

School District No. 54 (BULKLEY VALLEY)

P.O. Box 758

Smithers, B.C.

Vol 2 No

"To empower all learners to live the challenges of a diverse and changing world"

Ph. (250) 877-6820

Fax (250) 877-6835

November 28, 2018

School District Financial Reporting Unit
Resource Management Division
and Corporate Services Division
Ministry of Education
PO Box 9151 STN PROV GOVT
Victoria, BC V8W 9H1

RE: STATEMENT OF FINANCIAL INFORMATION 2017/2018

Please find enclosed an original copy of the Statement of Financial Information (SOFI) for the fiscal year ended June 30, 2018.

Please contact my office if additional information is required.

Thank you for your attention.

Yours truly,



Dave Margerm
Secretary Treasurer
School District #54 (Bulkley Valley)

DM/bk

Enclosures

cc: C. van der Mark – Superintendent of Schools
T. Perreault – Assistant Secretary-Treasurer

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

School District No. 54 (Bulkley Valley)

Fiscal Year Ended June 30, 2018

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7. Schedule of Remuneration and Expenses including:
 - Statement of Severance Agreements
 - Reconciliation or explanation of differences to Audited Financial Statements
8. Schedule of Payments for the Provision of Goods and Services including:
 - Reconciliation or explanation of differences to Audited Financial Statements



Ministry of Education

SCHOOL DISTRICT STATEMENT OF FINANCIAL INFORMATION (SOFI)

6049

SCHOOL DISTRICT NUMBER 54	NAME OF SCHOOL DISTRICT Bulkley Valley	YEAR 2017/2018
OFFICE LOCATION(S) 1235 Montreal Street	TELEPHONE NUMBER 250-877-6820	
MAILING ADDRESS Box 758		
CITY Smithers	PROVINCE BC	POSTAL CODE V0J 2N0
NAME OF SUPERINTENDENT Chris A. van der Mark		TELEPHONE NUMBER 250-877-6820
NAME OF SECRETARY TREASURER Dave Margerm		TELEPHONE NUMBER 250-877-6820

DECLARATION AND SIGNATURES

We, the undersigned, certify that the attached is a correct and true copy of the Statement of Financial Information for the year ended June 30, 2018

for School District No. 54 as required under Section 2 of the Financial Information Act.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION 	DATE SIGNED Nov 27 2018
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED Nov 27 2018
SIGNATURE OF SECRETARY TREASURER 	DATE SIGNED Nov. 27, 2018

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

School District No. 54 (Bulkley Valley)

Fiscal Year Ended June 30, 2018

MANAGEMENT REPORT

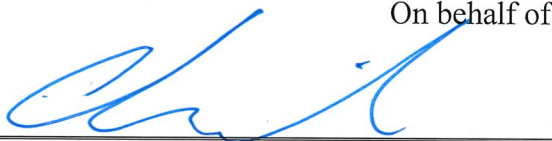
The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with Canadian generally accepted accounting principles and the integrity and objectivity of these statements are management's responsibility.

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

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

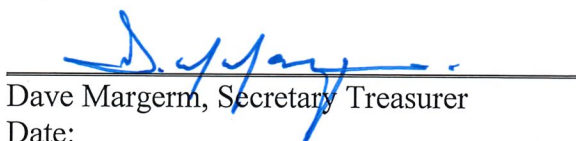
The external auditors, Carlyle Shepherd & Co conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements as required by the *School Act*. Their examination does not relate to the other schedules of financial information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

On behalf of School District



Chris A. van der Mark, Superintendent

Date:



Dave Margerm, Secretary Treasurer

Date:

Prepared as required by *Financial Information Regulation*, Schedule 1, section 9

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

School District No. 54 (Bulkley Valley)

Fiscal Year Ended June 30, 2018

SCHEDULE OF DEBT

School District #54 (Bulkley Valley) does not have long term debt as disclosed in School District Audited Financial Statements.

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

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

School District No. 54 (Bulkley Valley)

Fiscal Year Ended June 30, 2018

SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

School District No.54 (Bulkley Valley) has not given any guarantee or indemnity under the Guarantees and Indemnities Regulation.

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

School District No.54
SCHEDULE OF REMUNERATION AND EXPENSE
YEAR ENDED JUNE 30,2018

NAME	POSITION	REMUNERATION	EXPENSE
ELECTED OFFICIALS :			
Beaubien, Billie Jean		9,494.28	
Collingwood, Lara		9,494.28	2,295.70
Farrell, Frank		9,494.28	3,161.52
Hanson, Dawn		9,494.28	1,343.80
Kearns, Leslie		11,428.49	5,329.95
Michell, Priscilla A		9,494.28	2,758.72
Williams, Jennifer		11,780.11	9,626.00
TOTAL ELECTED OFFICIALS		70,680.00	24,515.69
DETAILED EMPLOYEES > 75,000.00 :			
Anderson, Dwayne		98,343.03	4,387.87
Anderson, Melanie		84,945.25	1,739.10
Bachman, Kristy Anne		84,685.46	544.29
Barber, Jody		93,631.55	1,163.19
Beck, Edward		93,165.99	1,043.49
Becker, Cheryl		84,982.01	17.25
Burns, James		85,397.11	
Cooke, Matthew		90,890.55	
Coupe, Malcolm		81,883.78	
Cunningham, Sally		85,397.62	
Currie, Jason Neal		85,247.11	1,542.94
Davey, Nicole		117,244.59	4,287.22
DeYoung, Christopher		85,247.11	
Delany, Janna		99,248.37	4,461.75
Doogan-Smith, Michael		85,247.11	340.18
Dow, Beverly		79,245.77	
Doyle, Betty-Lou		93,030.76	
Dufresne, Eric		85,247.11	
Edwardsen, Vallerie		75,758.58	
Embacher, Monica		79,504.20	
Erickson, Helen		92,986.11	546.26
Findlay, Anne-Marie		84,197.11	
Forster, Beverly		118,078.54	3,456.97
Fox, Jana		91,645.50	3,627.58
Froese, Kirsten		114,127.72	5,478.21
Goalder, Jon		85,226.76	
Goble, Jo-Anne E		92,566.43	2,502.71
Grice, Jaksun		126,244.13	8,992.33
Harness, Ann		75,382.65	289.14
Hennig, Martin		90,663.76	
Hewgill, Catherine		87,409.43	
Holland, Derek		84,876.55	
Hubert, Richard W		90,663.76	1,065.00
Jakubec, Michelle		77,069.25	707.00
Kinkela, Susan		92,730.85	1,221.39

School District No.54
 SCHEDULE OF REMUNERATION AND EXPENSE
 YEAR ENDED JUNE 30,2018

NAME	POSITION	REMUNERATION	EXPENSE
Kluss, Nikki		85,247.11	
Krall, Julie		112,627.72	1,911.85
Kusleika, Linda		90,938.16	
Lance, Nicole		82,963.83	
Levenson, Sean		85,037.91	1,040.79
Lukasek, Christopher		85,247.11	
Lytle, Bradley		85,247.11	300.00
Margerm, David		149,762.03	24,496.39
Mark, Laura		81,527.50	
Mark, Robert		76,093.99	1,604.44
Markert, Birdy		111,490.22	6,493.79
McAulay, Craig A		120,803.58	2,248.45
McAulay, Sandra		84,386.68	4,856.84
McCurrach, Leslie		75,103.39	1,137.40
McDiarmid, Michael		145,990.15	13,347.51
McIntyre, Kathy		84,822.88	
McKenzie, Tracy-Lynn		85,309.67	
McKinnon, Audrey		88,249.63	1,232.44
Miller, Cynthia		103,899.43	2,757.68
Monkman, Matthew		116,558.57	14,407.73
Monkman, Teresa		91,516.43	1,365.28
Neto, Mary		84,720.14	
Niven, Kari-Lee		82,524.57	
Perreault, Tonita		97,316.81	6,458.14
Pesce, Liliana		90,663.76	1,887.89
Pottinger, Cindy		76,890.10	277.56
Quanstrom, Catherine		91,516.43	21.24
Rath, Perry		85,246.04	
Richardson, Michael		75,781.14	56.00
Richmond, Aimee		85,516.72	
Rode, Holger		81,131.02	
Sasvari, Michelle A.		84,399.67	
Shanmugaveloo, Nancy		82,943.79	190.00
Sikkes, Mary C.		91,758.93	
Staplin, Elaina		82,630.53	1,163.19
Steinke, Lynnel		83,468.84	
Taylor, Frances		75,758.58	
Tendall, Brett		92,566.43	341.25
Tessier, Natasha		81,893.41	1,746.76
Thornton, Lorna		90,138.76	
Turney, Barbara		108,085.15	2,664.38
Watson, Dorelene		85,472.11	
Weiss, Ilona		84,594.99	12.44
White, Shirley		92,566.43	468.56
Willing, Kristina		92,566.43	
Wilson, Wade		77,892.10	
Witt, Tisha		89,614.41	21.63
Young, Stefan		81,207.44	2,802.56
Zack, Deborah		81,320.16	

School District No.54
SCHEDULE OF REMUNERATION AND EXPENSE
YEAR ENDED JUNE 30,2018

NAME	POSITION	REMUNERATION	EXPENSE
van der Mark, Catherine		115,283.57	19,222.04
van der Mark, Christopher		182,384.90	16,916.12
TOTAL DETAILED EMPLOYEES > 75,000.00		7,922,888.07	178,864.22
TOTAL EMPLOYEES <= 75,000.00		9,140,708.38	96,697.03
TOTAL		17,134,276.45	300,076.94
TOTAL EMPLOYER PREMIUM FOR CPP/EI			886,712.76

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

School District No. 54 (Bulkley Valley)

Fiscal Year Ended June 30, 2018

STATEMENT OF SEVERANCE AGREEMENTS

There were no severance agreements made between School District No. 54 (Bulkley Valley) and its non-unionized employees during fiscal year 2018.

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

VENDOR NAME	EXPENSE

DETAILED VENDORS > 25,000.00 :	
APPLE CANADA INC.	26,443.20
AQUA NORTH PLUMBING LTD.	841,213.95
Amazon	37,326.69
BC HYDRO	202,152.51
BULKLEY AUTOMOTIVE LTD.	69,842.38
BVTU PRO-D	27,628.04
Bulkley valley wholesale	33,930.89
CASCADIA OCCUPATIONAL HYGIENE	45,354.62
CDW CANADA INC.	59,000.71
COAST MOUNTAIN COLLEGE	134,990.84
Country Wide Printing & Station	51,528.47
ENGINEERED AIR	40,575.36
ESCHER HARDWOOD FLOORING	39,755.10
ETP ENERGY TECHNOLOGY PRODUCTS	70,858.90
Eco1 Electric	41,356.21
FIRST TRUCK CENTRE VANCOUVER INC.	140,114.76
ICBC	30,456.00
IGI RESOURCES INC.	53,111.54
Jerry's No Frills	31,885.14
KBC TOOLS AND MACHINERY ULC	29,520.29
MIDWAY PURNEL SANITARY PG LTD.	89,897.93
MINISTER OF FINANCE	222,992.00
MUNICIPAL PENSION PLAN	191,279.40
Minister of Finance (MSP)	222,992.00
N. HARRIS COMPUTER CORPORATION	94,557.94
NEUDORF ELECTRIC LTD.	28,687.16
NORTHLAND CHRYSLER JEEP DODGE	65,750.72
OPUS CONSULTING GROUP LTD.	89,962.37
PACIFIC BLUE CROSS	367,020.98
PACIFIC NORTHERN GAS LTD.	184,589.24
PARKLAND REFINING (B.C.) LTD.	193,564.57
PRINCE SHEET METAL & HEATING LTD.	60,462.15
PUBLIC ED. BENEFITS TRUST IN TRUST	254,624.85
RICOH CANADA INC.	67,622.47
ROYAL STEWART LTD.	49,725.61
SIMPSON CONTROLS LTD.	85,813.46
SMITHERS SECONDARY SCHOOL	36,051.92
STEPHEN MCNICHOLLS CONSULTING INC.	39,900.00
Smithers Lumber Yard	52,616.22
Spee Dee Stationary	55,954.71
TEACHERS' PENSION PLAN	918,600.46
TELUS	31,554.59
THE GREAT-WEST LIFE ASSURANCE COMPA	43,936.81
TRI-METAL FABRICATORS	195,367.20
WORK SAFE BC	109,411.23

TOTAL DETAILED VENDORS > 25,000.00	5,759,981.59

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School District No.54
SCHEDULE OF PAYMENTS FOR GOODS AND SERVICE
YEAR ENDED JUNE 30,2018

PAGE 2
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VENDOR NAME

EXPENSE

TOTAL VENDORS <= 25,000.00

719,036.00

TOTAL PAYMENTS FOR THE GOODS AND SERVICES

=====
6,479,017.59

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

School District #54 (Bulkley Valley)

Fiscal Year Ended June 30, 2018

RECONCILIATION OF PAYMENTS (SOFI) TO THE AUDITED FINANCIAL STATEMENTS

The differences between the combined totals for the Schedule of Remuneration and Expenses and the Schedule of Payments made for the Provision of Goods and Services contained with the Statement of Financial Information report and the district's Audited Financial Statements – specifically Statement 2 – Statement of Revenue and Expense, are as indicated below in the Explanation of Variance.

Explanation of Variance – the SOFI schedules differ from the Audited Financial Statements for the following reasons:

- The Schedule of Remuneration and Expenses is prepared on a cash basis and the salary and benefits in the Audited Financial Statements are on an accrual basis.
- The Schedule of Payments for Goods and Services is prepared on a cash basis and expenditures in the Audited Financial Statements are on an accrual basis.
- Included in the expenses of the Audited Financial Statements is amortization of the capital assets which would not be included in either the Schedule of Remuneration and Expenses or the Schedule of Payments for Goods and Services.
- Included in the Schedule of Payments for Goods and Services are payments to contractors and other suppliers for services and supplies which have been capitalized in the Audited Financial Statements and would not be reflected in the expenses of the district.
- Payments to suppliers on the Schedule of Payments for Goods and Services include 100% of Goods and Services Tax (GST) while expenditures recorded in the Audited Financial Statements are net of the GST rebate of 68%.
- The Schedule of Payments of Goods and Services include payment made on behalf of third parties such as Parent Advisory Councils (PAC's). The third party recovery of the expenses would be netted against the expenses in the Audited Financial Statements and the expense would not be reflected.
- Payments to benefit suppliers include taxable benefit amounts shown as remuneration on the Schedule of Remuneration and Expenses. Also, travel expenditures paid directly to suppliers may be duplicated in the employee expense category.
- Other miscellaneous cost recoveries may not have been deducted from the payment schedules.

Prepared as required by the Financial Information Act, RSBC 1996 Chapter 140.

Audited Financial Statements of

School District No. 54 (Bulkley Valley)

June 30, 2018

School District No. 54 (Bulkley Valley)

June 30, 2018

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School District No. 54 (Bulkley Valley)

MANAGEMENT REPORT

Version: 7619-6873-4891

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 54 (Bulkley Valley) 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. 54 (Bulkley Valley) (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, Carlyle Shepherd & Co, 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. 54 (Bulkley Valley) 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. 54 (Bulkley Valley)



Signature of the Chairperson of the Board of Education

Sept 25, 2018

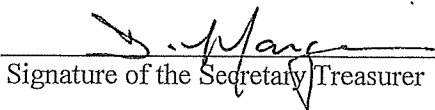
Date Signed



Signature of the Superintendent

SEPT 25, 2018

Date Signed



Signature of the Secretary/Treasurer

Sept. 25 / 18.

Date Signed

INDEPENDENT AUDITOR'S REPORT

**To the Board of Education - School District No. 54 (Bulkley Valley) and
The Minister of Education**

Report on the Financial Statements

We have audited the accompanying statement of financial position of School District No. 54 (Bulkley Valley) as at June 30, 2018 and the statements of operations, changes in net financial assets (debt) and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

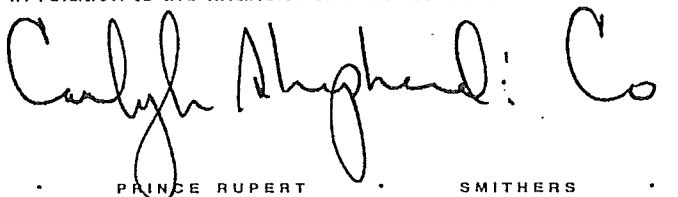
Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School District as at June 30, 2018 and the results of its operations, changes in net financial assets (debt) and cash flows for the year then ended in accordance with section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the School District taken as a whole. The current year's supplementary information included in Schedules 1 to 4D is presented for purposes of additional analysis. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects, in relation to the financial statements taken as a whole.

Smithers, BC
September 25, 2018



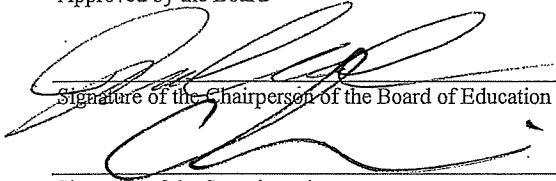
Carlyle Shepherd: Co.

School District No. 54 (Bulkley Valley)

Statement of Financial Position
As at June 30, 2018

	2018 Actual \$	2017 Actual \$
Financial Assets		
Cash and Cash Equivalents	7,697,587	6,360,859
Accounts Receivable		
Due from Province - Ministry of Education	25,692	185,157
Due from LEA/Direct Funding	234,924	
Other (Note 3)	170,822	162,438
Total Financial Assets	<u>8,129,025</u>	<u>6,708,454</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	2,264,270	1,620,677
Deferred Revenue (Note 5)	939,851	1,068,135
Deferred Capital Revenue (Note 6)	14,683,462	13,961,821
Employee Future Benefits (Note 7)	589,864	562,638
Total Liabilities	<u>18,477,447</u>	<u>17,213,271</u>
Net Financial Assets (Debt)	<u>(10,348,422)</u>	<u>(10,504,817)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 8)	22,480,420	21,730,069
Prepaid Expenses	46,912	9,540
Total Non-Financial Assets	<u>22,527,332</u>	<u>21,739,609</u>
Accumulated Surplus (Deficit)	<u>12,178,910</u>	<u>11,234,792</u>

Approved by the Board



Signature of the Chairperson of the Board of Education

SEPT 25 / 2018
Date Signed

Signature of the Superintendent

SEPT 25 / 2018
Date Signed



Signature of the Secretary Treasurer

Sept. 25 / 18.
Date Signed

School District No. 54 (Bulkley Valley)Statement of Operations
Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	23,156,157	23,198,303	22,603,041
Other	115,000	131,000	133,000
Tuition		190	21,015
Other Revenue	1,733,160	1,745,028	1,935,032
Rentals and Leases	20,000	24,464	27,862
Investment Income	110,100	98,340	63,794
Amortization of Deferred Capital Revenue	782,610	821,567	667,841
Total Revenue	25,917,027	26,018,892	25,451,585
Expenses			
Instruction	18,208,054	17,658,068	17,347,999
District Administration	1,100,218	1,116,442	1,109,193
Operations and Maintenance	5,308,042	4,935,321	5,096,660
Transportation and Housing	1,163,122	1,364,943	1,527,245
Total Expense	25,779,436	25,074,774	25,081,097
Surplus (Deficit) for the year	137,591	944,118	370,488
Accumulated Surplus (Deficit) from Operations, beginning of year		11,234,792	10,864,304
Accumulated Surplus (Deficit) from Operations, end of year		12,178,910	11,234,792

School District No. 54 (Bulkley Valley)

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Surplus (Deficit) for the year	137,591	944,118	370,488
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(448,659)	(1,928,143)	(2,232,660)
Amortization of Tangible Capital Assets	1,141,678	1,177,792	1,166,305
Total Effect of change in Tangible Capital Assets	693,019	(750,351)	(1,066,355)
Use of Prepaid Expenses		(37,372)	(5,371)
Total Effect of change in Other Non-Financial Assets	-	(37,372)	(5,371)
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>830,610</u>	156,395	(701,238)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		156,395	(701,238)
Net Financial Assets (Debt), beginning of year		(10,504,817)	(9,803,579)
Net Financial Assets (Debt), end of year		<u>(10,348,422)</u>	<u>(10,504,817)</u>

School District No. 54 (Bulkley Valley)

Statement of Cash Flows
Year Ended June 30, 2018

	2018 Actual \$	2017 Actual \$
Operating Transactions		
Surplus (Deficit) for the year	944,118	370,488
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(83,843)	130,470
Prepaid Expenses	(37,372)	(5,371)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	643,593	(864,248)
Deferred Revenue	(128,284)	137,020
Employee Future Benefits	27,226	30,881
Amortization of Tangible Capital Assets	1,177,792	1,166,305
Amortization of Deferred Capital Revenue	(821,567)	(667,841)
Total Operating Transactions	<u>1,721,663</u>	<u>297,704</u>
Capital Transactions		
Tangible Capital Assets Purchased	(1,928,143)	(2,232,660)
Total Capital Transactions	<u>(1,928,143)</u>	<u>(2,232,660)</u>
Financing Transactions		
Capital Revenue Received	1,543,208	1,792,715
Total Financing Transactions	<u>1,543,208</u>	<u>1,792,715</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,336,728	(142,241)
Cash and Cash Equivalents, beginning of year	<u>6,360,859</u>	<u>6,503,100</u>
Cash and Cash Equivalents, end of year	<u><u>7,697,587</u></u>	<u><u>6,360,859</u></u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	<u>7,697,587</u>	<u>6,360,859</u>
	<u><u>7,697,587</u></u>	<u><u>6,360,859</u></u>

SCHOOL DISTRICT No. 54 (BULKLEY VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 1 AUTHORITY AND PURPOSE

The School District operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 54 (Bulkley Valley)", and operates as "School District No. 54 (Bulkley Valley)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 54 (Bulkley Valley) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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 (d) and 2 (j), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue. The impact of this difference on the financial statements of the School District is as follows:

Year-ended June 30, 2017	Increase in annual surplus	\$1,210,652
June 30, 2017	Increase in accumulated surplus and decrease in deferred contributions	\$13,402,882
Year-ended June 30, 2018	Increase in annual surplus	\$786,746
June 30, 2018	Increase in accumulated surplus and decrease in deferred contributions	\$14,189,628

b) Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid investments that are readily convertible to known amounts of cash.

c) Accounts Receivable

All accounts receivable are considered collectible.

SCHOOL DISTRICT No. 54 (BULKLEY VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Deferred Revenue and Deferred Capital Revenue

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

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

e) Employee Future Benefits

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

The most recent valuation of the obligation was performed at March 31, 2016 and projected to March 31, 2019. The next valuation will be performed at March 31, 2019 for use at June 30, 2019. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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

f) Asset Retirement Obligations

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. Obligations which can reasonably be estimated are measured initially at fair value, determined using present value methodology,

SCHOOL DISTRICT No. 54 (BULKLEY VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

and the resulting costs are capitalized into the carrying amount of the related tangible capital asset.

In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.

g) Tangible Capital Assets

The following criteria apply:

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

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

h) Prepaid expenses

Prepaid expenses such as fees and dues are recorded as a prepaid expense and charged to expense over periods expected to benefit from them.

SCHOOL DISTRICT No. 54 (BULKLEY VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

i) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 10 – Interfund Transfers and Note 14 – Internally Restricted Surplus). Funds and reserves are disclosed on unaudited Schedules 2, 3 and 4.

j) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

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

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

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

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

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 applicable legislation, investment income earned on deferred revenue is added to the deferred revenue balance.

k) Expenditures

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

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.

SCHOOL DISTRICT No. 54 (BULKLEY VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.
- Educational Assistants include those employed under the CUPE Collective Agreement categorized as Special Education Assistants, Education Assistants, Strong Start Coordinators, Human Service Workers, Aboriginal Support Services Workers, Library Clerks and Noon Hour Supervisors.
- Support Staff include those employed under the CUPE Collective Agreement categorized as Secretaries, Accounts Payable Clerks, Labourers, Custodians, Computer Technicians, Theatre Technicians, Maintenance Trades-Certified, Maintenance Trades-Uncertified, Groundsmen, Network Analysts, Data Custodians, Bus Drivers and Foremen.

Allocation of Costs

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

l) Financial Instruments

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

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

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

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

SCHOOL DISTRICT No. 54 (BULKLEY VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

m) Measurement Uncertainty

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

n) School Funds

Funds collected and used at the school level are included in these financial statements and reported under the special purpose fund as other revenue. Contributions collected during the year are recorded as deferred revenue. The deferred revenue is recognized as revenue in the year which the related expense is incurred. The District reports these funds using an April 1 – March 31 reporting period.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER

	2018	2017
Due from Federal Government	\$ 73,800	\$ 88,180
Other	97,022	74,258
	\$170,822	\$162,438

NOTE 4 ACCOUNTS PAYABLE & ACCRUED LIABILITIES - OTHER

	2018	2017
Salaries and benefits payable	\$1,538,462	\$991,194
Accrued vacation pay	297,600	289,531
Other	428,208	339,952
	\$2,264,270	\$1,620,677

NOTE 5 DEFERRED REVENUE

Detailed information about the changes in Deferred Revenue is disclosed in Schedule 3A.

NOTE 6 DEFERRED CAPITAL REVENUE

Detailed information about changes in Deferred Capital Revenue is disclosed in Schedules 4C and Schedules 4D.

SCHOOL DISTRICT No. 54 (BULKLEY VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 7 EMPLOYEE FUTURE BENEFITS

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

	2018	2017
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$510,387	\$532,801
Service Cost	40,184	40,336
Interest Cost	14,425	13,493
Benefit Payments	(35,052)	(14,322)
Increase (Decrease) in obligation due to Plan Amendment	0	0
Actuarial (Gain) Loss	(17,239)	(61,921)
Accrued Benefit Obligation – March 31	<u>\$512,705</u>	<u>\$510,387</u>

Reconciliation of Funded Status at End of Fiscal Year

Accrued Benefit Obligation – March 31	512,705	\$510,387
Funded Status – Surplus (Deficit)	(512,705)	(510,387)
Employer Contributions After Measurement Date	7,434	16,404
Benefits Expense after Measurement Date	(13,850)	(13,652)
Unamortized Net Actuarial (Gain) Loss	(70,743)	(55,003)
Accrued Benefit Asset (Liability) – June 30	<u>(589,864)</u>	<u>(562,638)</u>

Reconciliation of Change in Accrued Benefit Liability

Accrued Benefit Liability – July 1	562,638	531,757
Net expense for Fiscal Year	53,308	58,843
Employer Contributions	(26,082)	(27,961)
Accrued Benefit Liability – June 30	<u>\$589,864</u>	<u>\$562,638</u>

	2018	2017
Components of Net Benefit Expense		
Service Cost	\$40,363	\$40,298
Interest Cost	14,444	13,726
Immediate Recognition of Plan Amendment	0	0
Amortization of Net Actuarial (Gain)/Loss	(1,499)	4,819
Net Benefit Expense (Income)	<u>\$53,308</u>	<u>\$58,843</u>

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

	2018	2017
Discount Rate – April 1	2.75%	2.5%
Discount Rate – March 31	2.75%	2.75%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	9.8	9.8

SCHOOL DISTRICT No. 54 (BULKLEY VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 8 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value June 30, 2018	Net Book Value June 30, 2017
Sites	\$ 1,382,369	\$ 1,382,369
Buildings	18,714,764	17,933,232
Furniture & Equipment	638,286	575,951
Vehicles	1,662,417	1,742,529
Computer Hardware	82,584	95,988
Total	\$22,480,420	\$21,730,069

June 30, 2018

Cost:	Balance at July 1, 2017	Additions	Disposals	Balance at June 30, 2018
Sites	\$ 1,382,369	\$	\$	\$1,382,369
Buildings	37,856,471	1,528,064		39,384,535
Furniture & Equipment	980,748	162,735	116,233	1,027,250
Vehicles	3,115,665	220,087	447,440	2,888,312
Computer Hardware	144,674	17,257		161,931
Total	\$43,479,927	\$1,928,143	\$563,673	\$44,844,397

Accumulated Amortization:	Balance at July 1, 2017	Additions	Disposals	Balance at June 30, 2018
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	19,923,239	746,532		20,669,771
Furniture & Equipment	404,797	100,400	116,233	388,964
Vehicles	1,373,136	300,199	447,440	1,225,895
Computer Hardware	48,686	30,661		79,347
Total	\$21,749,858	\$1,177,792	\$563,673	\$22,363,977

June 30, 2017

Cost:	Balance at July 1, 2016	Additions	Disposals	Balance at June 30, 2017
Sites	\$ 1,382,369	\$ -	\$ -	\$ 1,382,369
Buildings	36,384,025	1,472,446		37,856,471
Furniture & Equipment	900,082	154,978	74,312	980,748
Vehicles	2,921,099	605,236	410,670	3,115,665
Computer Hardware	147,991		3,317	144,674
Total	\$41,735,566	\$2,232,660	\$488,299	\$43,479,927

Accumulated Amortization:	Balance at July 1, 2016	Additions	Disposals	Balance at June 30, 2017
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	19,214,208	709,031		19,923,239
Furniture & Equipment	367,771	111,338	74,312	404,797
Vehicles	1,480,281	303,525	410,670	1,373,136
Computer Hardware	9,592	42,411	3,317	48,686
Total	\$21,071,852	\$1,166,305	\$488,299	\$21,749,858

SCHOOL DISTRICT No. 54 (BULKLEY VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 9 EMPLOYEE PENSION PLANS

The school district and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2016, the Teachers' Pension Plan has about 45,000 active members and approximately 37,000 retired members. As of December 31, 2016, the Municipal Pension Plan has about 193,000 active members, including approximately 24,000 from school districts.

Every three years, an actuarial valuation is performed to assess the financial position of the plans and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plans. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plans. This rate 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, 2014, indicated a \$449 million surplus for basic pension benefits on a going concern basis. As a result of the 2014 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, the employer basic contribution rate decreased.

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

The school district paid \$1,883,251 for employer contributions to the plans for the year ended June 30, 2018 (2017: \$1,863,275)

The next valuation for the Teachers' Pension Plan will be as at December 31, 2017, with results available in 2018. The next valuation for the Municipal Pension Plan will be as at December 31, 2018, with results available in 2019.

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

NOTE 10 INTERFUND TRANSFERS

Inter-fund transfers between the operating, special purpose and capital funds for the year ended June 30, 2018, were as follows:

- Transfers to the Capital Fund from the Operating Fund for capital purchases of \$148,997.
- Transfers to the Capital Fund from the Special Purposes Fund for capital purchases of \$129,601.
- Transfers to the Capital Fund from the Operating Fund for local capital of \$33,000.

SCHOOL DISTRICT No. 54 (BULKLEY VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 11 RELATED PARTY TRANSACTIONS

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

NOTE 12 BUDGET FIGURES

The annual budget for the School District for the year ended June 30, 2018 was approved by the Board on May 16, 2017. In accordance with Ministry policy, an amended annual budget for the School District was approved by the Board on February 20, 2018. The amended annual budget reflects funding based on enrolment on September 30, 2017 and is considered by the Board to more accurately reflect expected results for the year. These financial statements show the amended annual budget. The budget figures have not been audited.

The annual budget and amended annual budget are compared below:

	Annual Budget	Amended Budget
Revenues	\$26,000,784	\$25,917,027
Expenses		
Instruction	\$18,324,155	\$18,208,054
District Administration	1,166,457	1,100,218
Operations & Maintenance	5,253,029	5,308,042
Transportation & Housing	1,177,337	1,163,122
Total Expenses	\$25,920,978	\$25,779,436
Surplus/Deficit	\$79,806	\$137,591

NOTE 13 EXPENSE BY OBJECT

	2018	2017
Salaries and benefits	\$20,224,665	\$19,328,332
Services and supplies	3,672,317	45,586,460
Amortization	1,177,792	1,166,305
	\$25,074,774	\$25,081,097

NOTE 14 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted (appropriated) by Board for:	2018	2017
Aboriginal Education	\$34,180	\$ 797
Administrative Officers	6,796	6,796
Allocation to Schools	27,578	(2,204)
Fund Allocation to Schools	406,374	330,500
	\$474,928	\$335,889
Unrestricted Operating Surplus (Deficit)	2,654,852	1,817,644
Total Available for Future Operations	\$3,129,780	\$2,153,533

SCHOOL DISTRICT No. 54 (BULKLEY VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

NOTE 15 ECONOMIC DEPENDENCE

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

NOTE 16 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 borrower. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

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

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 not exposed to interest rate risk as it does not hold portfolio investments.

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.

SCHOOL DISTRICT No. 54 (BULKLEY VALLEY)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

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

School District No. 54 (Bulkeley Valley)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2018

	Operating Fund	Special Purpose Fund	Capital Fund	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	2,153,533		9,081,259	11,234,792	10,864,304
Changes for the year					
Surplus (Deficit) for the year	1,158,244	129,601	(343,727)	944,118	370,488
Interfund Transfers					
Tangible Capital Assets Purchased	(148,997)	(129,601)	278,598	-	-
Local Capital	(33,000)		33,000	-	-
Net Changes for the year	976,247	-	(32,129)	944,118	370,488
Accumulated Surplus (Deficit), end of year - Statement 2	3,129,780	-	9,049,130	12,178,910	11,234,792

School District No. 54 (Bulkley Valley)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	21,115,720	21,274,293	21,476,915
Other	115,000	131,000	133,000
Tuition		190	21,015
Other Revenue	815,188	807,852	832,352
Rentals and Leases	20,000	24,464	27,862
Investment Income	95,000	85,842	54,986
Total Revenue	22,160,908	22,323,641	22,546,130
Expenses			
Instruction	16,421,391	15,993,942	16,472,941
District Administration	1,100,218	1,116,442	1,109,193
Operations and Maintenance	3,136,177	2,990,269	2,997,675
Transportation and Housing	1,163,122	1,064,744	1,223,720
Total Expense	21,820,908	21,165,397	21,803,529
Operating Surplus (Deficit) for the year	340,000	1,158,244	742,601
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(307,000)	(148,997)	(187,254)
Local Capital	(33,000)	(33,000)	(33,000)
Total Net Transfers	(340,000)	(181,997)	(220,254)
Total Operating Surplus (Deficit), for the year	-	976,247	522,347
Operating Surplus (Deficit), beginning of year		2,153,533	1,631,186
Operating Surplus (Deficit), end of year		3,129,780	2,153,533
Operating Surplus (Deficit), end of year			
Internally Restricted		474,928	335,889
Unrestricted		2,654,852	1,817,644
Total Operating Surplus (Deficit), end of year		3,129,780	2,153,533

School District No. 54 (Bulkley Valley)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source
Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	21,368,679	21,485,224	21,553,724
DISC/LEA Recovery	(752,688)	(761,805)	(752,688)
Other Ministry of Education Grants			
Pay Equity	225,459	225,459	225,459
Funding for Graduated Adults		4,041	
Transportation Supplement	163,737	163,737	163,737
Economic Stability Dividend		11,960	10,762
Return of Administrative Savings	110,533	110,533	110,533
Carbon Tax Grant		35,144	64,650
Student Learning Grant			100,738
Total Provincial Grants - Ministry of Education	21,115,720	21,274,293	21,476,915
Provincial Grants - Other	115,000	131,000	133,000
Tuition			
International and Out of Province Students		190	21,015
Total Tuition	-	190	21,015
Other Revenues			
LEA/Direct Funding from First Nations	752,688	761,805	752,688
Miscellaneous			
Bussing	24,000	23,684	18,509
Other	20,000	5,759	26,155
French Monitor	18,500	16,604	15,467
BMO Rebates			19,533
Total Other Revenue	815,188	807,852	832,352
Rentals and Leases	20,000	24,464	27,862
Investment Income	95,000	85,842	54,986
Total Operating Revenue	22,160,908	22,323,641	22,546,130

School District No. 54 (Bulkley Valley)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object
Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Salaries			
Teachers	8,222,983	7,857,420	8,127,318
Principals and Vice Principals	1,417,711	1,458,124	1,403,318
Educational Assistants	1,570,957	1,475,724	1,265,919
Support Staff	2,355,433	2,493,119	2,347,799
Other Professionals	983,883	1,041,105	1,025,007
Substitutes	685,750	685,077	588,257
Total Salaries	15,236,717	15,010,569	14,757,618
Employee Benefits	3,638,272	3,549,970	3,695,656
Total Salaries and Benefits	18,874,989	18,560,539	18,453,274
Services and Supplies			
Services	421,691	406,522	341,006
Professional Development and Travel	385,700	389,325	378,982
Dues and Fees	40,100	31,538	33,792
Insurance	98,500	89,771	61,345
Supplies	1,399,376	1,180,351	2,017,411
Utilities	420,898	507,351	517,719
Computer Equipment	179,654		
Total Services and Supplies	2,945,919	2,604,858	3,350,255
Total Operating Expense	21,820,908	21,165,397	21,803,529

School District No. 54 (Bulkeley Valley)

Operating Expense by Function, Program and Object

Year Ended June 30, 2018

Schedule (Unaudited)

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	6,621,202	175,833	107,417	188,428	55,721	464,321	7,612,922
1.03 Career Programs	52,048			531		6,336	58,915
1.07 Library Services	200,039	205,505	65,792			14,876	486,212
1.08 Counselling	222,731					7,862	230,593
1.10 Special Education	671,241	147,954	1,087,650	7,767	87,006	99,945	2,101,563
1.31 Aboriginal Education	90,159	114,856	214,865	12,419		2,028	434,327
1.41 School Administration		813,976		246,305		22,767	1,083,048
1.64 Other							
Total Function 1	7,857,420	1,458,124	1,475,724	455,450	142,727	618,135	12,007,580
4 District Administration							
4.11 Educational Administration				1,020	381,586		382,606
4.40 School District Governance					70,680		70,680
4.41 Business Administration				29,623	249,195	136	278,954
Total Function 4				30,643	701,461	136	732,240
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				30,063	109,004		139,067
5.50 Maintenance Operations				1,327,479		33,013	1,360,492
5.52 Maintenance of Grounds				47,529			47,529
5.56 Utilities							
Total Function 5				1,405,071	109,004	33,013	1,547,088
7 Transportation and Housing							
7.41 Transportation and Housing Administration				29,034	87,913		116,947
7.70 Student Transportation				572,921		33,793	606,714
Total Function 7				601,955	87,913	33,793	723,661
9 Debt Services							
Total Function 9							
Total Functions 1 - 9	7,857,420	1,458,124	1,475,724	2,493,119	1,041,105	685,077	15,010,569

School District No. 54 (Bulkeley Valley)

Operating Expense by Function, Program and Object

Year Ended June 30, 2018

Schedule (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	7,612,922	1,852,358	9,465,280	855,408	10,320,688	10,707,017	11,018,121
1.03 Career Programs	58,915	9,359	68,274	112,668	180,942	190,774	163,967
1.07 Library Services	486,212	110,324	596,536	30,839	627,375	628,023	569,345
1.08 Counselling	230,593	60,061	290,654	290,654	290,654	291,123	297,819
1.10 Special Education	2,101,563	501,838	2,603,401	44,487	2,647,888	2,689,307	2,530,206
1.31 Aboriginal Education	434,327	105,532	539,859	26,918	566,777	570,632	580,052
1.41 School Administration	1,083,048	237,979	1,321,027	33,301	1,354,328	1,339,997	1,309,997
1.64 Other	-	-	-	5,290	5,290	5,000	3,434
Total Function 1	12,007,580	2,877,451	14,885,031	1,108,911	15,993,942	16,421,391	16,472,941
4 District Administration							
4.11 Educational Administration	382,606	66,954	449,560	35,186	484,746	442,361	475,916
4.40 School District Governance	70,680	1,122	71,802	64,304	136,106	141,523	128,237
4.41 Business Administration	278,954	63,412	342,366	153,224	495,590	516,334	505,040
Total Function 4	732,240	131,488	863,728	252,714	1,116,442	1,100,218	1,109,193
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	139,067	31,666	170,733	72,281	243,014	260,437	346,901
5.50 Maintenance Operations	1,360,492	313,596	1,674,088	448,592	2,122,680	2,302,249	2,029,203
5.52 Maintenance of Grounds	47,529	12,938	60,467	58,062	118,529	152,593	103,852
5.56 Utilities	-	-	-	506,046	506,046	420,898	517,719
Total Function 5	1,547,088	358,200	1,905,288	1,084,981	2,990,269	3,136,177	2,997,675
7 Transportation and Housing							
7.41 Transportation and Housing Administration	116,947	26,663	143,610	11,714	155,324	161,208	167,596
7.70 Student Transportation	606,714	156,168	762,882	146,538	909,420	1,001,914	1,056,124
Total Function 7	723,661	182,831	906,492	158,252	1,064,744	1,163,122	1,223,720
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	15,010,569	3,549,970	18,560,539	2,604,858	21,165,397	21,820,908	21,803,529

School District No. 54 (Bulkley Valley)

Schedule of Special Purpose Operations
 Year Ended June 30, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	2,040,437	1,924,010	1,126,126
Other Revenue	917,972	937,176	1,102,680
Investment Income	100		
Total Revenue	<u>2,958,509</u>	<u>2,861,186</u>	<u>2,228,806</u>
Expenses			
Instruction	1,786,663	1,664,126	875,058
Operations and Maintenance	1,030,187	1,067,459	1,236,205
Total Expense	<u>2,816,850</u>	<u>2,731,585</u>	<u>2,111,263</u>
Special Purpose Surplus (Deficit) for the year	<u>141,659</u>	<u>129,601</u>	<u>117,543</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(141,659)	(129,601)	(117,543)
Total Net Transfers	<u>(141,659)</u>	<u>(129,601)</u>	<u>(117,543)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year	<u>-</u>	<u>-</u>	<u>-</u>

School District No. 54 (Bulkley Valley)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2018

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK
Deferred Revenue, beginning of year	\$ 47,008	\$ 67,554	\$ 25,000	\$ 570,370	\$ 47,518	\$ 13,180			
Add: Restricted Grants									
Provincial Grants - Ministry of Education	141,659	85,647	3,740	96,000	12,250	217,585			
Other Investment Income			211	854,774					
Less: Allocated to Revenue	141,659	85,647	3,951	96,000	12,250	217,585			
Deferred Revenue, end of year	126,717	126,717	8,050	917,057	9,197	83,492			
	5,938	63,455	22,036	508,087	3,053	16,403			39,092
Revenues	141,659	126,717	2,964	96,000	9,197	83,492			191,673
Provincial Grants - Ministry of Education									
Other Revenue	141,659	126,717	8,050	917,057	9,197	83,492			191,673
Expenses									
Salaries									
Teachers									
Educational Assistants									
Support Staff	65,454							31,327	4,533
Other Professionals									
Substitutes									
Employee Benefits	41,822		2,509					6,574	1,202
Services and Supplies	107,276		2,509					37,901	126,315
	19,441							7,064	26,223
		8,050	455	917,057	9,197	38,527		39,135	
	12,058	8,050	2,964	917,057	9,197	83,492		191,673	
Net Revenue (Expense) before Interfund Transfers	129,601								
Interfund Transfers									
Tangible Capital Assets Purchased	(129,601)								
Net Revenue (Expense)									

School District No. 54 (Bulkley Valley)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2018

	Coding and Curriculum Implementation	Priority Measures	Classroom Enhancement Fund - Overhead Fund - Staffing	MCA Funds	Ministry Other	TOTAL
Deferred Revenue, beginning of year	29,615	42,935		167,235	57,720	1,068,135
Add: Restricted Grants						
Provincial Grants - Ministry of Education			149,777			1,856,695
Other					14,706	873,220
Investment Income				2,776		2,987
Less: Allocated to Revenue	21,131		149,777	2,776	14,706	2,732,902
Deferred Revenue, end of year	8,484	42,935			12,069	2,861,186
				170,011	60,357	939,851
Revenues	21,131		149,777			1,924,010
Provincial Grants - Ministry of Education					12,069	937,176
Other Revenue	21,131		149,777		12,069	2,861,186
Expenses						
Salaries						
Teachers						919,271
Educational Assistants			883,411			250,156
Support Staff			44,972			44,972
Other Professionals	4,094		32,160			32,160
Substitutes	4,094		42,652			100,585
Employee Benefits	25		119,784			1,347,144
Services and Supplies	17,012		24,261			316,982
	21,131		5,732		12,069	1,067,459
			149,777		12,069	2,731,585
Net Revenue (Expense) before Interfund Transfers						129,601
Interfund Transfers						
Tangible Capital Assets Purchased						(129,601)
Net Revenue (Expense)						

School District No. 54 (Bulkley Valley)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2018

	2018 Budget	2018 Actual			2017 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Investment Income	15,000		12,498	12,498	8,808
Amortization of Deferred Capital Revenue	782,610	821,567		821,567	667,841
Total Revenue	797,610	821,567	12,498	834,065	676,649
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,141,678	877,593		877,593	862,780
Transportation and Housing		300,199		300,199	303,525
Total Expense	1,141,678	1,177,792	-	1,177,792	1,166,305
Capital Surplus (Deficit) for the year	(344,068)	(356,225)	12,498	(343,727)	(489,656)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	448,659	278,598		278,598	304,797
Local Capital	33,000		33,000	33,000	33,000
Total Net Transfers	481,659	278,598	33,000	311,598	337,797
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		41,231	(41,231)	-	
Total Other Adjustments to Fund Balances		41,231	(41,231)	-	
Total Capital Surplus (Deficit) for the year	137,591	(36,396)	4,267	(32,129)	(151,859)
Capital Surplus (Deficit), beginning of year		8,328,352	752,907	9,081,259	9,233,118
Capital Surplus (Deficit), end of year		8,291,956	757,174	9,049,130	9,081,259

School District No. 54 (Bulkley Valley)

Tangible Capital Assets

Year Ended June 30, 2018

Schedule (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	1,382,369	37,856,471	980,748	3,115,665	-	144,674	43,479,927
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,398,463	71,142	138,709			1,537,172
Deferred Capital Revenue - Other			50,362	81,378		17,257	71,142
Operating Fund							148,997
Special Purpose Funds		129,601					129,601
Local Capital			41,231				41,231
Decrease:							
Deemed Disposals		1,528,064	162,735	220,087		17,257	1,928,143
Cost, end of year							
Work in Progress, end of year	1,382,369	39,384,535	1,027,250	2,888,312		161,931	44,844,397
Cost and Work in Progress, end of year	1,382,369	39,384,535	1,027,250	2,888,312		161,931	44,844,397
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year		19,923,239	404,797	1,373,136		48,686	21,749,858
Decrease:							
Deemed Disposals		746,532	100,400	300,199		30,661	1,177,792
Accumulated Amortization, end of year							
			116,233	447,440			563,673
			116,233	447,440			563,673
		20,669,771	388,964	1,225,895		79,347	22,363,977
Tangible Capital Assets - Net	1,382,369	18,714,764	638,286	1,662,417		82,584	22,480,420

School District No. 54 (Bulkley Valley)

Deferred Capital Revenue
Year Ended June 30, 2018

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	13,260,315	142,567		13,402,882
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,537,172	71,142		1,608,314
	1,537,172	71,142	-	1,608,314
Decrease:				
Amortization of Deferred Capital Revenue	813,522	8,045		821,567
	813,522	8,045	-	821,567
Net Changes for the Year	723,650	63,097	-	786,747
Deferred Capital Revenue, end of year	13,983,965	205,664	-	14,189,629
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	-	-	-	-
Work in Progress, end of year				-
Total Deferred Capital Revenue, end of year	13,983,965	205,664	-	14,189,629

School District No. 54 (Bulkley Valley)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2018

Schedule (Unaudited)

	Bylaw Capital	MED Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	136,071	375,287	47,581			558,939
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	1,481,182					1,481,182
Provincial Grants - Other	1,481,182	-	62,026			62,026
Decrease:						
Transferred to DCR - Capital Additions	1,537,172		71,142			1,608,314
	1,537,172		71,142			1,608,314
Net Changes for the Year	(55,990)		(9,116)			(65,106)
Balance, end of year	80,081	375,287	38,465			493,833