentals and Leases                  | 17,800            | <b>13,599</b>     | 8,319          |
| Dues and Fees                       | 20,649            | <b>18,820</b>     | 19,790         |
| Insurance                           | 127,771           | <b>87,806</b>     | 72,771         |
| Supplies                            | 843,592           | <b>837,053</b>    | 748,681        |
| Utilities                           | 683,400           | <b>840,933</b>    | 735,368        |
| <b>Total Services and Supplies</b>  | <b>2,990,984</b>  | <b>2,943,251</b>  | 2,718,845      |
| <b>Total Operating Expense</b>      | <b>18,922,132</b> | <b>18,256,702</b> | 18,255,081     |

# School District No. 85 (Vancouver Island North)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2017

|  | 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                       | 4,796,527            | 522,744                                       |                                       | 82,605                       |                                    | 233,588                 | 5,635,464         |
| 1.03 Career Programs                           | 45,818               |   |                                       |                              |                                    | 2,698                   | 48,516            |
| 1.07 Library Services                          | 170,238              | 33,518  |                                       | 43,735                       |                                    | 10,176                  | 257,667           |
| 1.08 Counselling                               | 145,749              | 39,901  |                                       |                              |                                    | 8,429                   | 194,079           |
| 1.10 Special Education                         | 597,741              | 207,487                                       | 1,441,631                             | 12,991                       | 33,869                             | 125,485                 | 2,419,204         |
| 1.30 English Language Learning                 | 149,304              | 31,921  |                                       |                              |                                    | 10,355                  | 191,580           |
| 1.31 Aboriginal Education                      | 39,498               | 80,182  | 147,771                               | 14,449                       |                                    | 12,575                  | 294,475           |
| 1.41 School Administration                     | 788                  | 680,301                                       |                                       | 413,357                      |                                    | 74,124                  | 1,168,570         |
| 1.64 Other                                     |                      |   |                                       |                              |                                    |                         | -                 |
| <b>Total Function 1</b>                        | <b>5,945,663</b>     | <b>1,596,054</b>                              | <b>1,589,402</b>                      | <b>567,137</b>               | <b>33,869</b>                      | <b>477,430</b>          | <b>10,209,555</b> |
| <b>4 District Administration</b>               |                      |   |                                       |                              |                                    |                         |                   |
| 4.11 Educational Administration                |                      |   |                                       |                              | 301,496                            |                         | 301,496           |
| 4.40 School District Governance                |                      |   |                                       |                              | 81,254                             |                         | 81,254            |
| 4.41 Business Administration                   |                      |   |                                       | 122,883                      | 155,202                            |                         | 278,085           |
| <b>Total Function 4</b>                        | <b>-</b>             | <b>-</b>                                      | <b>-</b>                              | <b>122,883</b>               | <b>537,952</b>                     | <b>-</b>                | <b>660,835</b>    |
| <b>5 Operations and Maintenance</b>            |                      |   |                                       |                              |                                    |                         |                   |
| 5.41 Operations and Maintenance Administration |                      |   |                                       | 66,276                       | 44,678                             |                         | 110,954           |
| 5.50 Maintenance Operations                    |                      |   |                                       | 1,035,763                    |                                    | 67,191                  | 1,102,954         |
| 5.52 Maintenance of Grounds                    |                      |   |                                       | 57,334                       |                                    |                         | 57,334            |
| 5.56 Utilities                                 |                      |   |                                       |                              |                                    |                         | -                 |
| <b>Total Function 5</b>                        | <b>-</b>             | <b>-</b>                                      | <b>-</b>                              | <b>1,159,373</b>             | <b>44,678</b>                      | <b>67,191</b>           | <b>1,271,242</b>  |
| <b>7 Transportation and Housing</b>            |                      |   |                                       |                              |                                    |                         |                   |
| 7.41 Transportation and Housing Administration |                      |   |                                       |                              | 44,678                             | 15,872                  | 60,550            |
| 7.70 Student Transportation                    |                      |   |                                       | 333,991                      |                                    |                         | 333,991           |
| 7.73 Housing                                   |                      |   |                                       |                              |                                    |                         | -                 |
| <b>Total Function 7</b>                        | <b>-</b>             | <b>-</b>                                      | <b>-</b>                              | <b>333,991</b>               | <b>44,678</b>                      | <b>15,872</b>           | <b>394,541</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>5,945,663</b>     | <b>1,596,054</b>                              | <b>1,589,402</b>                      | <b>2,183,384</b>             | <b>661,177</b>                     | <b>560,493</b>          | <b>12,536,173</b> |

# School District No. 85 (Vancouver Island North)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2017

|  | Total Salaries    | Employee Benefits | Total Salaries and Benefits | Services and Supplies | 2017 Actual       | 2017 Budget | 2016 Actual |
|--|-------------------|-------------------|-----------------------------|-----------------------|-------------------|-------------|-------------|
|  | \$                | \$                | \$                          | \$                    | \$                | \$          | \$          |
| <b>1 Instruction</b>                           |                   |                   |                             |                       |                   |             |             |
| 1.02 Regular Instruction                       | 5,635,464         | 1,293,538         | 6,929,002                   | 671,329               | 7,600,331         | 7,573,772   | 7,771,074   |
| 1.03 Career Programs                           | 48,516            | 12,313            | 60,829                      | 3,459                 | 64,288            | 86,133      | 63,580      |
| 1.07 Library Services                          | 257,667           | 54,659            | 312,326                     | 12,135                | 324,461           | 333,711     | 327,723     |
| 1.08 Counselling                               | 194,079           | 38,478            | 232,557                     | 1,006                 | 233,563           | 243,619     | 229,867     |
| 1.10 Special Education                         | 2,419,204         | 509,051           | 2,928,255                   | 155,393               | 3,083,648         | 3,579,221   | 2,996,526   |
| 1.30 English Language Learning                 | 191,580           | 40,039            | 231,619                     | 11,808                | 243,427           | 253,669     | 221,517     |
| 1.31 Aboriginal Education                      | 294,475           | 69,112            | 363,587                     | 356,141               | 719,728           | 710,529     | 762,666     |
| 1.41 School Administration                     | 1,168,570         | 262,592           | 1,431,162                   | 51,598                | 1,482,760         | 1,542,302   | 1,479,082   |
| 1.64 Other                                     | -                 | -                 | -                           | 64,804                | 64,804            | 55,750      | 52,018      |
| <b>Total Function 1</b>                        | <b>10,209,555</b> | <b>2,279,782</b>  | <b>12,489,337</b>           | <b>1,327,673</b>      | <b>13,817,010</b> | 14,378,706  | 13,904,053  |
| <b>4 District Administration</b>               |                   |                   |                             |                       |                   |             |             |
| 4.11 Educational Administration                | 301,496           | 55,596            | 357,092                     | 37,345                | 394,437           | 450,225     | 457,492     |
| 4.40 School District Governance                | 81,254            | 1,243             | 82,497                      | 41,817                | 124,314           | 134,530     | 129,724     |
| 4.41 Business Administration                   | 278,085           | 56,849            | 334,934                     | 81,270                | 416,204           | 527,893     | 444,847     |
| <b>Total Function 4</b>                        | <b>660,835</b>    | <b>113,688</b>    | <b>774,523</b>              | <b>160,432</b>        | <b>934,955</b>    | 1,112,648   | 1,032,063   |
| <b>5 Operations and Maintenance</b>            |                   |                   |                             |                       |                   |             |             |
| 5.41 Operations and Maintenance Administration | 110,954           | 28,020            | 138,974                     | 81,053                | 220,027           | 225,879     | 217,085     |
| 5.50 Maintenance Operations                    | 1,102,954         | 253,172           | 1,356,126                   | 334,146               | 1,690,272         | 1,811,662   | 1,707,091   |
| 5.52 Maintenance of Grounds                    | 57,334            | 6,937             | 64,271                      | 40,732                | 105,003           | 75,277      | 88,384      |
| 5.56 Utilities                                 | -                 | -                 | -                           | 840,933               | 840,933           | 683,400     | 735,368     |
| <b>Total Function 5</b>                        | <b>1,271,242</b>  | <b>288,129</b>    | <b>1,559,371</b>            | <b>1,296,864</b>      | <b>2,856,235</b>  | 2,796,218   | 2,747,928   |
| <b>7 Transportation and Housing</b>            |                   |                   |                             |                       |                   |             |             |
| 7.41 Transportation and Housing Administration | 60,550            | 9,736             | 70,286                      | 2,588                 | 72,874            | 82,024      | 58,469      |
| 7.70 Student Transportation                    | 333,991           | 85,943            | 419,934                     | 150,694               | 570,628           | 552,536     | 507,390     |
| 7.73 Housing                                   | -                 | -                 | -                           | 5,000                 | 5,000             | -           | 5,178       |
| <b>Total Function 7</b>                        | <b>394,541</b>    | <b>95,679</b>     | <b>490,220</b>              | <b>158,282</b>        | <b>648,502</b>    | 634,560     | 571,037     |
| <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>12,536,173</b> | <b>2,777,278</b>  | <b>15,313,451</b>           | <b>2,943,251</b>      | <b>18,256,702</b> | 18,922,132  | 18,255,081  |

# School District No. 85 (Vancouver Island North)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2017

|   | 2017<br>Budget   | 2017<br>Actual   | 2016<br>Actual   |
|---|------------------|------------------|------------------|
|   | \$               | \$               | \$               |
| <b>Revenues</b>   |                  |                  |                  |
| Provincial Grants   |                  |                  |                  |
| Ministry of Education                                       | 980,437          | 1,147,498        | 979,258          |
| Other Revenue   | 343,000          | 480,292          | 435,698          |
| <b>Total Revenue</b>  | <u>1,323,437</u> | <u>1,627,790</u> | <u>1,414,956</u> |
| <b>Expenses</b>   |                  |                  |                  |
| Instruction   | 1,160,721        | 1,425,928        | 1,253,948        |
| Operations and Maintenance                                  | 37,891           | 37,891           | 81,402           |
| <b>Total Expense</b>  | <u>1,198,612</u> | <u>1,463,819</u> | <u>1,335,350</u> |
| <b>Special Purpose Surplus (Deficit) for the year</b>       | <u>124,825</u>   | <u>163,971</u>   | <u>79,606</u>    |
| <b>Net Transfers (to) from other funds</b>                  |                  |                  |                  |
| Tangible Capital Assets Purchased                           | (124,825)        | (163,971)        | (79,606)         |
| <b>Total Net Transfers</b>                                  | <u>(124,825)</u> | <u>(163,971)</u> | <u>(79,606)</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> |                  |                  |                  |
| <b>Special Purpose Surplus (Deficit), end of year</b>       |                  | <u>-</u>         | <u>-</u>         |

**School District No. 85 (Vancouver Island North)**

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2017

|   | Annual<br>Facility<br>Grant | Learning<br>Improvement<br>Fund | Special<br>Education<br>Equipment | Scholarships<br>and<br>Bursaries | Service<br>Delivery<br>Transformation | School<br>Generated<br>Funds | Strong<br>Start | Ready,<br>Set,<br>Learn | OLEP  |
|---|-----------------------------|---------------------------------|-----------------------------------|----------------------------------|---------------------------------------|------------------------------|-----------------|-------------------------|-------|
|   | \$                          | \$                              | \$                                | \$                               | \$                                    | \$                           | \$              | \$                      | \$    |
| <b>Deferred Revenue, beginning of year</b>                                |                             |                                 | 854                               | 26,467                           | 25,000                                | 271,998                      |                 | 10,503                  |       |
| <b>Add:</b> Restricted Grants   |                             |                                 |                                   |                                  |                                       |                              |                 |                         |       |
| Provincial Grants - Ministry of Education                                 | 161,008                     | 356,664                         |                                   |                                  |                                       |                              | 96,736          | 17,150                  | 9,650 |
| Other   |                             |                                 |                                   | 2,300                            |                                       | 508,441                      |                 |                         |       |
| Investment Income   |                             |                                 |                                   | 89                               |                                       |                              |                 |                         |       |
|   | 161,008                     | 356,664                         | -                                 | 2,389                            | -                                     | 508,441                      | 96,736          | 17,150                  | 9,650 |
| <b>Less:</b> Allocated to Revenue   | 161,008                     | 356,664                         | 854                               | 5,800                            | 25,000                                | 474,492                      | 96,736          | 27,653                  | 9,650 |
| <b>Deferred Revenue, end of year</b>                                      | -                           | -                               | -                                 | <b>23,056</b>                    | -                                     | <b>305,947</b>               | -               | -                       | -     |
| <b>Revenues</b>   |                             |                                 |                                   |                                  |                                       |                              |                 |                         |       |
| Provincial Grants - Ministry of Education                                 | 161,008                     | 356,664                         | 854                               |                                  | 25,000                                |                              | 96,736          | 27,653                  | 9,650 |
| Other Revenue   |                             |                                 |                                   | 5,800                            |                                       | 474,492                      |                 |                         |       |
|   | 161,008                     | 356,664                         | 854                               | 5,800                            | 25,000                                | 474,492                      | 96,736          | 27,653                  | 9,650 |
| <b>Expenses</b>   |                             |                                 |                                   |                                  |                                       |                              |                 |                         |       |
| Salaries  |                             |                                 |                                   |                                  |                                       |                              |                 |                         |       |
| Teachers  |                             | 218,149                         |                                   |                                  |                                       |                              |                 |                         |       |
| Educational Assistants  |                             | 58,733                          |                                   |                                  |                                       |                              |                 |                         |       |
| Support Staff   |                             |                                 |                                   |                                  | 13,710                                |                              |                 |                         |       |
| Substitutes   |                             |                                 |                                   |                                  |                                       |                              |                 |                         |       |
|   | -                           | 276,882                         | -                                 | -                                | 13,710                                | -                            | -               | -                       | -     |
| Employee Benefits   |                             | 77,616                          |                                   |                                  | 2,742                                 |                              |                 |                         |       |
| Services and Supplies   | 37,891                      | 2,166                           |                                   | 5,800                            | 8,548                                 | 434,492                      | 96,736          | 27,653                  | 9,650 |
|   | 37,891                      | 356,664                         | -                                 | 5,800                            | 25,000                                | 434,492                      | 96,736          | 27,653                  | 9,650 |
| <b>Net Revenue (Expense) before Interfund Transfers</b>                   | 123,117                     | -                               | 854                               | -                                | -                                     | 40,000                       | -               | -                       | -     |
| <b>Interfund Transfers</b>  |                             |                                 |                                   |                                  |                                       |                              |                 |                         |       |
| Tangible Capital Assets Purchased   | (123,117)                   |                                 | (854)                             |                                  |                                       | (40,000)                     |                 |                         |       |
|   | (123,117)                   | -                               | (854)                             | -                                | -                                     | (40,000)                     | -               | -                       | -     |
| <b>Net Revenue (Expense)</b>  | -                           | -                               | -                                 | -                                | -                                     | -                            | -               | -                       | -     |
| <b>Additional Expenses funded by, and reported in, the Operating Fund</b> |                             | 55,124                          |                                   |                                  |                                       |                              |                 |                         |       |

# School District No. 85 (Vancouver Island North)

Changes in Special Purpose Funds and Expense by Object  
 Year Ended June 30, 2017

|   | CommunityLINK  | Coding and<br>Curriculum<br>Implementation | Priority<br>Measures | TOTAL            |
|---|----------------|--|----------------------|------------------|
|   | \$             | \$   | \$                   | \$               |
| <b>Deferred Revenue, beginning of year</b>                                |                |  |                      | 334,822          |
| <b>Add:</b> Restricted Grants   |                |  |                      |                  |
| Provincial Grants - Ministry of Education                                 | 305,407        | 34,689                                     | 176,703              | 1,158,007        |
| Other   |                |  |                      | 510,741          |
| Investment Income   |                |  |                      | 89               |
|   | <u>305,407</u> | <u>34,689</u>                              | <u>176,703</u>       | <u>1,668,837</u> |
| <b>Less:</b> Allocated to Revenue   | 305,407        | -  | 164,526              | 1,627,790        |
| <b>Deferred Revenue, end of year</b>                                      | <u>-</u>       | <u>34,689</u>                              | <u>12,177</u>        | <u>375,869</u>   |
| <b>Revenues</b>   |                |  |                      |                  |
| Provincial Grants - Ministry of Education                                 | 305,407        |  | 164,526              | 1,147,498        |
| Other Revenue   |                |  |                      | 480,292          |
|   | <u>305,407</u> | <u>-</u>                                   | <u>164,526</u>       | <u>1,627,790</u> |
| <b>Expenses</b>   |                |  |                      |                  |
| Salaries  |                |  |                      |                  |
| Teachers  | 53,241         |  | 138,137              | 409,527          |
| Educational Assistants  | 185,699        |  |                      | 244,432          |
| Support Staff   |                |  |                      | 13,710           |
| Substitutes   | 1,217          |  |                      | 1,217            |
|   | <u>240,157</u> | <u>-</u>                                   | <u>138,137</u>       | <u>668,886</u>   |
| Employee Benefits   | 64,093         |  | 26,389               | 170,840          |
| Services and Supplies   | 1,157          |  |                      | 624,093          |
|   | <u>305,407</u> | <u>-</u>                                   | <u>164,526</u>       | <u>1,463,819</u> |
| <b>Net Revenue (Expense) before Interfund Transfers</b>                   | <u>-</u>       | <u>-</u>                                   | <u>-</u>             | <u>163,971</u>   |
| <b>Interfund Transfers</b>  |                |  |                      |                  |
| Tangible Capital Assets Purchased   |                |  |                      | (163,971)        |
|   | <u>-</u>       | <u>-</u>                                   | <u>-</u>             | <u>(163,971)</u> |
| <b>Net Revenue (Expense)</b>  | <u>-</u>       | <u>-</u>                                   | <u>-</u>             | <u>-</u>         |
| <b>Additional Expenses funded by, and reported in, the Operating Fund</b> | <u>25,565</u>  |  |                      | <u>80,689</u>    |

# School District No. 85 (Vancouver Island North)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2017

|  | 2017<br>Budget | 2017 Actual                            |                  |                 | 2016<br>Actual |
|--|----------------|--|------------------|-----------------|----------------|
|  |                | Invested in Tangible<br>Capital Assets | Local<br>Capital | Fund<br>Balance |                |
|  | \$             | \$                                     | \$               | \$              | \$             |
| <b>Revenues</b>                                      |                |  |                  |                 |                |
| Investment Income                                    | 200            |  |                  | -               |                |
| Amortization of Deferred Capital Revenue             | 949,470        | 949,470                                |                  | 949,470         | 945,262        |
| <b>Total Revenue</b>                                 | 949,670        | 949,470                                | -                | 949,470         | 945,262        |
| <b>Expenses</b>                                      |                |  |                  |                 |                |
| Amortization of Tangible Capital Assets              |                |  |                  |                 |                |
| Operations and Maintenance                           | 1,205,236      | 1,205,236                              |                  | 1,205,236       | 1,190,723      |
| Transportation and Housing                           | 118,355        | 118,355                                |                  | 118,355         | 139,452        |
| <b>Total Expense</b>                                 | 1,323,591      | 1,323,591                              | -                | 1,323,591       | 1,330,175      |
| <b>Capital Surplus (Deficit) for the year</b>        | (373,921)      | (374,121)                              | -                | (374,121)       | (384,913)      |
| <b>Net Transfers (to) from other funds</b>           |                |  |                  |                 |                |
| Tangible Capital Assets Purchased                    | 124,825        | 163,971                                |                  | 163,971         | 79,606         |
| Local Capital  | 100,000        |  | 100,000          | 100,000         | 450,000        |
| <b>Total Net Transfers</b>                           | 224,825        | 163,971                                | 100,000          | 263,971         | 529,606        |
| <b>Other Adjustments to Fund Balances</b>            |                |  |                  |                 |                |
| Tangible Capital Assets Purchased from Local Capital |                | 185,270                                | (185,270)        | -               |                |
| <b>Total Other Adjustments to Fund Balances</b>      |                | 185,270                                | (185,270)        | -               |                |
| <b>Total Capital Surplus (Deficit) for the year</b>  | (149,096)      | (24,880)                               | (85,270)         | (110,150)       | 144,693        |
| <b>Capital Surplus (Deficit), beginning of year</b>  |                | 10,601,663                             | 342,394          | 10,944,057      | 10,799,364     |
| <b>Capital Surplus (Deficit), end of year</b>        |                | 10,576,783                             | 257,124          | 10,833,907      | 10,944,057     |



# School District No. 85 (Vancouver Island North)

Schedule 4A (Unaudited)

Tangible Capital Assets  
Year Ended June 30, 2017

|  | Sites            | Buildings         | Furniture and<br>Equipment | Vehicles         | Computer<br>Software | Computer<br>Hardware | Total             |
|--|------------------|-------------------|----------------------------|------------------|----------------------|----------------------|-------------------|
|  | \$               | \$                | \$                         | \$               | \$                   | \$                   | \$                |
| <b>Cost, beginning of year</b>                     | 2,891,161        | 57,709,486        | 748,755                    | 1,183,548        |                      | 232,408              | <b>62,765,358</b> |
| <b>Changes for the Year</b>                        |                  |                   |                            |                  |                      |                      |                   |
| Increase:  |                  |                   |                            |                  |                      |                      |                   |
| Purchases from:                                    |                  |                   |                            |                  |                      |                      |                   |
| Deferred Capital Revenue - Bylaw                   |                  | 2,289,046         |                            | 522,515          |                      |                      | <b>2,811,561</b>  |
| Deferred Capital Revenue - Other                   |                  |                   | 55,840                     |                  |                      |                      | <b>55,840</b>     |
| Special Purpose Funds                              |                  | 163,117           | 854                        |                  |                      |                      | <b>163,971</b>    |
| Local Capital                                      |                  | 127,044           | 25,573                     |                  |                      | 32,653               | <b>185,270</b>    |
|  | -                | 2,579,207         | 82,267                     | 522,515          | -                    | 32,653               | <b>3,216,642</b>  |
| Decrease:  |                  |                   |                            |                  |                      |                      |                   |
| Deemed Disposals                                   |                  |                   | 28,294                     | 13,174           |                      | 68,096               | <b>109,564</b>    |
|  | -                | -                 | 28,294                     | 13,174           | -                    | 68,096               | <b>109,564</b>    |
| <b>Cost, end of year</b>                           | 2,891,161        | 60,288,693        | 802,728                    | 1,692,889        | -                    | 196,965              | <b>65,872,436</b> |
| <b>Work in Progress, end of year</b>               |                  |                   |                            |                  |                      |                      | -                 |
| <b>Cost and Work in Progress, end of year</b>      | 2,891,161        | 60,288,693        | 802,728                    | 1,692,889        | -                    | 196,965              | <b>65,872,436</b> |
| <b>Accumulated Amortization, beginning of year</b> |                  | 33,409,957        | 343,938                    | 527,412          |                      | 73,837               | <b>34,355,144</b> |
| <b>Changes for the Year</b>                        |                  |                   |                            |                  |                      |                      |                   |
| Increase: Amortization for the Year                |                  | 1,083,878         | 74,876                     | 118,355          |                      | 46,482               | <b>1,323,591</b>  |
| Decrease:  |                  |                   |                            |                  |                      |                      |                   |
| Deemed Disposals                                   |                  |                   | 28,294                     | 13,174           |                      | 68,096               | <b>109,564</b>    |
|  |                  |                   | -                          | 28,294           | -                    | 68,096               | <b>109,564</b>    |
| <b>Accumulated Amortization, end of year</b>       |                  | 34,493,835        | 390,520                    | 632,593          | -                    | 52,223               | <b>35,569,171</b> |
| <b>Tangible Capital Assets - Net</b>               | <b>2,891,161</b> | <b>25,794,858</b> | <b>412,208</b>             | <b>1,060,296</b> | -                    | <b>144,742</b>       | <b>30,303,265</b> |

# School District No. 85 (Vancouver Island North)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2017

|   | Bylaw<br>Capital | Other<br>Provincial | Other<br>Capital | Total<br>Capital |
|---|------------------|---------------------|------------------|------------------|
|   | \$               | \$                  | \$               | \$               |
| <b>Deferred Capital Revenue, beginning of year</b>    | 17,808,551       |                     |                  | 17,808,551       |
| <b>Changes for the Year</b>                           |                  |                     |                  |                  |
| Increase:   |                  |                     |                  |                  |
| Transferred from Deferred Revenue - Capital Additions | 2,811,561        | 55,840              |                  | 2,867,401        |
|   | 2,811,561        | 55,840              | -                | 2,867,401        |
| Decrease:   |                  |                     |                  |                  |
| Amortization of Deferred Capital Revenue              | 949,470          |                     |                  | 949,470          |
|   | 949,470          | -                   | -                | 949,470          |
| <b>Net Changes for the Year</b>                       | 1,862,091        | 55,840              | -                | 1,917,931        |
| <b>Deferred Capital Revenue, end of year</b>          | 19,670,642       | 55,840              | -                | 19,726,482       |
| <b>Work in Progress, beginning of year</b>            |                  |                     |                  | -                |
| <b>Changes for the Year</b>                           |                  |                     |                  |                  |
| <b>Net Changes for the Year</b>                       | -                | -                   | -                | -                |
| <b>Work in Progress, end of year</b>                  | -                | -                   | -                | -                |
| <b>Total Deferred Capital Revenue, end of year</b>    | 19,670,642       | 55,840              | -                | 19,726,482       |

# School District No. 85 (Vancouver Island North)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2017

|   | Bylaw<br>Capital | MEd<br>Restricted<br>Capital | Other<br>Provincial<br>Capital | Land<br>Capital | Other<br>Capital | Total     |
|---|------------------|------------------------------|--------------------------------|-----------------|------------------|-----------|
| <b>Balance, beginning of year</b>         | \$               | \$ 12,756                    | \$                             | \$              | \$               | \$ 12,756 |
| <b>Changes for the Year</b>               |                  |                              |                                |                 |                  |           |
| Increase:                                 |                  |                              |                                |                 |                  |           |
| Provincial Grants - Ministry of Education | 2,811,561        |                              |                                |                 |                  | 2,811,561 |
| Provincial Grants - Other                 |                  |                              | 55,840                         |                 |                  | 55,840    |
|   | 2,811,561        | -                            | 55,840                         | -               | -                | 2,867,401 |
| Decrease:                                 |                  |                              |                                |                 |                  |           |
| Transferred to DCR - Capital Additions    | 2,811,561        |                              | 55,840                         |                 |                  | 2,867,401 |
|   | 2,811,561        | -                            | 55,840                         | -               | -                | 2,867,401 |
| <b>Net Changes for the Year</b>           | -                | -                            | -                              | -               | -                | -         |
| <b>Balance, end of year</b>               | -                | 12,756                       | -                              | -               | -                | 12,756    |

**School District Statement of Financial Information (SOFI)**

**School District No. 85 (Vancouver Island North)**

**Fiscal Year Ended June 30, 2017**

**Schedule of Debt**

Information on all long term debt is included in the School District Audited Financial Statements and notes.

Prepared as required by *Financial Information Regulation*, Schedule 1, section 4

**School District Statement of Financial Information (SOFI)**

**School District No. 85 (Vancouver Island North)**

**Fiscal Year Ended June 30, 2017**

**Schedule of Guarantee and Indemnity Agreements**

School District No. 85 (Vancouver Island North) has not given any guarantee or indemnity under the Guarantees and Indemnities Regulation.

Prepared as required by *Financial Information Regulation*, Schedule 1, section 5

School District No. 85  
 SCHEDULE OF REMUNERATION AND EXPENSE  
 YEAR ENDED JUNE 30,2017

| NAME                             | POSITION | REMUNERATION | EXPENSE   |
|----------------------------------|----------|--------------|-----------|
| ELECTED OFFICIALS :              |          |              |           |
| Field, Jeffrey G.                |          | 11,733.33    | 6,470.98  |
| Hunter, Eric                     |          | 11,130.96    | 1,530.41  |
| Manke, Werner                    |          | 11,130.96    | 1,644.02  |
| Prescott, Carol                  |          | 11,130.96    | 1,006.12  |
| Schmidt, Danita                  |          | 11,130.96    | 5,980.94  |
| Skrlac, Evelyn                   |          | 11,640.66    | 1,795.12  |
| wishart, Leightan                |          | 13,356.00    | 2,741.16  |
| TOTAL ELECTED OFFICIALS          |          | 81,253.83    | 21,168.75 |
| DETAILED EMPLOYEES > 75,000.00 : |          |              |           |
| Abbot, Douglas                   |          | 77,544.34    | 1,925.66  |
| Amodeo, Kelly                    |          | 105,151.66   | 3,877.21  |
| Barfoot, Sean                    |          | 84,023.36    | 8.69      |
| Benwell, Scott                   |          | 170,333.56   | 2,716.89  |
| Boal, Stephanie                  |          | 84,311.12    | 290.29    |
| Bono, Tammy                      |          | 85,581.89    | 102.91    |
| Boyko, Craig R                   |          | 79,074.08    |           |
| Boyko, Marlei                    |          | 76,481.56    | 522.07    |
| Bragan, Sheila                   |          | 92,490.30    | 249.53    |
| Bramham, John                    |          | 87,198.92    | 200.00    |
| Brooks, Sarah                    |          | 85,583.32    | 54.49     |
| Brown, Jillian                   |          | 94,175.30    | 103.56    |
| Campbell, Sharon                 |          | 77,488.48    | 107.99    |
| Carlson, Tanya                   |          | 93,365.30    | 176.31    |
| Casson, Nimfa                    |          | 77,450.65    |           |
| Child, Kaleb                     |          | 114,707.12   | 1,273.08  |
| Cleary, Michael                  |          | 85,060.08    |           |
| Cook, Jill                       |          | 100,924.88   | 3,828.16  |
| Deacon, D'Arcy                   |          | 113,143.14   | 9,837.99  |
| Dixon, Jay                       |          | 119,718.38   | 8,321.88  |
| Dixon, Molly                     |          | 90,754.78    | 92.11     |
| Fleeton, Malcolm                 |          | 100,544.36   | 1,245.67  |
| Fyles, Robert G                  |          | 87,175.59    |           |
| Gildersleeve, Darby              |          | 93,719.58    | 3,890.18  |
| Gordon, Robyn L.                 |          | 86,388.92    | 1.94      |
| Gough, Shawn                     |          | 87,198.92    | 530.12    |
| Graham, Krista                   |          | 81,326.94    | 227.31    |
| Hagen, Angela                    |          | 92,555.30    | 1,848.21  |
| Harris, Roberta                  |          | 92,360.83    | 148.59    |
| Heller, Brian W.                 |          | 92,360.34    |           |
| Hubbard, Leah                    |          | 83,080.55    | 204.23    |
| Isaac, Irene                     |          | 98,593.39    | 8,524.33  |
| Janveau, Deborah                 |          | 86,388.92    | 9.56      |
| Johnson, Heather                 |          | 101,042.78   | 3,953.98  |
| Lansdowne, Serena                |          | 75,481.34    | 268.89    |

School District No. 85  
 SCHEDULE OF REMUNERATION AND EXPENSE  
 YEAR ENDED JUNE 30,2017

| NAME                                 | POSITION | REMUNERATION  | EXPENSE    |
|--------------------------------------|----------|---------------|------------|
| Lloyd, Cheryl                        |          | 94,589.13     | 4,303.10   |
| Lutz, Ulla                           |          | 85,578.35     | 9.56       |
| MacDonald, Christina                 |          | 102,390.31    | 7,654.65   |
| MacLean, W.Frank                     |          | 93,365.30     | 1,181.43   |
| Marshall, Jenefer                    |          | 83,754.19     | 995.23     |
| Martin, John R                       |          | 128,522.88    | 14,653.88  |
| McCrae, Ricki-Lyn                    |          | 87,161.12     |            |
| McGhee, Kevin                        |          | 79,074.08     | 227.77     |
| McGrath, Sheila                      |          | 102,327.31    | 2,263.75   |
| Mitchell, Nina                       |          | 80,554.91     |            |
| Mollinga, Ron                        |          | 77,488.48     | 9.55       |
| Mork, Casey                          |          | 87,161.12     |            |
| Nelson, Elizabeth G.                 |          | 85,639.18     | 33.39      |
| Ogren, Kevin                         |          | 94,137.50     | 506.32     |
| Pendergast, Adrian                   |          | 106,666.72    | 4,353.13   |
| Prong, Levin                         |          | 80,882.73     | 174.91     |
| Purdey, Charleen                     |          | 94,175.30     | 86.68      |
| Purdon, Francis C                    |          | 86,818.39     | 200.00     |
| Robertson, Carol                     |          | 150,719.51    | 18,435.02  |
| Rowsell, Anne                        |          | 79,832.14     | 3,111.54   |
| Sedola, Michelle                     |          | 92,756.97     | 886.47     |
| Soltau, Sarah                        |          | 92,555.30     | 128.33     |
| Svatos, Shelley                      |          | 86,821.97     |            |
| Sweeney, Rena                        |          | 115,466.83    | 2,584.41   |
| Taylor, Mark                         |          | 79,978.91     | 441.19     |
| Turner, Jennifer L                   |          | 100,582.78    | 5,664.67   |
| Voth, Jason                          |          | 85,578.92     | 2.43       |
| wadhams, Teresa L                    |          | 76,047.73     | 49.42      |
| walker, Lynn                         |          | 89,107.14     | 172.41     |
| walkus, Jillian                      |          | 102,868.48    | 4,140.19   |
| walther, Sandra                      |          | 76,444.99     | 5,274.90   |
| watson, Melody Lynn                  |          | 97,452.81     | 2,967.89   |
| williams, Andrea Lea                 |          | 91,907.08     | 43.16      |
| williams, Micah                      |          | 94,175.30     | 1,025.80   |
| williamson, Holly                    |          | 94,175.30     | 397.79     |
| woodford, Jamie                      |          | 81,165.99     | 89.67      |
| TOTAL DETAILED EMPLOYEES > 75,000.00 |          | 6,590,705.13  | 136,610.47 |
| TOTAL EMPLOYEES <= 75,000.00         |          | 7,412,969.76  | 106,781.34 |
| TOTAL                                |          | 14,084,928.72 | 264,560.56 |
| TOTAL EMPLOYER PREMIUM FOR CPP/EI    |          |               | 719,677.34 |

**School District Statement of Financial Information (SOFI)**

**School District No. 85 (Vancouver Island North)**

**Fiscal Year Ended June 30, 2017**

**Statement of Severance Agreements**

There were no severance agreements between School District No. 85 (Vancouver Island North) and its non-unionized employees during the 2016 - 2017 fiscal year.

Prepared as required by *Financial Information Regulation*, Schedule 1, subsection 6(7)



| VENDOR NAME                        | EXPENSE      |
|------------------------------------|--------------|
| -----                              | -----        |
| DETAILED VENDORS > 25,000.00 :     |              |
| ACME SUPPLIES LTD                  | 53,916.46    |
| ANDREW SHERET LIMITED              | 33,739.46    |
| APOLLO SHEET METAL LTD             | 210,307.02   |
| ARI FINANCIAL SERVICES T46163      | 25,546.00    |
| BC HYDRO & POWER AUTHORITY         | 479,173.70   |
| BC LIFE & CASUALTY CO              | 93,237.60    |
| BC MEDICAL SERVICES PLAN           | 178,302.36   |
| CANWEST MECHANICAL INC             | 746,067.01   |
| CAYENTA SCHOOLS, A DIV OF HARRIS   | 27,701.45    |
| CHEVRON CANADA LTD                 | 40,401.33    |
| DISTRICT OF PORT HARDY             | 50,453.74    |
| DOR TEC SECURITY LTD               | 36,740.58    |
| ENERGY TECHNOLOGY PRODUCTS         | 133,110.88   |
| ENGINEERED AIR                     | 277,200.00   |
| FIRST TRUCK CENTRE                 | 529,410.62   |
| FOX'S DISPOSAL SERVICE             | 27,017.03    |
| FURNEY DISTRIBUTING LTD            | 38,532.78    |
| GREAT WEST LIFE                    | 37,626.00    |
| GWA'SALA-'NAKWAXDA'XW NATIONS      | 372,130.22   |
| HOME HARDWARE                      | 25,027.42    |
| LINDA WEAVER                       | 53,780.88    |
| MIDLAND TOOLS CORP                 | 31,209.92    |
| MUNICIPAL PENSION PLAN             | 373,486.42   |
| N HARRIS COMPUTER CORPORATION      | 32,875.97    |
| N I COMMUNITY SERVICES             | 64,000.00    |
| N I CRISIS & COUNSELLING CNTR      | 32,000.00    |
| NELSON ROOFING & SHEET METAL LTD   | 398,099.35   |
| NORTH WEST ENVIRONMENTAL GROUP LTD | 46,795.35    |
| OLYMPIC INTERNATIONAL AGENCIES     | 251,888.00   |
| PACIFIC BLUE CROSS                 | 220,654.80   |
| PORT ALICE GAS INC                 | 39,355.78    |
| PUBLIC EDUCATION BENEFITS TRUST    | 195,392.68   |
| QUINSAM COMMUNICATIONS GROUP       | 50,808.92    |
| ROCKWERX CANADA INC                | 25,763.64    |
| ROCKY POINT ENGINEERING LTD        | 316,837.50   |
| STUDICA LTD                        | 38,288.25    |
| SUPERIOR PROPANE INC.              | 190,758.51   |
| TALIUS                             | 51,818.66    |
| TEACHER PENSION PLAN               | 1,065,573.98 |
| TELUS COMMUNICATIONS COMPANY       | 33,309.18    |
| TINYEYE                            | 44,476.00    |
| US BANK OF CANADA                  | 345,935.76   |
| VINTA - PRO D                      | 59,926.00    |
| WORKSAFE BC                        | 99,107.87    |
|                                    | -----        |
| TOTAL DETAILED VENDORS > 25,000.00 | 7,477,785.08 |

10/12/17 12:19:39  
SDS GUI

School District No. 85  
SCHEDULE OF PAYMENTS FOR GOODS AND SERVICE  
YEAR ENDED JUNE 30,2017

PAGE 2  
ACR01C42

VENDOR NAME

EXPENSE

-----  
TOTAL VENDORS <= 25,000.00

-----  
934,638.48

TOTAL PAYMENTS FOR THE GOODS AND SERVICES

=====  
8,412,423.56

SCHEDULED PAYMENTS  
-----

|                                 |                        |
|---------------------------------|------------------------|
| REMUNERATION                    | 14,084,928.72          |
| EMPLOYEE EXPENSES               | 264,560.56             |
| EMPLOYER CPP/EI                 | 719,677.34             |
| PAYMENTS FOR GOODS AND SERVICES | 8,412,423.56           |
| TOTAL SCHEDULED PAYMENTS        | -----<br>23,481,590.18 |

RECONCILIATION ITEMS  
-----

|                            |                      |
|----------------------------|----------------------|
| NONCASH ITEMS:             |                      |
| ACCOUNTS PAYABLE ACCRUALS  | 62,991.00            |
| PAYROLL ACCRUALS           | 184,659.00           |
| INVENTORIES AND PREPAIDS   | 46,200.00-           |
| PAYMENTS INCLUDED:         |                      |
| TAXABLE BENEFITS           | 241,995.49-          |
| OTHER:                     |                      |
| THIRD PARTY RECOVERIES     | 509,523.00-          |
| GST/HST REBATE             | 171,329.16-          |
| RECOVERIES OF EXPENSES     | 31,501.00-           |
| MISCELLANEOUS              | 208,471.47           |
| TOTAL RECONCILIATION ITEMS | -----<br>544,427.18- |

FINANCIAL STATEMENT EXPENDITURES  
-----

|  |                        |
|--|------------------------|
| OPERATING FUND                         | 18,256,702.00          |
| TRUST FUND                             | 1,463,819.00           |
| CAPITAL FUND                           | 3,216,642.00           |
| TOTAL FINANCIAL STATEMENT EXPENDITURES | -----<br>22,937,163.00 |

BALANCE

=====

0.00