

Audited Financial Statements of

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

And Independent Auditors' Report thereon

June 30, 2023

# School District No. 61 (Greater Victoria)

June 30, 2023

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# School District No. 61 (Greater Victoria)

## MANAGEMENT REPORT

Version: 7896-7150-5168

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

Sep 25/23  
Date Signed



Signature of the Superintendent

Sep 25/23  
Date Signed



Signature of the Secretary Treasurer

Sep 25/23  
Date Signed



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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Education of School District No. 61 (Greater Victoria), and  
To the Minister of Education and Child Care, 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, 2023
- 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 the year ended June 30, 2023 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 "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's 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(a) 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.



### ***Emphasis of Matter – Comparative Information***

We draw attention to Note 25 to the financial statements which explains that certain comparative information presented for the year ended June 30, 2022 has been restated. Note 25 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect of this matter.

### ***Other Matter – Comparative Information***

As part of our audit of the financial statements for the year ended June 30, 2023, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended June 30, 2022. In our opinion, such adjustments are appropriate and have been properly applied.

### ***Other Information***

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

- Information, other than the financial statements and the auditor's report thereon, included in the Financial Statement Discussion and Analysis document
- 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 Other Information other than the financial statements and the auditor's report thereon, included in the Financial Statement Discussion and Analysis document and Unaudited Schedules 1-4 attached to the audited financial statements as at the date of this auditor's 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 auditor's report. We have nothing to report in this regard.

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

Management is responsible for the preparation of the financial statements in accordance with the 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.



## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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 25, 2023


# School District No. 61 (Greater Victoria)

Statement of Financial Position  
As at June 30, 2023


	2023 Actual	2022 Actual (Restated - Note 25)
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	63,601,347	66,075,808
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	1,401,188	1,240,454
Due from First Nations	129,974	-
Other (Note 3)	3,406,905	3,322,280
Portfolio Investments (Note 4)	499,772	499,715
<b>Total Financial Assets</b>	<b>69,039,186</b>	<b>71,138,257</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 6)	36,721,598	34,580,499
Unearned Revenue (Note 7)	12,790,769	11,497,069
Deferred Revenue (Note 8)	6,754,367	7,532,465
Deferred Capital Revenue (Note 9)	278,523,632	246,275,116
Employee Future Benefits (Note 10)	3,175,784	3,073,254
Asset Retirement Obligation (Note 18)	22,081,468	22,081,468
<b>Total Liabilities</b>	<b>360,047,618</b>	<b>325,039,871</b>
<b>Net Debt</b>	<b>(291,008,432)</b>	<b>(253,901,614)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 11)	323,971,642	287,361,945
Prepaid Expenses	958,351	875,252
<b>Total Non-Financial Assets</b>	<b>324,929,993</b>	<b>288,237,197</b>
<b>Accumulated Surplus (Deficit) (Note 21)</b>	<b>33,921,561</b>	<b>34,335,583</b>
<b>Accumulated Surplus (Deficit) is comprised of:</b>		
Accumulated Surplus (Deficit) from Operations	33,921,561	34,335,583
Accumulated Remeasurement Gains (Losses)	-	-
	<b>33,921,561</b>	<b>34,335,583</b>

Unrecognized Assets (Note 11)  
Contractual Obligations (Note 15)  
Contractual Rights (Note 16)  
Contingent Assets (Note 19)  
Contingent Liabilities (Note 19)


Approved by the Board

  
Signature of the Chairperson of the Board of Education

Sep 25/23  
Date Signed

  
Signature of the Superintendent

Sep 25/23  
Date Signed

  
Signature of the Secretary Treasurer

Sep 25/23  
Date Signed

# School District No. 61 (Greater Victoria)

Statement 2

Statement of Operations  
Year Ended June 30, 2023

	2023 Budget (Note 17)	2023 Actual	2022 Actual (Restated - Note 25)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	225,468,923	242,661,392	227,053,205
Other	287,750	281,178	349,275
Tuition	15,107,619	14,648,427	15,070,357
Other Revenue	13,364,461	10,952,987	7,229,986
Rentals and Leases	2,696,572	2,744,288	2,519,825
Investment Income	442,760	2,097,631	557,202
Amortization of Deferred Capital Revenue	8,021,537	8,013,303	7,858,370
Construction License			4,300,000
<b>Total Revenue</b>	<u>265,389,622</u>	<u>281,399,206</u>	<u>264,938,220</u>
<b>Expenses</b>			
Instruction	218,657,177	230,618,373	218,385,765
District Administration	6,617,225	7,397,587	7,074,628
Operations and Maintenance	39,258,707	42,093,153	41,870,810
Transportation and Housing	1,216,025	1,704,115	1,088,502
<b>Total Expense</b>	<u>265,749,134</u>	<u>281,813,228</u>	<u>268,419,705</u>
<b>Surplus (Deficit) for the year</b>	<u>(359,512)</u>	<u>(414,022)</u>	<u>(3,481,485)</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		34,335,583	37,817,068
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u>33,921,561</u>	<u>34,335,583</u>



# School District No. 61 (Greater Victoria)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2023

	2023 Budget (Note 17) \$	2023 Actual \$	2022 Actual (Restated - Note 25) \$
<b>Surplus (Deficit) for the year</b>	<u>(359,512)</u>	<u>(414,022)</u>	<u>(3,481,485)</u>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(37,199,976)	(48,460,550)	(33,913,379)
Amortization of Tangible Capital Assets	11,389,429	11,850,853	11,773,432
<b>Total Effect of change in Tangible Capital Assets</b>	<u>(25,810,547)</u>	<u>(36,609,697)</u>	<u>(22,139,947)</u>
Use of Prepaid Expenses	-	(83,099)	82,024
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>-</u>	<u>(83,099)</u>	<u>82,024</u>
<b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b>	<u>(26,170,059)</u>	<u>(37,106,818)</u>	<u>(25,539,408)</u>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Debt</b>		<u>(37,106,818)</u>	<u>(25,539,408)</u>
<b>Net Debt, beginning of year</b>		<u>(253,901,614)</u>	<u>(228,362,206)</u>
<b>Net Debt, end of year</b>		<u>(291,008,432)</u>	<u>(253,901,614)</u>

# School District No. 61 (Greater Victoria)

Statement 5

Statement of Cash Flows  
Year Ended June 30, 2023

	2023 Actual	2022 Actual
		(Restated - Note 25)
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	(414,022)	(3,481,485)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(375,333)	4,480,426
Prepaid Expenses	(83,099)	82,024
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(1,223,952)	123,689
Unearned Revenue	1,293,700	(458,244)
Deferred Revenue	(778,098)	991,838
Employee Future Benefits	102,530	76,761
Other Liabilities	3,365,051	964,092
Amortization of Tangible Capital Assets	11,850,853	11,773,432
Amortization of Deferred Capital Revenue	(8,013,303)	(7,858,370)
<b>Total Operating Transactions</b>	<u>5,724,327</u>	<u>6,694,163</u>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(4,664,670)	(3,677,800)
Tangible Capital Assets -WIP Purchased	(43,795,880)	(30,235,579)
Bylaw Expenditures	(3,024,892)	(2,403,438)
<b>Total Capital Transactions</b>	<u>(51,485,442)</u>	<u>(36,316,817)</u>
<b>Financing Transactions</b>		
Capital Revenue Received	43,286,711	32,963,297
<b>Total Financing Transactions</b>	<u>43,286,711</u>	<u>32,963,297</u>
<b>Investing Transactions</b>		
Investments in Portfolio Investments	(57)	(57)
<b>Total Investing Transactions</b>	<u>(57)</u>	<u>(57)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(2,474,461)	3,340,586
<b>Cash and Cash Equivalents, beginning of year</b>	<u>66,075,808</u>	<u>62,735,222</u>
<b>Cash and Cash Equivalents, end of year</b>	<u>63,601,347</u>	<u>66,075,808</u>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	<u>63,601,347</u>	<u>66,075,808</u>
	<u>63,601,347</u>	<u>66,075,808</u>

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2023

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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 and Child Care. School District No. 61 (Greater Victoria) is exempt from federal and provincial corporate income taxes.

### 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 (n).

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 (n), 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.

#### (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.

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2023

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

#### (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 (n).

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 (EARSL) of active employees covered under the plan.

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

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

#### (h) Asset Retirement Obligations

A liability is recognized when, as at the financial reporting date:

- there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- the past transaction or event giving rise to the liability has occurred;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability includes costs for the removal of asbestos and other hazardous material in several of the buildings owned by the School District. The estimate of the asset retirement obligations includes costs directly attributable to the asset retirement activities. The resulting costs have been capitalized into the carrying amount of tangible capital assets and are being amortized on the same basis as the related tangible capital asset (see note 2 (j)). The carrying value of the liability is reviewed at each financial reporting date with changes to the timing or amount of the original estimate of cash flows recorded as an adjustment to the liability and related tangible capital asset.

## School District No. 61 (Greater Victoria)

Notes to Financial Statements  
Year Ended June 30, 2023

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### 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 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.

#### (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. 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, 2023

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

#### (k) 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.

#### (l) 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.

#### (m) 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 21 – Internally Restricted Surplus – Operating Fund).

#### (n) 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, 2023

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

#### (n) 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.

#### (o) 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 Indigenous education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical 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.

#### (p) 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, 2023

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

(p) 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.

(q) 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. Areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization, asset retirement obligations and estimated employee future benefits. Actual results could differ from those estimates.

(r) Future Changes in Accounting Policies

PS 3400 Revenue issued November 2018 establishes standards on how to account for and report on revenue and is effective July 1, 2023. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions". Revenue from transactions with performance obligations should be recognized when (or as) the school district satisfies a performance obligation by providing the promised goods or services to a payor.

Revenue from transactions with no performance obligations should be recognized when a school district:

- (a) has the authority to claim or retain an inflow of economic resources; and
- (b) identifies a past transaction or event that gives rise to an asset.

This standard may be applied retroactively or prospectively. Management is in the process of assessing the impact of adopting this standard on the School District's financial results.

### 3. Accounts Receivable – Other Receivables

	June 30, 2023	June 30, 2022
Due from Agencies and Associations	\$ 662,827	\$ 276,059
Due from Government of Canada	234,133	337,411
Other Receivables	2,509,945	2,708,810
	<u>\$ 3,406,905</u>	<u>\$ 3,322,280</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, 2023 was \$0.56 million (2022: \$0.59 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, 2023

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

	June 30, 2023	June 30, 2022
Trade Payables	\$ 4,842,197	\$ 6,066,150
Salaries and Benefits Payable	18,159,255	15,780,759
Accrued Vacation Pay	1,338,704	1,882,577
Holdback Payables	4,183,211	2,586,762
International Student Program Fee Payable	7,421,995	7,262,919
Other	776,236	1,001,332
	<u>\$ 36,721,598</u>	<u>\$ 34,580,499</u>

International Student Program Fees Payable in the amount of \$7,421,995 (2022: \$7,262,919) is comprised of 2022/23 refunds \$144,102 (2022: \$286,835), homestay fees of \$5,965,546 (2022: \$5,802,363) and medical fees of \$1,312,347 (2022: \$1,173,721). 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, 2023	June 30, 2022
Unearned Revenue, Beginning of Year	\$ 11,497,069	\$ 11,955,313
Changes for the Year:		
Increase:		
Tuition fees	16,080,826	14,458,006
Rentals and Leases	2,811,923	2,519,825
Other	988,335	1,248,832
	<u>19,881,084</u>	<u>18,226,663</u>
Decrease:		
Tuition fees	14,648,427	15,070,357
Rentals and Leases	2,744,288	2,519,825
Other	1,194,669	1,094,725
	<u>18,587,384</u>	<u>18,684,907</u>
Net Changes for the Year	1,293,700	(458,244)
Unearned Revenue, End of Year	<u>\$ 12,790,769</u>	<u>\$ 11,497,069</u>

Unearned Revenue includes tuition collected from International students for school terms beginning after June 30, 2023.

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2023

### 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, 2023	June 30, 2022
Deferred Revenue, Beginning of Year	\$ 7,532,465	\$ 6,540,627
Changes for the Year:		
Increase:		
Provincial Grants - Ministry of Education and Child Care	31,506,515	29,296,235
Other	6,811,189	5,443,756
Investment Income	281,708	92,850
	<u>38,599,412</u>	<u>34,832,841</u>
Decrease:		
Allocation to Revenue	38,511,927	32,595,202
Recovered	865,583	1,245,801
	<u>39,377,510</u>	<u>33,841,003</u>
Net Changes for the Year	(778,098)	991,838
Deferred Revenue, End of Year	\$ 6,754,367	\$ 7,532,465

### 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, 2023	June 30, 2022
Deferred Capital Revenue, Beginning of Year	\$ 185,862,748	\$ 188,451,831
Changes for the Year:		
Increase:		
Transferred from Deferred Capital Revenue – Capital Additions	1,109,278	-
Transferred from Deferred Capital Revenue – Work in Progress	3,863,808	5,269,287
	<u>4,973,086</u>	<u>5,269,287</u>
Decrease:		
Amortization of Deferred Capital Revenue	8,013,303	7,858,370
	<u>8,013,303</u>	<u>7,858,370</u>
Net Changes for the Year	(3,040,217)	(2,589,083)
Deferred Capital Revenue, End of Year	\$ 182,822,531	\$ 185,862,748

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

Notes to Financial Statements

Year Ended June 30, 2023

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

	June 30, 2023	June 30, 2022
Work in Progress, Beginning of Year	\$ 52,263,703	\$ 27,422,963
Changes for the Year:		
Increase:		
Transferred from Unspent Deferred Capital Revenue	39,631,254	30,110,027
	<u>39,631,254</u>	<u>30,110,027</u>
Decrease:		
Transferred to Deferred Capital Revenue	3,863,808	5,269,287
	<u>3,863,808</u>	<u>5,269,287</u>
Net Changes for the Year	35,767,446	24,840,740
Work in Progress, End of Year	\$ 88,031,149	\$ 52,263,703

**Unspent Deferred Capital Revenue:**

	June 30, 2023	June 30, 2022
Unspent Deferred Capital Revenue, Beginning of Year	\$ 8,148,665	\$ 7,698,833
Changes for the Year:		
Increase:		
Provincial Grants - Ministry of Education and Child Care	42,609,347	32,822,733
Other	585,003	132,326
Investment Income	92,361	8,238
	<u>43,286,711</u>	<u>32,963,297</u>
Decrease:		
Transferred to Deferred Capital Revenue – Capital Additions	1,109,278	-
Transferred to Deferred Capital Revenue – Work in Progress	39,631,254	30,110,027
Bylaw and Other Provincial Capital Expenditures	3,024,892	2,359,133
Insurance Claim Expense	-	44,305
	<u>43,765,424</u>	<u>32,513,465</u>
Net Changes for the Year	(478,713)	449,832
Unspent Deferred Capital Revenue, End of Year	\$ 7,669,952	\$ 8,148,665
<b>Total Deferred Capital Revenue, End of Year</b>	<b>\$ 278,523,632</b>	<b>\$ 246,275,116</b>

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2023

### 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, 2023	June 30, 2022
Discount Rate - April 1	3.25%	2.50%
Discount Rate - March 31	4.00%	3.25%
Long-Term Salary Growth - April 1	2.50%+seniority	2.50%+seniority
Long-Term Salary Growth - March 31	2.50%+seniority	2.50%+seniority
Expected Average Remaining Service Lifetime - March 31	10.6	10.6

	June 30, 2023	June 30, 2022
<b>Reconciliation of Accrued Benefit Obligation:</b>		
Accrued Benefit Obligation - April 1	\$ 2,952,765	\$ 2,837,663
Service Cost	290,284	282,454
Interest Cost	99,240	74,420
Benefit Payments	(294,002)	(291,600)
Actuarial Loss	(123,228)	49,828
Accrued Benefit Obligation - March 31	\$ 2,925,059	\$ 2,952,765

<b>Reconciliation of Funded Status at End of Fiscal Year:</b>		
Accrued Benefit Obligation - March 31	\$ 2,925,059	\$ 2,952,765
Market Value of Plan Assets - March 31	-	-
Funded Status - Deficit	(2,925,059)	(2,952,765)
Employer Contributions After Measurement Date	27,293	25,892
Benefit Expense After Measurement Date	(101,536)	(97,381)
Unamortized Net Actuarial Loss	(176,482)	(49,000)
Accrued Benefit Liability - June 30	\$ (3,175,784)	\$ (3,073,254)

<b>Reconciliation of Change in Accrued Benefit Liability:</b>		
Accrued Benefit Liability - July 1	\$ 3,073,254	\$ 2,996,493
Net Expense for Fiscal Year	397,933	385,792
Employer Contributions	(295,403)	(309,031)
Accrued Benefit Liability - June 30	\$ 3,175,784	\$ 3,073,254

<b>Components of Net Benefit Expense:</b>		
Service Cost	\$ 279,932	\$ 284,412
Interest Cost	124,398	80,625
Amortization of Net Actuarial Loss	(6,397)	20,755
Net Benefit Expense	\$ 397,933	\$ 385,792

# School District No. 61 (Greater Victoria)

Notes to Financial Statements  
Year Ended June 30, 2023

## 11. Tangible Capital Assets

### June 30, 2023

<b>Cost:</b>	Balance at June 30, 2022	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2023
Sites	\$ 11,978,240	\$ -	\$ -	\$ -	\$ 11,978,240
Site Improvements	1,700,000	-	-	-	1,700,000
Buildings	408,846,433	67,886	-	2,701,985	411,616,304
Buildings – WIP	52,257,885	41,212,320	-	(2,701,985)	90,768,220
Furniture & Equipment	13,957,259	1,551,301	(291,602)	633,647	15,850,605
Furniture & Equipment – WIP	37,624	1,324,092	-	(633,647)	728,069
Vehicles	1,173,392	1,384,959	(30,025)	-	2,528,326
Computer Software	64,193	-	(64,193)	-	-
Computer Hardware	6,712,578	1,660,524	(1,274,579)	1,259,468	8,357,991
Computer Hardware – WIP	-	1,259,468	-	(1,259,468)	-
<b>Total</b>	<b>\$ 496,727,604</b>	<b>\$48,460,550</b>	<b>\$ (1,660,399)</b>	<b>\$ -</b>	<b>\$ 543,527,755</b>

<b>Accumulated Amortization:</b>	Balance at June 30, 2022	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2023
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Site Improvements	935,000	170,000	-	-	1,105,000
Buildings	199,450,754	8,491,899	-	-	207,942,653
Furniture & Equipment	5,272,146	1,490,393	(291,602)	-	6,470,937
Vehicles	543,015	185,086	(30,025)	-	698,076
Computer Software	57,775	6,418	(64,193)	-	-
Computer Hardware	3,106,969	1,507,057	(1,274,579)	-	3,339,447
<b>Total</b>	<b>\$ 209,365,659</b>	<b>\$ 11,850,853</b>	<b>\$ (1,660,399)</b>	<b>\$ -</b>	<b>\$ 219,556,113</b>

### June 30, 2022

<b>Cost:</b>	Balance at June 30, 2021 (Restated Note 25)	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2022
Sites	\$ 10,833,717	\$1,144,523	\$ -	\$ -	\$ 11,978,240
Site Improvements	1,700,000	-	-	-	1,700,000
Buildings	404,147,163	7,359	-	4,691,911	408,846,433
Buildings – WIP	27,378,456	29,571,340	-	(4,691,911)	52,257,885
Furniture & Equipment	13,133,013	1,041,650	(829,463)	612,059	13,957,259
Furniture & Equipment – WIP	44,507	605,176	-	(612,059)	37,624
Vehicles	1,157,916	15,476	-	-	1,173,392
Computer Software	111,437	-	(47,244)	-	64,193
Computer Hardware	10,064,738	1,468,792	(4,880,015)	59,063	6,712,578
Computer Hardware – WIP	-	59,063	-	(59,063)	-
<b>Total</b>	<b>\$ 468,570,947</b>	<b>\$33,913,379</b>	<b>\$ (5,756,722)</b>	<b>\$ -</b>	<b>\$ 496,727,604</b>

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2023

### 11. Tangible Capital Assets (Continued)

June 30, 2022 (Continued)

	Balance at June 30, 2021 (Restated – Note 25)	Additions	Disposals / Reclassification	Transfers (WIP)	Balance at June 30, 2022
<b>Accumulated Amortization:</b>					
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Site Improvements	765,000	170,000	-	-	935,000
Buildings	191,013,696	8,437,058	-	-	199,450,754
Furniture & Equipment	4,747,096	1,354,513	(829,463)	-	5,272,146
Vehicles	426,449	116,566	-	-	543,015
Computer Software	87,456	17,563	(47,244)	-	57,775
Computer Hardware	6,309,252	1,677,732	(4,880,015)	-	3,106,969
<b>Total</b>	<b>\$ 203,348,949</b>	<b>\$ 11,773,432</b>	<b>\$ (5,756,722)</b>	<b>\$ -</b>	<b>\$ 209,365,659</b>

#### Net Book Value:

	Net Book Value June 30, 2023	Net Book Value June 30, 2022
Sites	\$ 11,978,240	\$ 11,978,240
Site Improvements	595,000	765,000
Buildings	203,673,651	209,395,679
Buildings – WIP	90,768,220	52,257,885
Furniture & Equipment	9,379,668	8,685,113
Furniture & Equipment – WIP	728,069	37,624
Vehicles	1,830,250	630,377
Computer Software	-	6,418
Computer Hardware	5,018,544	3,605,609
	<b>\$ 323,971,642</b>	<b>\$ 287,361,945</b>

Buildings – Work in Progress having a value of \$90,768,220 (2022: \$52,257,885) and Furniture & Equipment – Work in Progress having a value of \$728,069 (2022: \$37,624) 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, 2023

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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, 2022, the Teachers' Pension Plan has about 51,000 active members and approximately 41,000 retired members. As of December 31, 2022, the Municipal Pension Plan has about 240,000 active members, including approximately 30,000 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, 2020 indicated a \$1,584 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, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The School District paid \$20,517,942 for employer contributions to these plans in the year ended June 30, 2023 (2022: \$19,447,660).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2023. The next valuation for the Municipal Pension Plan will be as at December 31, 2024, with results available in 2025.

Employers participating in the plans record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plans record accrued liabilities and accrued assets for 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, 2023 were as follows:

- Transfer from the operating fund to the capital fund \$2,307,853 for tangible capital assets purchased and \$258,267 for tangible capital assets – work in progress.
- Transfer from the special purpose fund to the capital fund \$1,247,539 for tangible capital assets purchased.

### 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.

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2023

### 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.

	2024	2025	2026	2027	2028	Thereafter
Youth and Family Counselling	\$1,644,485	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation	788,166	788,166	788,166	788,166	-	-
Operating Lease	42,075	42,075	19,998	-	-	-
Occupational/Physical Therapy	600,738	-	-	-	-	-
Waste Management	156,874	19,609	-	-	-	-
Elevator Maintenance	70,742	70,742	-	-	-	-
Computer Technology	845,248	-	-	-	-	-
Vic High Construction Contracts	10,956,771	-	-	-	-	-
Cedar Hill Construction Contracts	17,561,180	17,561,180	3,824,900	-	-	-
Other Construction Contracts	3,124,554	-	-	-	-	-
Total	\$35,790,833	\$18,481,772	\$3,824,900	\$788,166	\$ -	\$ -

### 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:

	2024	2025	2026	2027	2028	Thereafter
Property Leases	\$1,325,688	\$ 830,204	\$ 765,495	\$765,540	\$668,312	\$3,861,703
Local Education Agreement	697,962	697,962	697,962	-	-	-
Total	\$2,023,650	\$1,528,166	\$1,463,457	\$765,540	\$668,312	\$3,861,703

### 17. Budget Figures

Budget figures were approved by the Board through the adoption of an annual budget on April 4, 2022.

### 18. Asset Retirement Obligation

Legal liabilities exist for the removal and disposal of asbestos and other environmentally hazardous materials within some district owned buildings that will undergo major renovations or demolition in the future. The timing of future settlement is unknown.

Asset Retirement Obligation, July 1, 2021 and 2022 (see Note 25)	\$22,081,468
Settlements during the year	-
Asset Retirement Obligation, closing balance June 30, 2023	<u>\$22,081,468</u>



## School District No. 61 (Greater Victoria)

Notes to Financial Statements  
Year Ended June 30, 2023

### 19. 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, 2023, unspent Classroom Enhancement Fund remedies totalled \$347,313 (2022: \$442,286). 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 \$190,260 (2022: \$307,570).

Subsequent to year end, the School District received claims related to schedule delay, salary and material price increases for the Victoria High School Seismic Update and Addition Project. These matters may give rise to future liabilities. The estimated amount claimed is over \$1.7M. The outcome of these actions is not determinable as at June 30, 2023, and accordingly, no provision has been made in these financial statements for any liability that may result. Any losses arising from these actions will be recorded in the year in which the related claim can be reliably estimated or settled.

### 20. Expense by Object

	June 30, 2023	June 30, 2022
Salaries and Benefits	\$ 234,718,499	\$ 223,581,886
Services and Supplies	35,243,876	33,064,387
Interest	-	-
Amortization	11,850,853	11,773,432
	<u>\$ 281,813,228</u>	<u>\$ 268,419,705</u>

### 21. Internally Restricted Surplus – Operating Fund

	June 30, 2023	June 30, 2022
<b>Restricted due to the Nature of Constraints on the Funds</b>		
Holdback Grant	\$ 60,647	\$ 93,256
Early Learning Framework (ELF) Grant	8,689	5,847
ERASE Grant	6,572	7,582
Equity Scan Grant	1,120	1,792
Indigenous Education Harvest4Knowledge Grant	107	1,653
Indigenous Education LEA Capacity Building Grant	10,174	10,927
Indigenous Education Graduation and Scholarship Fund	15,209	4,195
Cooper Smith Music Library Collection	63,728	49,151
Speech Language Pathologists (SLP) Professional Development Fund	4,769	6,425
Psychologists Professional Development Fund	3,919	4,754
Principals and Vice Principals Professional Development Fund	53,185	58,310
Allied Specialists (ASA) Professional Development Fund	2,671	8,311
CUPE 947 Professional Development Fund	107,400	96,768
CUPE 947 Local Bargaining Funds	56,064	-
CUPE 382 Professional Development Fund	3,803	18
CUPE 382 Service Improvement Allocation	99,058	127,925
	<u>497,115</u>	<u>476,914</u>

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2023

### 21. Internally Restricted Surplus – Operating Fund (Continued)

	June 30, 2023	June 30, 2022
<b>Restricted for Anticipated Unusual Expenses Identified by the Board</b>		
Shared Minor Capital—New Classrooms due to Enrolment Growth	25,000	25,000
Reconciliation and Anti-Racism	44,366	41,000
School Police Liaison	-	5,000
Potential Arbitration Settlement	414,868	-
	<b>484,234</b>	<b>71,000</b>
<b>Restricted for Operations Spanning Multiple School Years</b>		
Schools Operating Surplus	997,230	1,347,625
Schools Special Project Carryforward	191,973	174,473
The Link Surplus	-	76,694
Healthy Schools Initiatives	10,969	11,039
Indigenous Education Initiatives	492,398	256,532
EA Bridging Program	37,000	-
Inclusion for Learning Strategy - Supplies	37,272	37,492
Incomplete School/Department Funded Facilities Projects	44,284	131,859
Sundance-Bank Start-Up Costs - Year 2	10,000	(19,499)
Shop Upgrades	58,220	124,629
Quadra Wall		50,000
Vic West Portable	5,000	374,113
Tillicum Portable	150,000	-
Childcare Capital Reserve	80,637	15,433
Technology Replacement Reserve - Network Infrastructure	10,762	15,498
2023-2024 BCSTA Fees Removed in 2023-2024 Budget	61,660	-
Elementary Strings FTE Added After 2023-2024 Budget	53,134	-
Exempt Compensation Funding Received in 2023-2024 Budget	37,000	-
Purchase Order Commitments	826,655	1,273,565
Future Years' Operations/Budget; 2023-2024	2,139,002	2,300,000
	<b>5,243,196</b>	<b>6,169,453</b>
<b>Total Internally Restricted Operating Surplus</b>	<b>\$6,224,545</b>	<b>\$6,717,367</b>
Unrestricted Operating Surplus - Contingency	617,113	1,501,254
Invested in Tangible Capital Assets	26,522,339	22,639,871
Local Capital Surplus	557,564	3,477,091
<b>Total Accumulated Surplus</b>	<b>\$33,921,561</b>	<b>\$ 34,335,583</b>

### 22. Economic Dependence

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

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2023

### 23. Sale of 1765 Lansdowne Road and 2780 Richmond Road

On March 29, 2021, the School District entered into a Purchase and Sale Agreement (“the Agreement”) dated March 24, 2021, a First Addendum dated May 17, 2021, a Second Addendum dated May 2, 2022, a Third Addendum dated May 31, 2022 and a Fourth Addendum dated April 17, 2023 with Conseil Scolaire Francophone De La Colombie-Britannique to dispose of a portion of land situated at 1765 Lansdowne Road for \$15,232,000. The Agreement has a Final Conditions Removal Date of December 31, 2023 and the Closing Date shall occur on the first Business Day that occurs thirty (30) days after the Final Condition Removal Date.

On September 17, 2021, the School District entered into an Agreement of Purchase and Sale (“the Agreement”), a First Addendum dated December 14, 2021, a Second Addendum dated February 28, 2022, a Third Addendum dated March 16, 2022, a Fourth Addendum dated March 22, 2022, a Fifth Addendum dated April 5, 2022 and a Sixth Addendum dated June 30, 2022 with Victoria Hospice Society to dispose of a portion of land situation at 2780 Richmond Road for \$2,500,000. The closing date is one business day after the date on which the subdivision has been fully registered and title to the Property has been conveyed to the purchaser, free and clear of all encumbrances except the permitted encumbrances.

### 24. Subsequent Events

On July 18, 2023, the School District signed an Amendment to Agreement for Architectural Services to increase the overall construction budget of the Victoria High School – Seismic Upgrade, Additions & Renovations by \$20,000,000 on top of the previously amended construction budget of \$54,992,666.63. The impact has been reflected in Note 15.

### 25. Prior Period Adjustment – Change in Accounting Policy

On July 1, 2022 the School District adopted Canadian public sector accounting standard PS 3280 Asset Retirement Obligations. This new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of certain tangible capital assets such as asbestos removal in buildings that will undergo major renovation or demolition in the future (see Note 18). This standard was adopted using the modified retroactive approach, which results in the restatement of the comparative information as at and for the year ended June 30, 2022.

The impact of the prior period adjustment on the June 30, 2022 comparative amounts is as follows:

	Increase (Decrease)
Tangible Capital Assets – cost	\$22,058,068
Tangible Capital Assets – accumulated amortization	22,052,506
Asset Retirement Obligation	22,081,468
Accumulated Surplus, July 1, 2021	(22,075,906)
Amortization Expense	434
Annual surplus for the year ending June 30, 2022	(434)
Accumulated surplus, June 30, 2022	\$(22,076,340)

## School District No. 61 (Greater Victoria)

Notes to Financial Statements

Year Ended June 30, 2023

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### 26. 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 2022 related to credit, market or liquidity risks.

# School District No. 61 (Greater Victoria)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2023

	Operating Fund	Special Purpose Fund	Capital Fund	2023 Actual	2022 Actual (Restated - Note 25)
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	8,218,621		26,116,962	<b>34,335,583</b>	59,892,974
Prior Period Adjustments					(22,075,906)
<b>Accumulated Surplus (Deficit), beginning of year, as restated</b>	<b>8,218,621</b>	-	<b>26,116,962</b>	<b>34,335,583</b>	37,817,068
<b>Changes for the year</b>					
Surplus (Deficit) for the year	1,189,157	1,247,539	(2,850,718)	<b>(414,022)</b>	(3,481,485)
Interfund Transfers					
Tangible Capital Assets Purchased	(2,307,853)	(1,247,539)	3,555,392	-	
Tangible Capital Assets - Work in Progress	(258,267)		258,267	-	
<b>Net Changes for the year</b>	<b>(1,376,963)</b>	-	<b>962,941</b>	<b>(414,022)</b>	<b>(3,481,485)</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>6,841,658</b>	-	<b>27,079,903</b>	<b>33,921,561</b>	34,335,583

# School District No. 61 (Greater Victoria)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2023

	2023 Budget (Note 17)	2023 Actual	2022 Actual (Restated - Note 25)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	196,795,611	207,997,634	197,056,412
Other	287,750	281,178	349,275
Tuition	15,107,619	14,648,427	15,070,357
Other Revenue	2,064,461	3,328,344	2,296,648
Rentals and Leases	2,696,572	2,744,288	2,519,825
Investment Income	368,760	1,795,194	475,034
<b>Total Revenue</b>	<u>217,320,773</u>	<u>230,795,065</u>	<u>217,767,551</u>
<b>Expenses</b>			
Instruction	187,232,296	194,185,061	187,045,527
District Administration	6,617,225	7,397,587	7,074,628
Operations and Maintenance	24,555,227	26,319,145	26,897,755
Transportation and Housing	1,216,025	1,704,115	1,088,502
<b>Total Expense</b>	<u>219,620,773</u>	<u>229,605,908</u>	<u>222,106,412</u>
<b>Operating Surplus (Deficit) for the year</b>	<u>(2,300,000)</u>	<u>1,189,157</u>	<u>(4,338,861)</u>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<u>2,300,000</u>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	-	(2,307,853)	(609,370)
Tangible Capital Assets - Work in Progress	-	(258,267)	(25,887)
<b>Total Net Transfers</b>	<u>-</u>	<u>(2,566,120)</u>	<u>(635,257)</u>
<b>Total Operating Surplus (Deficit), for the year</b>	<u>-</u>	<u>(1,376,963)</u>	<u>(4,974,118)</u>
<b>Operating Surplus (Deficit), beginning of year</b>		8,218,621	13,192,739
<b>Operating Surplus (Deficit), end of year</b>		<u>6,841,658</u>	<u>8,218,621</u>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted (Note 21)		6,224,545	6,717,367
Unrestricted		617,113	1,501,254
<b>Total Operating Surplus (Deficit), end of year</b>		<u>6,841,658</u>	<u>8,218,621</u>

# School District No. 61 (Greater Victoria)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2023

	2023 Budget (Note 17) \$	2023 Actual \$	2022 Actual (Restated - Note 25) \$
<b>Provincial Grants - Ministry of Education and Child Care</b>			
Operating Grant, Ministry of Education and Child Care	194,583,765	197,411,666	194,701,752
ISC/LEA Recovery	(989,902)	(697,962)	(832,036)
Other Ministry of Education and Child Care Grants			
Pay Equity	2,896,617	2,896,617	2,896,617
Funding for Graduated Adults	68,850	46,528	49,673
Student Transportation Fund	20,027	20,027	20,027
Support Staff Benefits Grant	198,514	204,814	198,514
FSA Scorer Grant	17,740	19,240	17,740
Early Learning Framework (ELF) Implementation	-	2,907	4,125
Labour Settlement Funding	-	8,091,797	-
Premier's Award for Excellence	-	2,000	-
<b>Total Provincial Grants - Ministry of Education and Child Care</b>	<b>196,795,611</b>	<b>207,997,634</b>	<b>197,056,412</b>
<b>Provincial Grants - Other</b>	<b>287,750</b>	<b>281,178</b>	<b>349,275</b>
<b>Tuition</b>			
Continuing Education	-	3,550	3,625
International and Out of Province Students	15,104,719	14,637,737	15,057,307
Distributed Learning	2,900	7,140	9,425
<b>Total Tuition</b>	<b>15,107,619</b>	<b>14,648,427</b>	<b>15,070,357</b>
<b>Other Revenues</b>			
Other School District/Education Authorities	2,700	4,800	2,700
Funding from First Nations	989,902	697,962	829,034
Miscellaneous			
International Student Program Revenues	562,399	1,164,169	829,365
Elementary Strings Donations	-	213,260	-
ArtStarts Grant	17,600	17,600	17,600
Cafeteria Revenue	100,000	167,699	123,423
Miscellaneous	391,860	415,444	494,526
Crossing Guard Funding	-	257,152	-
GVTA 19/20 Remedy	-	390,258	-
<b>Total Other Revenue</b>	<b>2,064,461</b>	<b>3,328,344</b>	<b>2,296,648</b>
<b>Rentals and Leases</b>	<b>2,696,572</b>	<b>2,744,288</b>	<b>2,519,825</b>
<b>Investment Income</b>	<b>368,760</b>	<b>1,795,194</b>	<b>475,034</b>
<b>Total Operating Revenue</b>	<b>217,320,773</b>	<b>230,795,065</b>	<b>217,767,551</b>

# School District No. 61 (Greater Victoria)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2023

	2023 Budget (Note 17)	2023 Actual	2022 Actual (Restated - Note 25)
	\$	\$	\$
<b>Salaries</b>			
Teachers	96,707,978	<b>98,805,851</b>	94,940,648
Principals and Vice Principals	13,921,381	<b>14,198,011</b>	14,297,258
Educational Assistants	19,746,848	<b>20,096,490</b>	18,601,555
Support Staff	18,979,392	<b>20,284,062</b>	19,092,704
Other Professionals	4,830,042	<b>5,417,569</b>	5,093,299
Substitutes	8,675,067	<b>11,481,082</b>	11,140,179
<b>Total Salaries</b>	<b>162,860,708</b>	<b>170,283,065</b>	<b>163,165,643</b>
<b>Employee Benefits</b>	<b>37,928,774</b>	<b>38,898,112</b>	<b>36,977,340</b>
<b>Total Salaries and Benefits</b>	<b>200,789,482</b>	<b>209,181,177</b>	<b>200,142,983</b>
<b>Services and Supplies</b>			
Services	7,106,116	<b>8,415,076</b>	9,158,014
Student Transportation	901,500	<b>929,735</b>	877,741
Professional Development and Travel	881,322	<b>910,932</b>	682,992
Rentals and Leases	109,851	<b>70,996</b>	109,850
Dues and Fees	109,831	<b>115,234</b>	121,279
Insurance	427,403	<b>482,392</b>	474,094
Supplies	5,285,907	<b>5,506,862</b>	6,376,005
Utilities	4,009,361	<b>3,993,504</b>	4,163,454
<b>Total Services and Supplies</b>	<b>18,831,291</b>	<b>20,424,731</b>	<b>21,963,429</b>
<b>Total Operating Expense</b>	<b>219,620,773</b>	<b>229,605,908</b>	<b>222,106,412</b>



# School District No. 61 (Greater Victoria)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2023

	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	74,525,279	4,916,438	2,221,096	213,092	198,972	9,002,720	91,077,597
1.03 Career Programs	750,195	146,027	354,514			26,248	1,276,984
1.07 Library Services	2,357,271			333,195		91,662	2,782,128
1.08 Counselling	2,702,164					109,269	2,811,433
1.10 Special Education	10,617,136	498,127	16,309,134	220,684		1,258,851	28,903,932
1.20 Early Learning and Child Care			35,157				35,157
1.30 English Language Learning	2,307,353	90,299		1,381		119,518	2,518,551
1.31 Indigenous Education	451,150	72,408	718,334	52,466	158,586	33,874	1,486,818
1.41 School Administration		8,162,096		4,241,164		25,178	12,428,438
1.61 Continuing Education	156,622	30,103		59,855		4,309	250,889
1.62 International and Out of Province Students	4,821,412		5,085	888,838	814,146	319,376	6,848,857
1.64 Other	5,141		15,003			250	20,394
<b>Total Function 1</b>	<b>98,693,723</b>	<b>13,915,498</b>	<b>19,658,323</b>	<b>6,010,675</b>	<b>1,171,704</b>	<b>10,991,255</b>	<b>150,441,178</b>
<b>4 District Administration</b>							
4.11 Educational Administration		177,164		265,353	758,458	20,444	1,221,419
4.40 School District Governance				12,307	428,493	3,497	444,297
4.41 Business Administration	58,093	105,349		1,355,114	1,700,638	37,680	3,256,874
<b>Total Function 4</b>	<b>58,093</b>	<b>282,513</b>	<b>-</b>	<b>1,632,774</b>	<b>2,887,589</b>	<b>61,621</b>	<b>4,922,590</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	54,035		60,099	299,277	1,090,898	57,134	1,561,443
5.50 Maintenance Operations				10,913,518	146,556	361,307	11,421,381
5.52 Maintenance of Grounds				1,268,564			1,268,564
5.56 Utilities							-
<b>Total Function 5</b>	<b>54,035</b>	<b>-</b>	<b>60,099</b>	<b>12,481,359</b>	<b>1,237,454</b>	<b>418,441</b>	<b>14,251,388</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				39,222	120,822		160,044
7.70 Student Transportation			378,068	120,032		9,765	507,865
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>378,068</b>	<b>159,254</b>	<b>120,822</b>	<b>9,765</b>	<b>667,909</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>98,805,851</b>	<b>14,198,011</b>	<b>20,096,490</b>	<b>20,284,062</b>	<b>5,417,569</b>	<b>11,481,082</b>	<b>170,283,065</b>

# School District No. 61 (Greater Victoria)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2023

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2023 Actual	2023 Budget (Note 17)	2022 Actual (Restated - Note 25)
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	91,077,597	21,565,467	112,643,064	2,919,593	115,562,657	111,492,010	111,929,976
1.03 Career Programs	1,276,984	304,508	1,581,492	753,241	2,334,733	2,248,163	2,547,397
1.07 Library Services	2,782,128	655,095	3,437,223	106,511	3,543,734	3,265,443	3,464,863
1.08 Counselling	2,811,433	671,020	3,482,453	1,395	3,483,848	3,633,140	3,360,523
1.10 Special Education	28,903,932	6,921,269	35,825,201	876,337	36,701,538	35,319,745	34,160,348
1.20 Early Learning and Child Care	35,157	8,096	43,253	417	43,670	-	-
1.30 English Language Learning	2,518,551	592,672	3,111,223	35,565	3,146,788	2,944,444	2,781,166
1.31 Indigenous Education	1,486,818	320,300	1,807,118	785,143	2,592,261	2,746,652	2,587,710
1.41 School Administration	12,428,438	2,713,744	15,142,182	108,682	15,250,864	14,755,054	14,820,446
1.61 Continuing Education	250,889	58,978	309,867	1,478	311,345	266,801	344,965
1.62 International and Out of Province Students	6,848,857	1,595,715	8,444,572	2,666,488	11,111,060	10,448,094	10,918,122
1.64 Other	20,394	5,115	25,509	77,054	102,563	112,750	130,011
<b>Total Function 1</b>	<b>150,441,178</b>	<b>35,411,979</b>	<b>185,853,157</b>	<b>8,331,904</b>	<b>194,185,061</b>	<b>187,232,296</b>	<b>187,045,527</b>
<b>4 District Administration</b>							
4.11 Educational Administration	1,221,419	243,540	1,464,959	128,847	1,593,806	1,528,225	2,030,020
4.40 School District Governance	444,297	55,057	499,354	631,294	1,130,648	919,373	514,444
4.41 Business Administration	3,256,874	705,224	3,962,098	711,035	4,673,133	4,169,627	4,530,164
<b>Total Function 4</b>	<b>4,922,590</b>	<b>1,003,821</b>	<b>5,926,411</b>	<b>1,471,176</b>	<b>7,397,587</b>	<b>6,617,225</b>	<b>7,074,628</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	1,561,443	303,405	1,864,848	722,813	2,587,661	2,324,344	2,552,820
5.50 Maintenance Operations	11,421,381	1,860,071	13,281,452	3,462,203	16,743,655	15,616,871	17,407,833
5.52 Maintenance of Grounds	1,268,564	175,413	1,443,977	638,913	2,082,890	1,638,978	1,877,747
5.56 Utilities	-	-	-	4,904,939	4,904,939	4,975,034	5,059,355
<b>Total Function 5</b>	<b>14,251,388</b>	<b>2,338,889</b>	<b>16,590,277</b>	<b>9,728,868</b>	<b>26,319,145</b>	<b>24,555,227</b>	<b>26,897,755</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	160,044	33,155	193,199	4,994	198,193	170,150	169,932
7.70 Student Transportation	507,865	110,268	618,133	887,789	1,505,922	1,045,875	918,570
<b>Total Function 7</b>	<b>667,909</b>	<b>143,423</b>	<b>811,332</b>	<b>892,783</b>	<b>1,704,115</b>	<b>1,216,025</b>	<b>1,088,502</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>170,283,065</b>	<b>38,898,112</b>	<b>209,181,177</b>	<b>20,424,731</b>	<b>229,605,908</b>	<b>219,620,773</b>	<b>222,106,412</b>

# School District No. 61 (Greater Victoria)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2023

	2023 Budget (Note 17) \$	2023 Actual \$	2022 Actual (Restated - Note 25) \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education and Child Care	26,173,312	31,638,866	27,593,355
Other Revenue	6,000,000	6,624,643	4,933,338
Investment Income	65,620	248,419	68,509
<b>Total Revenue</b>	<u>32,238,932</u>	<u>38,511,928</u>	<u>32,595,202</u>
<b>Expenses</b>			
Instruction	31,424,881	36,433,312	31,340,238
Operations and Maintenance	814,051	831,077	796,185
<b>Total Expense</b>	<u>32,238,932</u>	<u>37,264,389</u>	<u>32,136,423</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>1,247,539</u>	<u>458,779</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	-	(1,247,539)	(458,779)
<b>Total Net Transfers</b>	<u>-</u>	<u>(1,247,539)</u>	<u>(458,779)</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. 61 (Greater Victoria)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2023

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Special Education Technology	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	-	-	709,510	68,215	4,198,380	13,961	38,267	17,873	358,325
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	810,431	687,085		131,824		192,000	68,600	520,497	4,073,107
Other			23,890		6,787,299				
Investment Income	20,646		56,323		182,730				
	831,077	687,085	80,213	131,824	6,970,029	192,000	68,600	520,497	4,073,107
<b>Less:</b> Allocated to Revenue	831,077	687,085	41,482	126,990	6,807,373	201,363	29,492	534,109	4,139,371
Recovered				66,169					
<b>Deferred Revenue, end of year</b>	-	-	<b>748,241</b>	<b>6,880</b>	<b>4,361,036</b>	<b>4,598</b>	<b>77,375</b>	<b>4,261</b>	<b>292,061</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care	810,431	687,085		126,990		201,363	29,492	534,109	4,139,371
Other Revenue					6,624,643				
Investment Income	20,646		41,482		182,730				
	831,077	687,085	41,482	126,990	6,807,373	201,363	29,492	534,109	4,139,371
<b>Expenses</b>									
Salaries									
Teachers					3,770			72,014	951,753
Principals and Vice Principals				5,180				60,199	295,254
Educational Assistants		558,810		98,526	8,082	139,896			297,439
Support Staff								6,852	120,184
Substitutes		21,807		492	94,621	2,252	9,080	109,917	62,994
	-	580,617	-	104,198	106,473	142,148	9,080	248,982	1,727,624
Employee Benefits		106,468		19,672	22,283	36,512	1,613	51,727	395,723
Services and Supplies	831,077		41,482	3,120	6,464,346	22,703	18,799	233,183	2,016,024
	831,077	687,085	41,482	126,990	6,593,102	201,363	29,492	533,892	4,139,371
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	214,271	-	-	217	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased					(214,271)			(217)	-
	-	-	-	-	(214,271)	-	-	(217)	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

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

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2023

	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	Federal Safe Return to Class / Ventilation Fund	Early Childhood Education Dual Credit Program	Student & Family Affordability
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	-	465,436	307,570	27,187	30,620	2,200	1,055,502	50,000	-
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	728,731	18,788,851	1,893,542	69,571	48,000	11,250		82,000	1,953,010
Other									
Investment Income									
	728,731	18,788,851	1,893,542	69,571	48,000	11,250	-	82,000	1,953,010
<b>Less:</b> Allocated to Revenue	728,731	18,456,032	1,703,282	70,895	73,209	4,758	1,023,968	91,047	1,535,817
Recovered		465,436	307,570						
<b>Deferred Revenue, end of year</b>	-	<b>332,819</b>	<b>190,260</b>	<b>25,863</b>	<b>5,411</b>	<b>8,692</b>	<b>31,534</b>	<b>40,953</b>	<b>417,193</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education and Child Care	728,731	18,456,032	1,703,282	70,895	73,209	4,758	1,023,968	91,047	1,535,817
Other Revenue									
Investment Income									
	728,731	18,456,032	1,703,282	70,895	73,209	4,758	1,023,968	91,047	1,535,817
<b>Expenses</b>									
Salaries									
Teachers		14,037,669	342,223						
Principals and Vice Principals									17,833
Educational Assistants									
Support Staff	170,585			21,786					
Substitutes	436,362	867,163	1,060,810			3,044			
	606,947	14,904,832	1,403,033	21,786	-	3,044	-	-	17,833
Employee Benefits	121,784	3,551,200	300,249	5,229		662			4,267
Services and Supplies				43,880	73,209	1,052		91,047	1,513,717
	728,731	18,456,032	1,703,282	70,895	73,209	4,758	-	91,047	1,535,817
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	-	1,023,968	-	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased							(1,023,968)		
	-	-	-	-	-	-	(1,023,968)	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

# School District No. 61 (Greater Victoria)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2023

	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	Ledger School	Provincial Inclusion Outreach	Estate Trust	TOTAL
	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	41,199	-	27,407	749	120,064	7,532,465
<b>Add:</b> Restricted Grants						
Provincial Grants - Ministry of Education and Child Care	19,000	175,000	374,540	879,476		31,506,515
Other						6,811,189
Investment Income					22,009	281,708
	19,000	175,000	374,540	879,476	22,009	38,599,412
<b>Less:</b> Allocated to Revenue	14,775	158,317	369,720	879,474	3,561	38,511,928
Recovered			26,407			865,582
<b>Deferred Revenue, end of year</b>	<b>45,424</b>	<b>16,683</b>	<b>5,820</b>	<b>751</b>	<b>138,512</b>	<b>6,754,367</b>
<b>Revenues</b>						
Provincial Grants - Ministry of Education and Child Care	14,775	158,317	369,720	879,474		31,638,866
Other Revenue						6,624,643
Investment Income					3,561	248,419
	14,775	158,317	369,720	879,474	3,561	38,511,928
<b>Expenses</b>						
Salaries						
Teachers			184,976	215,905		15,808,310
Principals and Vice Principals		131,454	15,362	21,689		529,138
Educational Assistants			70,992	159,600		1,351,178
Support Staff				31,301		350,708
Substitutes	10,744		11,160		421	2,690,867
	10,744	131,454	282,490	428,495	421	20,730,201
Employee Benefits	2,293	26,863	65,660	94,826	90	4,807,121
Services and Supplies	1,738		21,570	347,070	3,050	11,727,067
	14,775	158,317	369,720	870,391	3,561	37,264,389
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	9,083	-	1,247,539
<b>Interfund Transfers</b>						
Tangible Capital Assets Purchased				(9,083)		(1,247,539)
	-	-	-	(9,083)	-	(1,247,539)
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-

# School District No. 61 (Greater Victoria)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2023

	2023	2023 Actual			2022
	Budget (Note 17)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual (Restated - Note 25)
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education and Child Care	2,500,000	3,024,892		3,024,892	2,403,438
Other Revenue	5,300,000	-	1,000,000	1,000,000	
Investment Income	8,380		54,018	54,018	13,659
Amortization of Deferred Capital Revenue	8,021,537	8,013,303		8,013,303	7,858,370
Construction License	-	-	-	-	4,300,000
<b>Total Revenue</b>	<b>15,829,917</b>	<b>11,038,195</b>	<b>1,054,018</b>	<b>12,092,213</b>	<b>14,575,467</b>
<b>Expenses</b>					
Operations and Maintenance	2,500,000	3,024,892	67,186	3,092,078	2,403,438
Amortization of Tangible Capital Assets					
Operations and Maintenance	11,389,429	11,850,853		11,850,853	11,773,432
<b>Total Expense</b>	<b>13,889,429</b>	<b>14,875,745</b>	<b>67,186</b>	<b>14,942,931</b>	<b>14,176,870</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>1,940,488</b>	<b>(3,837,550)</b>	<b>986,832</b>	<b>(2,850,718)</b>	<b>398,597</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	-	3,555,392		3,555,392	1,068,149
Tangible Capital Assets - Work in Progress	-	258,267		258,267	25,887
<b>Total Net Transfers</b>	<b>-</b>	<b>3,813,659</b>	<b>-</b>	<b>3,813,659</b>	<b>1,094,036</b>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets WIP Purchased from Local Capital		3,906,359	(3,906,359)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>3,906,359</b>	<b>(3,906,359)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>1,940,488</b>	<b>3,882,468</b>	<b>(2,919,527)</b>	<b>962,941</b>	<b>1,492,633</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>22,639,871</b>	<b>3,477,091</b>	<b>26,116,962</b>	<b>46,700,235</b>
Prior Period Adjustments					
To Recognize Asset Retirement Obligation					(22,075,906)
<b>Capital Surplus (Deficit), beginning of year, as restated</b>		<b>22,639,871</b>	<b>3,477,091</b>	<b>26,116,962</b>	<b>24,624,329</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>26,522,339</b>	<b>557,564</b>	<b>27,079,903</b>	<b>26,116,962</b>

# School District No. 61 (Greater Victoria)

Tangible Capital Assets  
Year Ended June 30, 2023

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	11,978,240	388,488,365	13,957,259	1,173,392	64,193	6,712,578	422,374,027
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		22,058,068					22,058,068
<b>Cost, beginning of year, as restated</b>	11,978,240	410,546,433	13,957,259	1,173,392	64,193	6,712,578	444,432,095
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw				833,792			833,792
Deferred Capital Revenue - Other				275,486			275,486
Operating Fund		67,886	358,114	275,681		1,606,172	2,307,853
Special Purpose Funds			1,193,187			54,352	1,247,539
Transferred from Work in Progress		2,701,985	633,647			1,259,468	4,595,100
	-	2,769,871	2,184,948	1,384,959	-	2,919,992	9,259,770
Decrease:							
Deemed Disposals			291,602	30,025	64,193	1,274,579	1,660,399
	-	-	291,602	30,025	64,193	1,274,579	1,660,399
<b>Cost, end of year</b>	11,978,240	413,316,304	15,850,605	2,528,326	-	8,357,991	452,031,466
<b>Work in Progress, end of year</b>		90,768,220	728,069				91,496,289
<b>Cost and Work in Progress, end of year</b>	11,978,240	504,084,524	16,578,674	2,528,326	-	8,357,991	543,527,755
<b>Accumulated Amortization, beginning of year</b>		178,332,814	5,272,146	543,015	57,775	3,106,969	187,312,719
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		22,052,940					22,052,940
<b>Accumulated Amortization, beginning of year, as restated</b>		200,385,754	5,272,146	543,015	57,775	3,106,969	209,365,659
<b>Changes for the Year</b>							
Increase: Amortization for the Year		8,661,899	1,490,393	185,086	6,418	1,507,057	11,850,853
Decrease:							
Deemed Disposals			291,602	30,025	64,193	1,274,579	1,660,399
			-	291,602	30,025	1,274,579	1,660,399
<b>Accumulated Amortization, end of year</b>		209,047,653	6,470,937	698,076	-	3,339,447	219,556,113
<b>Tangible Capital Assets - Net</b>	<b>11,978,240</b>	<b>295,036,871</b>	<b>10,107,737</b>	<b>1,830,250</b>	<b>-</b>	<b>5,018,544</b>	<b>323,971,642</b>



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

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2023

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	52,257,885	37,624	-	-	52,295,509
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	34,099,403	1,153,114		115,915	35,368,432
Deferred Capital Revenue - Other	4,091,844	170,978			4,262,822
Operating Fund	258,267				258,267
Local Capital	2,762,806			1,143,553	3,906,359
	41,212,320	1,324,092	-	1,259,468	43,795,880
Decrease:					
Transferred to Tangible Capital Assets	2,701,985	633,647		1,259,468	4,595,100
	2,701,985	633,647	-	1,259,468	4,595,100
<b>Net Changes for the Year</b>	38,510,335	690,445	-	-	39,200,780
<b>Work in Progress, end of year</b>	<b>90,768,220</b>	<b>728,069</b>	-	-	<b>91,496,289</b>

# School District No. 61 (Greater Victoria)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2023

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	154,792,954	28,332,707	2,737,087	185,862,748
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	833,792		275,486	1,109,278
Transferred from Work in Progress	2,447,350	1,245,480	170,978	3,863,808
	<u>3,281,142</u>	<u>1,245,480</u>	<u>446,464</u>	<u>4,973,086</u>
Decrease:				
Amortization of Deferred Capital Revenue	6,829,100	1,007,338	176,865	8,013,303
	<u>6,829,100</u>	<u>1,007,338</u>	<u>176,865</u>	<u>8,013,303</u>
<b>Net Changes for the Year</b>	<u>(3,547,958)</u>	<u>238,142</u>	<u>269,599</u>	<u>(3,040,217)</u>
<b>Deferred Capital Revenue, end of year</b>	<u>151,244,996</u>	<u>28,570,849</u>	<u>3,006,686</u>	<u>182,822,531</u>
<b>Work in Progress, beginning of year</b>	48,931,365	3,332,338	-	52,263,703
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	35,368,432	4,091,844	170,978	39,631,254
	<u>35,368,432</u>	<u>4,091,844</u>	<u>170,978</u>	<u>39,631,254</u>
Decrease				
Transferred to Deferred Capital Revenue	2,447,350	1,245,480	170,978	3,863,808
	<u>2,447,350</u>	<u>1,245,480</u>	<u>170,978</u>	<u>3,863,808</u>
<b>Net Changes for the Year</b>	<u>32,921,082</u>	<u>2,846,364</u>	<u>-</u>	<u>35,767,446</u>
<b>Work in Progress, end of year</b>	<u>81,852,447</u>	<u>6,178,702</u>	<u>-</u>	<u>88,031,149</u>
<b>Total Deferred Capital Revenue, end of year</b>	<u>233,097,443</u>	<u>34,749,551</u>	<u>3,006,686</u>	<u>270,853,680</u>

# School District No. 61 (Greater Victoria)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2023

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>	684,169	2,980,325	3,881,844		602,327	<b>8,148,665</b>
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education and Child Care	38,854,942		3,754,405			<b>42,609,347</b>
Other					585,003	<b>585,003</b>
Investment Income		69,217			23,144	<b>92,361</b>
	<u>38,854,942</u>	<u>69,217</u>	<u>3,754,405</u>	<u>-</u>	<u>608,147</u>	<u><b>43,286,711</b></u>
Decrease:						
Transferred to DCR - Capital Additions	833,792				275,486	<b>1,109,278</b>
Transferred to DCR - Work in Progress	35,368,432		4,091,844		170,978	<b>39,631,254</b>
Bylaw and Other Provincial Capital Expenditures	3,024,892					<b>3,024,892</b>
	<u>39,227,116</u>	<u>-</u>	<u>4,091,844</u>	<u>-</u>	<u>446,464</u>	<u><b>43,765,424</b></u>
<b>Net Changes for the Year</b>	<u>(372,174)</u>	<u>69,217</u>	<u>(337,439)</u>	<u>-</u>	<u>161,683</u>	<u><b>(478,713)</b></u>
<b>Balance, end of year</b>	<u><b>311,995</b></u>	<u><b>3,049,542</b></u>	<u><b>3,544,405</b></u>	<u>-</u>	<u><b>764,010</b></u>	<u><b>7,669,952</b></u>