

Audited Financial Statements of

# **School District No. 61 (Greater Victoria)**

And Independent Auditors' Report thereon

June 30, 2020

# School District No. 61 (Greater Victoria)

June 30, 2020

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# School District No. 61 (Greater Victoria)

## MANAGEMENT REPORT

Version: 4649-3903-1921

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

The accompanying financial statements of School District No. 61 (Greater Victoria) 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. 61 (Greater Victoria) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, KPMG, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 61 (Greater Victoria) 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. 61 (Greater Victoria)



Signature of the Chairperson of the Board of Education

Sept. 28, 2020

Date Signed



Signature of the Superintendent

Sept. 28, 2020

Date Signed



Signature of the Secretary Treasurer

Sept 28, 2020

Date Signed



KPMG LLP  
St. Andrew's Square II  
800-730 View Street  
Victoria BC V8W 3Y7  
Canada  
Telephone 250-480-3500  
Fax 250-480-3539

## INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 61 (Greater Victoria), and  
To the Minister of Education, Province of British Columbia

### ***Opinion***

We have audited the financial statements of School District No. 61 (Greater Victoria) (the 'Entity'), which comprise:

- the statement of financial position as at June 30, 2020
- the statement of operations for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements as at and for period ended June 30, 2020 of the Entity are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Emphasis of Matter – Financial Reporting Framework***

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

Our opinion is not modified in respect of this matter.

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.

### ***Other Information***

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

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

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

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

We obtained the Information, other than the financial statements and the auditors' report thereon, included in the unaudited schedules as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

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

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget and Transparency and Accountability Act of the Province of British Columbia and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Victoria, Canada  
September 28, 2020

# School District No. 61 (Greater Victoria)

Statement 1

## Statement of Financial Position

As at June 30, 2020

	2020 Actual	2019 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	58,652,535	59,825,621
Accounts Receivable		
Due from Province - Ministry of Education	4,471,552	193,733
Due from Province - Other	161,875	
Other (Note 3)	4,209,720	2,242,834
Portfolio Investments (Note 4)	499,601	499,544
<b>Total Financial Assets</b>	<b>67,995,283</b>	<b>62,761,732</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 6)	27,562,932	25,235,760
Unearned Revenue (Note 7)	8,471,669	11,698,627
Deferred Revenue (Note 8)	6,644,955	5,097,117
Deferred Capital Revenue (Note 9)	205,139,251	192,944,048
Employee Future Benefits (Note 10)	2,834,171	2,699,277
<b>Total Liabilities</b>	<b>250,652,978</b>	<b>237,674,829</b>
<b>Net Debt</b>	<b>(182,657,695)</b>	<b>(174,913,097)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 11)	247,866,324	238,595,750
Prepaid Expenses	384,899	620,962
<b>Total Non-Financial Assets</b>	<b>248,251,223</b>	<b>239,216,712</b>
<b>Accumulated Surplus (Deficit) (Note 20)</b>	<b>65,593,528</b>	<b>64,303,615</b>

Unrecognized Assets (Note 11)  
Contractual Obligations (Note 15)  
Contractual Rights (Note 16)  
Contingent Assets (Note 18)  
Contingent Liabilities (Note 18)

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. 61 (Greater Victoria)**

Statement 2

Statement of Operations  
Year Ended June 30, 2020

	2020 Budget (Note 17)	2020 Actual	2019 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	206,961,956	217,343,604	206,875,953
Other		103,799	35,363
Tuition	14,398,648	15,412,570	16,036,198
Other Revenue	8,494,336	6,871,882	9,141,593
Rentals and Leases	1,829,940	1,784,510	2,093,927
Investment Income	1,187,000	1,111,884	1,366,125
Amortization of Deferred Capital Revenue	7,432,739	7,426,505	7,147,223
<b>Total Revenue</b>	<b>240,304,619</b>	<b>250,054,754</b>	<b>242,696,382</b>
<b>Expenses</b>			
Instruction	203,419,598	202,666,890	201,192,052
District Administration	5,792,715	6,133,036	5,452,272
Operations and Maintenance	38,072,923	39,041,171	37,604,308
Transportation and Housing	1,033,579	923,744	842,730
<b>Total Expense</b>	<b>248,318,815</b>	<b>248,764,841</b>	<b>245,091,362</b>
<b>Surplus (Deficit) for the year</b>	<b>(8,014,196)</b>	<b>1,289,913</b>	<b>(2,394,980)</b>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>64,303,615</b>	<b>66,698,595</b>
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<b>65,593,528</b>	<b>64,303,615</b>



**School District No. 61 (Greater Victoria)**

Statement 4

## Statement of Changes in Net Debt

Year Ended June 30, 2020

	2020 Budget (Note 17)	2020 Actual	2019 Actual
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	<u>(8,014,196)</u>	<u>1,289,913</u>	<u>(2,394,980)</u>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(12,871,802)	(20,534,408)	(16,180,348)
Amortization of Tangible Capital Assets	11,517,168	11,263,834	10,927,872
<b>Total Effect of change in Tangible Capital Assets</b>	<u>(1,354,634)</u>	<u>(9,270,574)</u>	<u>(5,252,476)</u>
Acquisition of Prepaid Expenses	(5,000)	236,063	(39,115)
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>(5,000)</u>	<u>236,063</u>	<u>(39,115)</u>
<b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b>	<u>(9,373,830)</u>	<u>(7,744,598)</u>	<u>(7,686,571)</u>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Debt</b>		<u>(7,744,598)</u>	<u>(7,686,571)</u>
<b>Net Debt, beginning of year</b>		<u>(174,913,097)</u>	<u>(167,226,526)</u>
<b>Net Debt, end of year</b>		<u><u>(182,657,695)</u></u>	<u><u>(174,913,097)</u></u>

**School District No. 61 (Greater Victoria)**

Statement 5

## Statement of Cash Flows

Year Ended June 30, 2020

	2020 Actual	2019 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	1,289,913	(2,394,980)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(6,406,581)	(1,045,988)
Prepaid Expenses	236,063	(39,115)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	947,937	(526,905)
Unearned Revenue	(3,226,958)	128,411
Deferred Revenue	1,547,838	763,246
Employee Future Benefits	134,894	66,679
Other Liabilities	1,379,236	1,962,815
Amortization of Tangible Capital Assets	11,263,834	10,927,872
Amortization of Deferred Capital Revenue	(7,426,505)	(7,147,223)
<b>Total Operating Transactions</b>	<b>(260,329)</b>	<b>2,694,812</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(2,052,625)	(2,616,118)
Tangible Capital Assets -WIP Purchased	(18,481,783)	(13,564,230)
Bylaw Expenditures	(3,693,643)	(2,028,901)
<b>Total Capital Transactions</b>	<b>(24,228,051)</b>	<b>(18,209,249)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	23,315,351	10,077,414
<b>Total Financing Transactions</b>	<b>23,315,351</b>	<b>10,077,414</b>
<b>Investing Transactions</b>		
Investments in Portfolio Investments	(57)	(57)
<b>Total Investing Transactions</b>	<b>(57)</b>	<b>(57)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(1,173,086)</b>	<b>(5,437,080)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>59,825,621</b>	<b>65,262,701</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>58,652,535</b>	<b>59,825,621</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	58,652,535	59,825,621
	<b>58,652,535</b>	<b>59,825,621</b>

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2020

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### 1. Authority and Purpose

The School District operates under the authority of the School Act of British Columbia as a corporation under the name of "The Board of Education of School District No. 61 (Greater Victoria)" and operates as "School District No. 61 (Greater Victoria)." 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. 61 (Greater Victoria) is exempt from federal and provincial corporate income taxes.

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020 and has had a significant financial, market and social dislocating impact worldwide. Under direction of the Provincial Health Officer, all schools suspended in-class instruction in March 2020 and the District remained open to continue to support students and families in a variety of ways. Parents were given the choice to send their children back to school on a gradual and part-time basis beginning June 1 with new health and safety guidelines. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decreases in revenue, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the District is not practicable at this time.

### 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.

#### (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 are shown net of allowance for doubtful accounts.

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2020

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### 2. Summary of Significant Accounting Policies (Continued)

#### (d) Portfolio Investments

The School District has investments in bonds that have a maturity of greater than 3 months at the time of acquisition. GICs, term deposits, bonds 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.

#### (e) Unearned Revenue

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

#### (f) Deferred Revenue and Deferred Capital Revenue

Deferred revenue includes both government transfers and other 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.

#### (g) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for qualified 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 and 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 (EARSLS) of active employees covered under the plan.

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

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

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2020

### 2. Summary of Significant Accounting Policies (Continued)

#### (h) 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 and 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. At this time the School District has determined there are no liabilities for contaminated sites.

#### (i) 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. Work in Progress is not amortized until the asset is utilized.
- 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. One-half of the amortization is recorded in the year of acquisition. 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 lives are as follows:

Buildings	40 years
Site Improvements	10 years
Furniture and Equipment	10 years
Vehicles	10 years
Computer Software	5 years
Computer Hardware	5 years

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2020

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### 2. Summary of Significant Accounting Policies (Continued)

#### (j) Capital Leases

Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the School District are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g. insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the School District's rate for incremental borrowing or the interest rate implicit in the lease.

All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

#### (k) Prepaid Expenses

Payments for insurance, subscriptions, and maintenance contracts for use within the School District in a future period are included as a prepaid expense and stated at acquisition cost and are charged to expenses over the periods expected to benefit from it. Textbooks and other teaching supplies are expensed as purchased.

#### (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 Note 13 – Interfund Transfers and Note 20 – Accumulated Surplus).

#### (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.

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2020

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### 2. Summary of Significant Accounting Policies (Continued)

#### (m) Revenue Recognition (continued)

The accounting treatment for restricted contributions that are government transfers 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.

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.

#### (n) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Interest expense includes interest paid on capital lease obligations.

##### Allocation of Costs

- Operating expenses are reported by function, program and object. Whenever possible, expenses are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical and principal and vice-principal salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits are allocated on a pro rata basis of overall salary expenses within each salary category.
- 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, investments, accounts payable and accrued liabilities. The School District does not have any derivative financial instruments.

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. The School District has not invested in any equity instruments that are quoted in an active market and has not designated any financial instruments to be recorded at fair value. The School District has no instruments in the fair value category.

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



## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2020

### 2. Summary of Significant Accounting Policies (Continued)

#### (o) Financial Instruments (continued)

The fair values of these financial instruments approximate their carrying value, unless otherwise noted.

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

#### (p) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in Note 2 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, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

#### (q) Comparative Figures

Certain comparative figures presented in the financial statements have been reclassified to conform with the financial statement presentation adopted in the current year.

### 3. Accounts Receivable – Other Receivables

	June 30, 2020	June 30, 2019
Due from Agencies and Associations	\$ 465,685	\$ 464,794
Due from Government of Canada	201,187	169,842
Other Receivables	3,542,848	1,608,198
	<u>\$ 4,209,720</u>	<u>\$ 2,242,834</u>

### 4. Portfolio Investments

Portfolio investments is comprised of a 7.6% Province of Ontario Bond maturing June 2, 2027. The market value of the investments as of June 30, 2020 was \$0.72 million (2019: \$0.7 million).

### 5. Bank Indebtedness

The School District has an unutilized line of credit facility agreement with the CIBC, dated March 12, 2009, in the amount of \$1,500,000.

**School District No. 61 (Greater Victoria)**

Notes to Financial Statements

Year Ended June 30, 2020

**6. Accounts Payable and Accrued Liabilities – Other**

	June 30, 2020	June 30, 2019
Trade Payables	\$ 3,203,048	\$ 2,255,111
Salaries and Benefits Payable	15,946,873	14,334,326
Accrued Vacation Pay	2,262,208	1,660,515
Holdback Payables	713,391	41,701
International Student Program Fee Payable	4,842,912	6,294,765
Other	594,500	649,342
	<b>\$ 27,562,932</b>	<b>\$ 25,235,760</b>

International Student Program Fees Payable in the amount of \$4,842,912 (2019: \$6,294,765) is comprised of homestay fees of \$3,837,807 (2019: \$5,080,341) and medical fees of \$1,005,105 (2019: \$1,214,424). These amounts are collected and paid by the School District on behalf of the International Student Program. The same amount included in cash and cash equivalents is restricted and not available for general use.

**7. Unearned Revenue**

	June 30, 2020	June 30, 2019
Unearned Revenue, Beginning of Year	\$ 11,698,627	\$ 11,570,216
Changes for the Year:		
Increase:		
Tuition fees	12,190,967	16,349,502
Rentals and Leases	1,800,387	2,050,428
Other	-	1,621
Summer school	2,090	26,616
	<b>13,993,444</b>	<b>18,428,167</b>
Decrease:		
Tuition fees	15,399,179	15,996,492
Rentals and Leases	1,784,511	2,093,927
Other	5,171	156,750
Summer school	31,541	52,587
	<b>17,220,402</b>	<b>18,299,756</b>
Net Changes for the Year	<b>(3,226,958)</b>	<b>128,411</b>
Unearned Revenue, End of Year	<b>\$ 8,471,669</b>	<b>\$ 11,698,627</b>

Unearned Revenue includes tuition collected from International students for school terms beginning after June 30, 2020. Due to COVID-19 and associated restrictions by the Government of Canada, only students with a study permit application approved before March 18, 2020 are able to enter Canada to study. Tuition refunds of \$412,962 were requested to be paid subsequent to June 30.

**School District No. 61 (Greater Victoria)**

Notes to Financial Statements

Year Ended June 30, 2020

**8. Deferred Revenue**

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

	June 30, 2020	June 30, 2019
Deferred Revenue, Beginning of Year	\$ 5,097,117	\$ 4,333,871
Changes for the Year:		
Increase:		
Provincial Grants - Ministry of Education	26,798,530	25,222,760
Other	5,005,783	7,000,897
Investment Income	162,991	129,854
	<u>31,967,304</u>	<u>32,353,511</u>
Decrease:		
Allocation to Revenue	29,958,242	31,371,217
Recovered	461,224	219,048
	<u>30,419,466</u>	<u>31,590,265</u>
Net Changes for the Year	1,547,838	763,246
Deferred Revenue, End of Year	\$ 6,644,955	\$ 5,097,117

**9. Deferred Capital Revenue**

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

**Deferred Capital Revenue:**

	June 30, 2020	June 30, 2019
Deferred Capital Revenue, Beginning of Year	\$ 185,217,944	\$ 180,963,444
Changes for the Year:		
Increase:		
Transferred from Deferred Capital Revenue – Capital Additions	604,104	64,733
Transferred from Deferred Capital Revenue – Work in Progress	7,030,621	11,336,990
	<u>7,634,725</u>	<u>11,401,723</u>
Decrease:		
Amortization of Deferred Capital Revenue	7,426,505	7,147,223
	<u>7,426,505</u>	<u>7,147,223</u>
Net Changes for the Year	208,220	4,254,500
Deferred Capital Revenue, End of Year	\$ 185,426,164	\$ 185,217,944

**School District No. 61 (Greater Victoria)**

Notes to Financial Statements

Year Ended June 30, 2020

**9. Deferred Capital Revenue (Continued)****Deferred Capital Revenue – Work in Progress:**

	June 30, 2020	June 30, 2019
Work in Progress, Beginning of Year	\$ 2,592,619	\$ 4,368,034
Changes for the Year:		
Increase:		
Transferred from Unspent Deferred Capital Revenue	17,146,042	9,561,575
	<u>17,146,042</u>	<u>9,561,575</u>
Decrease:		
Transferred to Deferred Capital Revenue	7,030,621	11,336,990
	<u>7,030,621</u>	<u>11,336,990</u>
Net Changes for the Year	10,115,421	(1,775,415)
Work in Progress, End of Year	\$ 12,708,040	\$ 2,592,619

**Unspent Deferred Capital Revenue:**

	June 30, 2020	June 30, 2019
Unspent Deferred Capital Revenue, Beginning of Year	\$ 5,133,485	\$ 6,711,280
Changes for the Year:		
Increase:		
Provincial Grants - Ministry of Education	17,411,140	4,762,205
Provincial Grants - Other	5,852,995	4,495,871
Other	45,324	811,218
Investment Income	5,892	8,121
	<u>23,315,351</u>	<u>10,077,415</u>
Decrease:		
Transferred to Deferred Capital Revenue – Capital Additions	604,104	64,733
Transferred to Deferred Capital Revenue – Work in Progress	17,146,042	9,561,575
Bylaw and Other Provincial Capital Expenditures	3,693,643	2,028,902
	<u>21,443,789</u>	<u>11,655,210</u>
Net Changes for the Year	1,871,562	(1,577,795)
Unspent Deferred Capital Revenue, End of Year	\$ 7,005,047	\$ 5,133,485
<b>Total Deferred Capital Revenue, End of Year</b>	<b>\$ 205,139,251</b>	<b>\$ 192,944,048</b>

**School District No. 61 (Greater Victoria)**

Notes to Financial Statements

Year Ended June 30, 2020

**10. Employee Future Benefits**

The School District provides certain benefits upon retirement including vested sick leave, accumulating non-vested sick leave, lump sum retirement payments, vacation, overtime and death benefits for qualified employees pursuant to certain contracts and union agreements. 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.

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

	June 30, 2020	June 30, 2019
Discount Rate - April 1	2.50%	2.75%
Discount Rate - March 31	2.25%	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
Expected Average Remaining Service Lifetime - March 31	10.3	10.3

	June 30, 2020	June 30, 2019
<b>Reconciliation of Accrued Benefit Obligation:</b>		
Accrued Benefit Obligation - April 1	\$ 2,800,750	\$ 2,658,742
Service Cost	268,844	247,143
Interest Cost	72,237	75,798
Benefit Payments	(253,995)	(251,118)
Actuarial Loss	(52,217)	70,185
Accrued Benefit Obligation - March 31	\$ 2,835,619	\$ 2,800,750

<b>Reconciliation of Funded Status at End of Fiscal Year:</b>		
Accrued Benefit Obligation - March 31	\$ 2,835,619	\$ 2,800,750
Market Value of Plan Assets - March 31	-	-
Funded Status - Deficit	(2,835,619)	(2,800,750)
Employer Contributions After Measurement Date	25,030	39,231
Benefit Expense After Measurement Date	(87,672)	(85,270)
Unamortized Net Actuarial Loss	64,091	147,512
Accrued Benefit Liability - June 30	\$ (2,834,171)	\$ (2,699,277)

<b>Reconciliation of Change in Accrued Benefit Liability:</b>		
Accrued Benefit Liability - July 1	\$ 2,699,277	\$ 2,632,598
Net Expense for Fiscal Year	374,687	343,819
Employer Contributions	(239,794)	(277,140)
Accrued Benefit Liability - June 30	\$ 2,834,171	\$ 2,699,277

<b>Components of Net Benefit Expense:</b>		
Service Cost	\$ 272,581	\$ 252,568
Interest Cost	70,902	74,908
Amortization of Net Actuarial Loss	31,204	16,343
Net Benefit Expense	\$ 374,687	\$ 343,819

**School District No. 61 (Greater Victoria)**

Notes to Financial Statements  
Year Ended June 30, 2020

**11. Tangible Capital Assets****June 30, 2020**

<b>Cost:</b>	Balance at June 30, 2019	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2020
Sites	\$ 10,833,717	\$ -	\$ -	\$ -	\$ 10,833,717
Site Improvements	1,700,000	-	-	-	1,700,000
Buildings	361,513,977	287,421	-	7,027,071	368,828,469
Buildings – WIP	2,940,900	17,596,812	-	(7,027,071)	13,510,641
Furniture & Equipment	10,050,239	971,904	(718,268)	768,853	11,072,728
Furniture & Equipment – WIP	17,555	774,153	-	(768,853)	22,855
Vehicles	851,259	268,289	(27,962)	-	1,091,586
Computer Software	367,493	-	(128,029)	-	239,464
Computer Hardware	8,967,814	525,011	(1,122,325)	114,915	8,485,415
Computer Hardware – WIP	4,097	110,818	-	(114,915)	0
<b>Total</b>	<b>\$ 397,247,051</b>	<b>\$20,534,408</b>	<b>\$ (1,996,584)</b>	<b>\$ -</b>	<b>\$ 415,784,875</b>

<b>Accumulated Amortization:</b>	Balance at June 30, 2019	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2020
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Site Improvements	425,000	170,000	-	-	595,000
Buildings	150,150,766	7,972,178	-	-	158,122,944
Furniture & Equipment	3,481,226	1,092,062	(718,268)	-	3,855,020
Vehicles	269,959	98,540	(27,962)	-	340,537
Computer Software	222,117	73,499	(128,029)	-	167,587
Computer Hardware	4,102,233	1,857,555	(1,122,325)	-	4,837,463
<b>Total</b>	<b>\$ 158,651,301</b>	<b>\$ 11,263,834</b>	<b>\$ (1,996,584)</b>	<b>\$ -</b>	<b>\$ 167,918,551</b>

**June 30, 2019**

<b>Cost:</b>	Balance at June 30, 2018	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2019
Sites	\$ 10,833,717	\$ -	\$ -	\$ -	\$ 10,833,717
Site Improvements	1,700,000	-	-	-	1,700,000
Buildings	346,742,105	840,048	-	13,931,824	361,513,977
Buildings – WIP	4,424,780	12,447,944	-	(13,931,824)	2,940,900
Furniture & Equipment	9,200,377	680,011	(640,547)	810,398	10,050,239
Furniture & Equipment – WIP	3,699	824,254	-	(810,398)	17,555
Vehicles	836,300	118,912	(103,953)	-	851,259
Computer Software	367,493	-	-	-	367,493
Computer Hardware	8,681,296	977,147	(978,564)	287,935	8,967,814
Computer Hardware – WIP	-	292,032	-	(287,935)	4,097
<b>Total</b>	<b>\$ 382,789,767</b>	<b>\$16,180,348</b>	<b>\$ (1,723,064)</b>	<b>\$ -</b>	<b>\$ 397,247,051</b>

**School District No. 61 (Greater Victoria)**

Notes to Financial Statements

Year Ended June 30, 2020

**11. Tangible Capital Assets (Continued)****June 30, 2019 (Continued)**

<b>Accumulated Amortization:</b>	<b>Balance at June 30, 2018</b>	<b>Additions</b>	<b>Disposals / Reclassification</b>	<b>Transfers (WIP)</b>	<b>Balance at June 30, 2019</b>
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Site Improvements	255,000	170,000	-	-	425,000
Buildings	142,413,293	7,737,473	-	-	150,150,766
Furniture & Equipment	3,127,215	994,558	(640,547)	-	3,481,226
Vehicles	284,337	89,575	(103,953)	-	269,959
Computer Software	148,618	73,499	-	-	222,117
Computer Hardware	3,218,030	1,862,767	(978,564)	-	4,102,233
<b>Total</b>	<b>\$ 149,446,493</b>	<b>\$ 10,927,872</b>	<b>\$ (1,723,064)</b>	<b>\$ -</b>	<b>\$ 158,651,301</b>

**Net Book Value:**

	<b>Net Book Value June 30, 2020</b>	<b>Net Book Value June 30, 2019</b>
Sites	\$ 10,833,717	\$ 10,833,717
Site Improvements	1,105,000	1,275,000
Buildings	210,705,525	211,363,211
Buildings – WIP	13,510,641	2,940,900
Furniture & Equipment	7,217,708	6,569,013
Furniture & Equipment – WIP	22,855	17,555
Vehicles	751,049	581,300
Computer Software	71,877	145,376
Computer Hardware	3,647,952	4,865,581
Computer Hardware – WIP	-	-
	<b>\$ 247,866,324</b>	<b>\$ 238,595,750</b>

Buildings – Work in Progress having a value of \$13,510,641 (2019: \$2,940,900) and Furniture & Equipment – Work in Progress having a value of \$22,855 (2019: \$17,555) have not been amortized. Amortization of these assets commence when the asset is put into service.

The School District manages and controls various works of art including painting and sculptures. These assets are not recorded as tangible capital assets and are not amortized as a reasonable amount cannot be determined.



## School District No. 61 (Greater Victoria)

Notes to Financial Statements  
Year Ended June 30, 2020

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### 12. 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. At December 31, 2018, the Teachers' Pension Plan has about 48,000 active members and approximately 38,000 retired members. As of December 31, 2018, the Municipal Pension Plan has about 205,000 active members, including approximately 26,000 from school districts.

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

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The School District paid \$18,222,175 for employer contributions to these plans in the year ended June 30, 2020 (2019: \$18,444,564).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2020, with results available in 2021. The next valuation for the Municipal Pension Plan will be at December 31, 2021, with results available in 2022.

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.

### 13. Interfund Transfers

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2020 were as follows:

- Transfer from the operating fund to the capital fund \$1,430,611 for tangible capital assets purchased.
- Transfer from the special purpose fund to the capital fund \$128,450 for tangible capital assets purchased.
- Transfer from the operating fund to the capital fund (local capital) \$339,270 for the student device replacement reserve.
- Transfer from the operating fund to the capital fund (local capital) \$200,000 for the technology for learning equipment replacement reserve.
- Transfer from the operating fund to the capital fund (local capital) \$100,000 for the childcare capital replacement reserve.

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2020

### 14. 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, as well as key management personnel, if any, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

### 15. Contractual Obligations

The School District has entered into a number of multiple-year contracts for the delivery of services and operating leases. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

	2021	2022	2023	2024	2025	Thereafter
Youth and Family	\$ 1,673,354	\$1,673,354	-	\$ -	\$ -	\$ -
Catering	525,000	-	-	-	-	-
Transportation	802,000	-	-	-	-	-
Operating Lease	109,851	109,581	61,862	-	-	-
Total	\$ 3,110,205	\$1,782,935	\$ 61,862	\$ -	\$ -	\$ -

### 16. Contractual Rights

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

	2021	2022	2023	2024	2025	Thereafter
Property Leases	\$ 434,909	\$ 358,242	\$ 358,242	\$ 315,479	\$ 217,158	\$2,688,811
Total	\$ 434,909	\$ 358,242	\$ 358,242	\$ 315,479	\$ 217,158	\$2,688,811

### 17. Budget Figures

Budget figures were approved by the Board through the adoption of an annual budget on April 17, 2019.

### 18. Contingent Liabilities and Assets

The School District, in conducting its usual business activities, is involved in various legal claims and litigation. In the event any unsettled claims are successful, management believes that such claims are not expected to have a material effect on the School District's financial position. A liability for these claims is recorded to the extent that the probability of a loss is likely and the amount of potential loss is estimable.

At June 30, 2020, unspent Classroom Enhancement Fund remedies totalled \$546,185. The School District was unable to reach an agreement with the local teachers' union regarding the treatment of the unspent remedies by June 30<sup>th</sup>. The Deferred Revenue balance is \$621,752.

Certain schools in the School District contain asbestos. No amount has been recorded in the financial statements with regard to this potential liability.

**School District No. 61 (Greater Victoria)**

Notes to Financial Statements

Year Ended June 30, 2020

**19. Expense by Object**

	June 30, 2020	June 30, 2019
Salaries and Benefits	\$ 207,084,373	\$ 200,365,403
Services and Supplies	30,416,634	33,798,087
Interest	-	-
Amortization	11,263,834	10,927,872
	<b>\$ 248,764,841</b>	<b>\$ 245,091,362</b>

**20. Accumulated Surplus**

The Internally Restricted Operating Funds represent the amount of funds committed for planned educational activities at the school level; for the completion of projects in progress at June 30, 2020; for outstanding purchase order commitments; and for the amounts approved for the 2019/2020 and 2020/2021 operating budgets. The Internally Restricted Capital Fund represents the balance from the Local Capital Reserve. The use of Local Capital is entirely at the discretion of the School District. Appropriations from Local Capital are made to finance projects as determined by the Board.

	June 30, 2020	June 30, 2019
Internally Restricted - Operating Fund		
Carry Forward of Unspent School Budgets	\$ 2,574,310	\$ 3,400,360
Carry Forward of Unspent Project Budgets	5,207,301	4,843,799
Purchase Order Commitments	560,082	419,972
COVID-19 Contingency	2,561,247	-
Appropriated for Future Years' Operating Budget	7,046,806	4,125,958
	<b>17,949,746</b>	<b>12,790,089</b>
Internally Restricted - Capital Fund		
Local Capital Reserve	2,396,235	3,204,698
Total Internally Restricted Fund Balances	<b>20,345,981</b>	<b>15,994,787</b>
Unrestricted Operating Surplus	29,582	2,037,796
Invested in Tangible Capital Assets	45,217,965	46,271,032
<b>Accumulated Surplus</b>	<b>\$ 65,593,528</b>	<b>\$ 64,603,615</b>

**21. Economic Dependence**

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

## **School District No. 61 (Greater Victoria)**

Notes to Financial Statements  
Year Ended June 30, 2020

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### **22. Risk Management**

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

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

#### **a) Credit risk:**

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

The School District is exposed to credit risk in the event of non-performance by a debtor. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized British Columbia institutions and the School District invests solely in bonds and 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 they invest solely in bonds and guaranteed investment certificates.

#### **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.

There has been no change to risk exposure from 2019 related to credit, market or liquidity risks.

# School District No. 61 (Greater Victoria)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2020

Schedule 1 (Unaudited)

	Operating Fund	Special Purpose Fund	Capital Fund	2020 Actual	2019 Actual
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	14,827,885		49,475,730	64,303,615	66,698,595
<b>Changes for the year</b>					
Surplus (Deficit) for the year	5,221,324	128,450	(4,059,861)	1,289,913	(2,394,980)
Interfund Transfers	(1,320,071)	(128,450)	1,448,521	-	-
Tangible Capital Assets Purchased	(110,540)		110,540	-	-
Tangible Capital Assets - Work in Progress	(639,270)		639,270	-	-
Local Capital	3,151,443	-	(1,861,530)	1,289,913	(2,394,980)
<b>Net Changes for the year</b>	17,979,328	-	47,614,200	65,593,528	64,303,615
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>					

**School District No. 61 (Greater Victoria)**

Schedule 2 (Unaudited)

## Schedule of Operating Operations

Year Ended June 30, 2020

	2020 Budget (Note 17)	2020 Actual	2019 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	183,560,993	<b>188,469,242</b>	180,236,383
Other		<b>52,137</b>	35,363
Tuition	14,398,648	<b>15,412,570</b>	16,036,198
Other Revenue	1,953,506	<b>2,257,506</b>	2,457,964
Rentals and Leases	1,829,940	<b>1,784,510</b>	2,093,927
Investment Income	1,030,000	<b>958,052</b>	1,191,212
<b>Total Revenue</b>	<b>202,773,087</b>	<b>208,934,017</b>	<b>202,051,047</b>
<b>Expenses</b>			
Instruction	176,411,084	<b>173,655,476</b>	170,743,405
District Administration	5,792,715	<b>6,133,036</b>	5,452,272
Operations and Maintenance	23,545,476	<b>23,000,437</b>	23,808,069
Transportation and Housing	1,033,579	<b>923,744</b>	842,730
<b>Total Expense</b>	<b>206,782,854</b>	<b>203,712,693</b>	<b>200,846,476</b>
<b>Operating Surplus (Deficit) for the year</b>	<b>(4,009,767)</b>	<b>5,221,324</b>	<b>1,204,571</b>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>5,449,037</b>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(800,000)	<b>(1,320,071)</b>	(2,445,300)
Tangible Capital Assets - Work in Progress		<b>(110,540)</b>	(151,473)
Local Capital	(639,270)	<b>(639,270)</b>	(639,270)
<b>Total Net Transfers</b>	<b>(1,439,270)</b>	<b>(2,069,881)</b>	<b>(3,236,043)</b>
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>3,151,443</b>	<b>(2,031,472)</b>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>14,827,885</b>	<b>16,859,357</b>
<b>Operating Surplus (Deficit), end of year</b>		<b>17,979,328</b>	<b>14,827,885</b>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted (Note 20)		<b>17,949,746</b>	12,790,089
Unrestricted		<b>29,582</b>	2,037,796
<b>Total Operating Surplus (Deficit), end of year</b>		<b>17,979,328</b>	<b>14,827,885</b>

# School District No. 61 (Greater Victoria)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2020

	2020 Budget (Note 17)	2020 Actual	2019 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	179,931,428	181,291,074	177,318,296
ISC/LEA Recovery	(1,106,631)	(1,063,116)	(1,080,815)
Other Ministry of Education Grants			
Pay Equity	2,896,617	2,896,617	2,896,617
Funding for Graduated Adults	58,458	152,725	102,727
Transportation Supplement	20,027	20,027	20,027
Economic Stability Dividend			223,599
Carbon Tax Grant	110,000	144,262	144,262
Employer Health Tax Grant	1,633,354	1,633,354	496,343
Strategic Priorities - Mental Health Grant			30,300
Support Staff Benefits Grant		24,497	24,497
BCTEA - LEA Capacity Building Grant			13,700
Support Staff Wage Increase Funding		1,005,680	
Teachers' Labour Settlement Funding		2,342,257	
FSA Scorer Grant	17,740	17,740	17,740
Access Grant			5,000
SRG3 Assessments			6,590
Professional Learning Grant			17,500
Early Learning Framework		4,125	
<b>Total Provincial Grants - Ministry of Education</b>	183,560,993	188,469,242	180,236,383
<b>Provincial Grants - Other</b>		52,137	35,363
<b>Tuition</b>			
Summer School Fees	49,512	31,541	52,856
Continuing Education	22,500	7,225	6,525
International and Out of Province Students	14,317,836	15,373,804	15,976,817
Distributed Learning	8,800		
<b>Total Tuition</b>	14,398,648	15,412,570	16,036,198
<b>Other Revenues</b>			
Other School District/Education Authorities		2,700	2,700
Funding from First Nations	1,106,631	1,063,116	1,080,815
Miscellaneous			
Odyssey French Language Assistant Funding	21,275	16,542	
Aboriginal Nations Education Curriculum Project	10,000	5,259	5,136
Cafeteria Revenue	145,000	101,316	117,516
International Student Program Revenues	653,000	660,315	655,851
ArtStarts Grant	17,600	17,600	17,600
Industry Training Secondary Schools		191,389	150,050
Misc Fees and Grants		199,269	428,296
<b>Total Other Revenue</b>	1,953,506	2,257,506	2,457,964
<b>Rentals and Leases</b>	1,829,940	1,784,510	2,093,927
<b>Investment Income</b>	1,030,000	958,052	1,191,212
<b>Total Operating Revenue</b>	202,773,087	208,934,017	202,051,047



**School District No. 61 (Greater Victoria)**

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object  
Year Ended June 30, 2020

	2020 Budget (Note 17)	2020 Actual	2019 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	90,827,114	<b>90,992,489</b>	86,474,007
Principals and Vice Principals	13,518,126	<b>13,209,113</b>	12,781,738
Educational Assistants	18,929,842	<b>18,292,596</b>	17,697,841
Support Staff	18,271,847	<b>17,796,238</b>	16,930,718
Other Professionals	4,461,121	<b>4,439,325</b>	4,122,729
Substitutes	7,795,996	<b>7,900,352</b>	8,760,448
<b>Total Salaries</b>	<b>153,804,046</b>	<b>152,630,113</b>	<b>146,767,481</b>
<b>Employee Benefits</b>	<b>35,010,087</b>	<b>32,915,200</b>	<b>32,563,782</b>
<b>Total Salaries and Benefits</b>	<b>188,814,133</b>	<b>185,545,313</b>	<b>179,331,263</b>
<b>Services and Supplies</b>			
Services	5,305,297	<b>7,054,257</b>	8,011,156
Student Transportation	1,038,960	<b>906,201</b>	995,979
Professional Development and Travel	762,477	<b>888,436</b>	1,176,030
Rentals and Leases	115,235	<b>115,250</b>	115,235
Dues and Fees	94,980	<b>106,549</b>	108,797
Insurance	372,000	<b>357,839</b>	355,418
Supplies	5,803,860	<b>4,793,206</b>	6,164,308
Utilities	4,475,912	<b>3,945,642</b>	4,588,290
<b>Total Services and Supplies</b>	<b>17,968,721</b>	<b>18,167,380</b>	<b>21,515,213</b>
<b>Total Operating Expense</b>	<b>206,782,854</b>	<b>203,712,693</b>	<b>200,846,476</b>

# School District No. 61 (Greater Victoria)

Operating Expense by Function, Program and Object  
Year Ended June 30, 2020

Schedule 2C (Unaudited)

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	67,222,897	4,252,810	1,724,052	97,287	284,086	5,602,184	79,183,316
1.03 Career Programs	765,292	121,066	332,257			40,091	1,258,706
1.07 Library Services	2,129,251			341,387		91,560	2,562,198
1.08 Counselling	2,966,562					102,822	3,069,384
1.10 Special Education	9,241,916	536,058	15,480,516	235,998		963,343	26,457,831
1.30 English Language Learning	2,056,421	145,520		11,284		84,515	2,297,740
1.31 Indigenous Education	490,398	185,736	575,233	55,441	124,740	48,889	1,480,437
1.41 School Administration		7,674,011		3,825,584		9,925	11,509,520
1.60 Summer School	124,077	21,862		1,907			147,846
1.61 Continuing Education	252,939	26,841		54,099		4,031	337,910
1.62 International and Out of Province Students	5,694,587		125,466	790,922	701,174	356,039	7,668,188
1.64 Other				10,459			10,459
<b>Total Function 1</b>	<b>90,944,340</b>	<b>12,963,904</b>	<b>18,237,524</b>	<b>5,424,368</b>	<b>1,110,000</b>	<b>7,303,399</b>	<b>135,983,535</b>
<b>4 District Administration</b>							
4.11 Educational Administration		153,703		330,830	767,565	15,668	1,267,766
4.40 School District Governance					300,311		300,311
4.41 Business Administration		91,506	743	1,136,772	1,199,233	158,242	2,586,496
<b>Total Function 4</b>	<b>-</b>	<b>245,209</b>	<b>743</b>	<b>1,467,602</b>	<b>2,267,109</b>	<b>173,910</b>	<b>4,154,573</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration			54,329	254,757	837,262	33,635	1,228,132
5.50 Maintenance Operations	48,149			9,713,727	130,562	200,960	10,045,249
5.52 Maintenance of Grounds				910,366		188,448	1,098,814
5.56 Utilities							-
<b>Total Function 5</b>	<b>48,149</b>	<b>-</b>	<b>54,329</b>	<b>10,878,850</b>	<b>967,824</b>	<b>423,043</b>	<b>12,372,195</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				25,418	94,392		119,810
7.70 Student Transportation							-
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,418</b>	<b>94,392</b>	<b>-</b>	<b>119,810</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>90,992,489</b>	<b>13,209,113</b>	<b>18,292,596</b>	<b>17,796,238</b>	<b>4,439,325</b>	<b>7,900,352</b>	<b>152,630,113</b>

# School District No. 61 (Greater Victoria)

Operating Expense by Function, Program and Object  
Year Ended June 30, 2020

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2020 Actual	2020 Budget (Note 17)	2019 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	79,183,316	16,605,157	95,788,473	3,332,984	99,121,457	103,253,266	98,810,969
1.03 Career Programs	1,258,706	291,553	1,550,259	712,931	2,263,190	1,934,678	2,363,709
1.07 Library Services	2,562,198	602,802	3,165,000	143,939	3,308,939	3,084,774	3,182,853
1.08 Counselling	3,069,384	712,976	3,782,360	2,251	3,784,611	3,694,864	3,496,827
1.10 Special Education	26,457,831	5,887,414	32,345,245	822,327	33,167,572	33,474,185	32,152,908
1.30 English Language Learning	2,297,740	526,785	2,824,525	16,306	2,840,831	2,815,085	2,597,816
1.31 Indigenous Education	1,480,437	325,815	1,806,252	578,864	2,385,116	2,590,445	2,109,400
1.41 School Administration	11,509,520	2,335,766	13,845,286	220,243	14,065,529	13,944,440	13,697,928
1.60 Summer School	147,846	33,744	181,590	12,498	194,088	173,782	174,912
1.61 Continuing Education	337,910	78,958	416,868	10,515	427,383	371,404	456,760
1.62 International and Out of Province Students	7,668,188	1,760,165	9,428,353	2,655,242	12,083,595	11,060,787	11,686,465
1.64 Other	10,459	2,706	13,165		13,165	13,374	12,858
<b>Total Function 1</b>	<b>135,983,535</b>	<b>29,163,841</b>	<b>165,147,376</b>	<b>8,508,100</b>	<b>173,655,476</b>	<b>176,411,084</b>	<b>170,743,405</b>
<b>4 District Administration</b>							
4.11 Educational Administration	1,267,766	261,943	1,529,709	319,715	1,849,424	1,825,461	1,229,136
4.40 School District Governance	300,311	28,848	329,159	151,875	481,034	485,995	818,437
4.41 Business Administration	2,586,496	574,464	3,160,960	641,618	3,802,578	3,481,259	3,404,699
<b>Total Function 4</b>	<b>4,154,573</b>	<b>865,255</b>	<b>5,019,828</b>	<b>1,113,208</b>	<b>6,133,036</b>	<b>5,792,715</b>	<b>5,452,272</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	1,228,132	253,225	1,481,357	499,271	1,980,628	2,091,271	1,999,410
5.50 Maintenance Operations	10,045,249	2,355,396	12,400,645	2,963,030	15,363,675	15,379,167	15,255,869
5.52 Maintenance of Grounds	1,098,814	252,662	1,351,476	357,146	1,708,622	1,596,526	1,962,561
5.56 Utilities	-	-	-	3,947,512	3,947,512	4,478,512	4,590,229
<b>Total Function 5</b>	<b>12,372,195</b>	<b>2,861,283</b>	<b>15,233,478</b>	<b>7,766,959</b>	<b>23,000,437</b>	<b>23,545,476</b>	<b>23,808,069</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	119,810	24,821	144,631	615	145,246	33,619	36,755
7.70 Student Transportation	-	-	-	778,498	778,498	999,960	805,975
<b>Total Function 7</b>	<b>119,810</b>	<b>24,821</b>	<b>144,631</b>	<b>779,113</b>	<b>923,744</b>	<b>1,033,579</b>	<b>842,730</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>152,630,113</b>	<b>32,915,200</b>	<b>185,545,313</b>	<b>18,167,380</b>	<b>203,712,693</b>	<b>206,782,854</b>	<b>200,846,476</b>

**School District No. 61 (Greater Victoria)**

Schedule 3 (Unaudited)

## Schedule of Special Purpose Operations

Year Ended June 30, 2020

	2020 Budget (Note 17)	2020 Actual	2019 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	21,200,963	25,232,381	24,610,669
Other Revenue	6,540,830	4,614,376	6,683,629
Investment Income	77,000	111,485	76,919
<b>Total Revenue</b>	<b>27,818,793</b>	<b>29,958,242</b>	<b>31,371,217</b>
<b>Expenses</b>			
Instruction	27,008,514	29,011,414	30,448,647
Operations and Maintenance	810,279	818,378	816,485
<b>Total Expense</b>	<b>27,818,793</b>	<b>29,829,792</b>	<b>31,265,132</b>
<b>Special Purpose Surplus (Deficit) for the year</b>	<b>-</b>	<b>128,450</b>	<b>106,085</b>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased		(128,450)	(106,085)
<b>Total Net Transfers</b>	<b>-</b>	<b>(128,450)</b>	<b>(106,085)</b>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<b>-</b>	<b>-</b>

**School District No. 61 (Greater Victoria)**

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2020

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Special Education Technology	School Generated Funds	Strong Start	Ready, Set, Learn	OIEP	CommunityLINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	-	-	633,114	-	3,296,515	20,646	11,977	-	266,506
<b>Add:</b>									
Restricted Grants									
Provincial Grants - Ministry of Education	810,279	675,200		117,361		192,948	66,734	398,099	3,900,892
Other			6,100		4,999,683				
Investment Income	8,099		50,517		57,114				
<b>Less:</b>									
Allocated to Revenue	818,378	675,200	56,617	117,361	5,056,797	192,948	66,734	398,099	3,900,892
Recovered	818,378	675,200	39,913	113,221	4,671,490	211,975	53,637	270,355	4,032,793
<b>Deferred Revenue, end of year</b>	-	-	649,818	4,140	3,681,822	1,619	25,074	127,744	134,605
<b>Revenues</b>									
Provincial Grants - Ministry of Education	810,279	675,200		113,221		211,975	53,637	270,355	4,032,793
Other Revenue	8,099		39,913		4,614,376				
Investment Income	818,378	675,200	39,913	113,221	4,671,490	211,975	53,637	270,355	4,032,793
<b>Expenses</b>									
Salaries									
Teachers									210,847
Principals and Vice Principals				2,417				52,318	254,670
Educational Assistants		547,595		91,318	5,983	150,256	95	59,715	690,248
Support Staff								6,296	100,486
Other Professionals									44,597
Substitutes		21,695			35,598	2,717	12,882		36,188
Employee Benefits		569,290	-	93,735	41,581	152,973	12,977	118,329	1,337,036
Services and Supplies	818,378	105,910	39,913	17,831	7,611	35,524	2,344	22,747	299,128
	818,378	675,200	39,913	1,655	4,508,848	23,478	38,316	129,279	2,396,629
			39,913	-	4,558,040	211,975	53,637	270,355	4,032,793
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	113,450	-	-	-	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased	-	-	-	-	(113,450)	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

**School District No. 61 (Greater Victoria)**

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2020

**Deferred Revenue, beginning of year**

**Add:** Restricted Grants  
 Provincial Grants - Ministry of Education  
 Other

Investment Income

**Less:** Allocated to Revenue

Recovered

**Deferred Revenue, end of year****Revenues**

Provincial Grants - Ministry of Education

Other Revenue

Investment Income

**Expenses**

Salaries

Teachers

Principals and Vice Principals

Educational Assistants

Support Staff

Other Professionals

Substitutes

Employee Benefits

Services and Supplies

**Net Revenue (Expense) before Interfund Transfers****Interfund Transfers**

Tangible Capital Assets Purchased

**Net Revenue (Expense)**

	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Ledger School	Provincial Inclusion Outreach	Estate Trust
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
		461,224	349,931				3,478		53,726
788,019	17,046,876	1,661,016	22,261	24,500	41,234	272,927	780,184		
788,019	17,046,876	1,661,016	22,261	24,500	41,234	272,927	780,184		47,261
711,098	15,952,945	1,389,195	660	24,500	17,244	263,805	705,474		6,359
	461,224								
<b>76,921</b>	<b>1,093,931</b>	<b>621,752</b>	<b>21,601</b>	<b>-</b>	<b>23,990</b>	<b>12,600</b>	<b>74,710</b>	<b>94,638</b>	
711,098	15,952,945	1,389,195	660	24,500	17,244	263,805	705,474		6,359
711,098	15,952,945	1,389,195	660	24,500	17,244	263,805	705,474		6,359
153,519	12,380,880	532,097				137,308	175,476		
						5,620	11,302		
						56,110	151,727		
							31,350		
403,755	581,489	620,236			9,497	284	5,868		1,162
557,274	12,962,369	1,152,333	-	-	9,497	199,322	375,723		1,162
108,294	2,990,576	236,862			1,697	46,295	80,428		212
30,530			660	24,500	6,050	18,188	249,323		4,985
696,098	15,952,945	1,389,195	660	24,500	17,244	263,805	705,474		6,359
15,000	-	-	-	-	-	-	-	-	-
(15,000)									
(15,000)	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

**School District No. 61 (Greater Victoria)**  
Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2020

	<b>TOTAL</b>
	<b>\$</b>
<b>Deferred Revenue, beginning of year</b>	5,097,117
<b>Add:</b>	
Restricted Grants	
Provincial Grants - Ministry of Education	26,798,530
Other	5,005,783
Investment Income	162,991
	<u>31,967,304</u>
<b>Less:</b>	
Allocated to Revenue	29,958,242
Recovered	461,224
<b>Deferred Revenue, end of year</b>	<u><b>6,644,955</b></u>
<b>Revenues</b>	
Provincial Grants - Ministry of Education	25,232,381
Other Revenue	4,614,376
Investment Income	111,485
	<u>29,958,242</u>
<b>Expenses</b>	
Salaries	
Teachers	13,436,608
Principals and Vice Principals	326,327
Educational Assistants	1,753,047
Support Staff	291,651
Other Professionals	44,597
Substitutes	1,731,371
	<u>17,583,601</u>
Employee Benefits	3,955,459
Services and Supplies	8,290,732
	<u>29,829,792</u>
<b>Net Revenue (Expense) before Interfund Transfers</b>	<u><b>128,450</b></u>
<b>Interfund Transfers</b>	
Tangible Capital Assets Purchased	(128,450)
	<u>(128,450)</u>
<b>Net Revenue (Expense)</b>	<u><b>-</b></u>

# School District No. 61 (Greater Victoria)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2020

	2020 Budget (Note 17)	2020 Actual			2019 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education	2,200,000	3,641,981		3,641,981	2,028,901
Other		51,662		51,662	
Investment Income	80,000		42,347	42,347	97,994
Amortization of Deferred Capital Revenue	7,432,739	7,426,505		7,426,505	7,147,223
<b>Total Revenue</b>	<b>9,712,739</b>	<b>11,120,148</b>	<b>42,347</b>	<b>11,162,495</b>	<b>9,274,118</b>
<b>Expenses</b>					
Operations and Maintenance	2,200,000	3,693,643	264,879	3,958,522	2,051,882
Amortization of Tangible Capital Assets					
Operations and Maintenance	11,517,168	11,263,834		11,263,834	10,927,872
<b>Total Expense</b>	<b>13,717,168</b>	<b>14,957,477</b>	<b>264,879</b>	<b>15,222,356</b>	<b>12,979,754</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(4,004,429)</b>	<b>(3,837,329)</b>	<b>(222,532)</b>	<b>(4,059,861)</b>	<b>(3,705,636)</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	800,000	1,448,521		1,448,521	2,551,385
Tangible Capital Assets - Work in Progress		110,540		110,540	151,473
Local Capital	639,270		639,270	639,270	639,270
<b>Total Net Transfers</b>	<b>1,439,270</b>	<b>1,559,061</b>	<b>639,270</b>	<b>2,198,331</b>	<b>3,342,128</b>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets WIP Purchased from Local Capital		1,225,201	(1,225,201)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>1,225,201</b>	<b>(1,225,201)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>(2,565,159)</b>	<b>(1,053,067)</b>	<b>(808,463)</b>	<b>(1,861,530)</b>	<b>(363,508)</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>46,271,032</b>	<b>3,204,698</b>	<b>49,475,730</b>	<b>49,839,238</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>45,217,965</b>	<b>2,396,235</b>	<b>47,614,200</b>	<b>49,475,730</b>



# School District No. 61 (Greater Victoria)

Tangible Capital Assets

Year Ended June 30, 2020

Schedule 4A (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	10,833,717	363,213,977	10,050,239	851,259	367,493	8,967,814	394,284,499
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw				258,189			258,189
Deferred Capital Revenue - Other			345,915				345,915
Operating Fund		287,421	497,539	10,100		525,011	1,320,071
Special Purpose Funds			128,450				128,450
Transferred from Work in Progress		7,027,071	768,853			114,915	7,910,839
	-	7,314,492	1,740,757	268,289	-	639,926	9,963,464
Decrease:							
Deemed Disposals			718,268	27,962	128,029	1,122,325	1,996,584
	-	-	718,268	27,962	128,029	1,122,325	1,996,584
Cost, end of year	10,833,717	370,528,469	11,072,728	1,091,586	239,464	8,485,415	402,251,379
Work in Progress, end of year		13,510,641	22,855				13,533,496
Cost and Work in Progress, end of year	10,833,717	384,039,110	11,095,583	1,091,586	239,464	8,485,415	415,784,875
Accumulated Amortization, beginning of year		150,575,766	3,481,226	269,959	222,117	4,102,233	158,651,301
Changes for the Year							
Increase: Amortization for the Year		8,142,178	1,092,062	98,540	73,499	1,857,555	11,263,834
Decrease:							
Deemed Disposals			718,268	27,962	128,029	1,122,325	1,996,584
		-	718,268	27,962	128,029	1,122,325	1,996,584
Accumulated Amortization, end of year		158,717,944	3,855,020	340,537	167,587	4,837,463	167,918,551
Tangible Capital Assets - Net	10,833,717	225,321,166	7,240,563	751,049	71,877	3,647,952	247,866,324

**School District No. 61 (Greater Victoria)**

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2020

	<b>Buildings</b>	<b>Furniture and Equipment</b>	<b>Computer Software</b>	<b>Computer Hardware</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Work in Progress, beginning of year</b>	2,940,900	17,555		4,097	<b>2,962,552</b>
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	13,292,805	597,728		33,831	<b>13,924,364</b>
Deferred Capital Revenue - Other	3,221,678				<b>3,221,678</b>
Operating Fund	110,540				<b>110,540</b>
Local Capital	971,789	176,425		76,987	<b>1,225,201</b>
	<u>17,596,812</u>	<u>774,153</u>	<u>-</u>	<u>110,818</u>	<u><b>18,481,783</b></u>
Decrease:					
Transferred to Tangible Capital Assets	7,027,071	768,853		114,915	<b>7,910,839</b>
	<u>7,027,071</u>	<u>768,853</u>	<u>-</u>	<u>114,915</u>	<u><b>7,910,839</b></u>
<b>Net Changes for the Year</b>	<u>10,569,741</u>	<u>5,300</u>	<u>-</u>	<u>(4,097)</u>	<u><b>10,570,944</b></u>
<b>Work in Progress, end of year</b>	<u><b>13,510,641</b></u>	<u><b>22,855</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>13,533,496</b></u>

**School District No. 61 (Greater Victoria)**

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	161,858,926	20,062,261	3,296,757	185,217,944
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	258,189	345,915		604,104
Transferred from Work in Progress	5,177,879	1,852,742		7,030,621
	5,436,068	2,198,657	-	7,634,725
Decrease:				
Amortization of Deferred Capital Revenue	6,540,114	784,199	102,192	7,426,505
	6,540,114	784,199	102,192	7,426,505
<b>Net Changes for the Year</b>	(1,104,046)	1,414,458	(102,192)	208,220
<b>Deferred Capital Revenue, end of year</b>	160,754,880	21,476,719	3,194,565	185,426,164
<b>Work in Progress, beginning of year</b>	1,684,649	905,263	2,707	2,592,619
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	13,924,364	3,221,678		17,146,042
	13,924,364	3,221,678	-	17,146,042
Decrease				
Transferred to Deferred Capital Revenue	5,177,879	1,852,742		7,030,621
	5,177,879	1,852,742	-	7,030,621
<b>Net Changes for the Year</b>	8,746,485	1,368,936	-	10,115,421
<b>Work in Progress, end of year</b>	10,431,134	2,274,199	2,707	12,708,040
<b>Total Deferred Capital Revenue, end of year</b>	171,186,014	23,750,918	3,197,272	198,134,204

**School District No. 61 (Greater Victoria)**

Changes in Unspent Deferred Capital Revenue  
Year Ended June 30, 2020

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>	421,540	387,475	3,981,446		343,024	5,133,485
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	17,411,140					17,411,140
Provincial Grants - Other			5,852,995			5,852,995
Other					45,324	45,324
Investment Income					5,892	5,892
Transfer project surplus to MEd Restricted (from) Bylaw	(8,146)	8,146				-
	17,402,994	8,146	5,852,995	-	51,216	23,315,351
Decrease:						
Transferred to DCR - Capital Additions	258,189		345,915			604,104
Transferred to DCR - Work in Progress	13,924,364	195,079	3,026,599			17,146,042
Bylaw Expenditures	3,641,981					3,641,981
Other Provincial Capital Expenditures			51,662			51,662
	17,824,534	195,079	3,424,176	-	-	21,443,789
<b>Net Changes for the Year</b>	(421,540)	(186,933)	2,428,819	-	51,216	1,871,562
<b>Balance, end of year</b>	-	200,542	6,410,265	-	394,240	7,005,047