



Ministry of Education

SCHOOL DISTRICT STATEMENT OF FINANCIAL INFORMATION (SOFI)

6049

SCHOOL DISTRICT NUMBER 85	NAME OF SCHOOL DISTRICT School District No. 85 (Vancouver Island North)	YEAR 2022 - 2023
OFFICE LOCATION(S) 6975 Rupert St.		TELEPHONE NUMBER 250-949-6618
MAILING ADDRESS PO Box 90		
CITY Port Hardy	PROVINCE BC	POSTAL CODE V0N 2P0
NAME OF SUPERINTENDENT Christina MacDonald		TELEPHONE NUMBER 250-949-6618
NAME OF SECRETARY TREASURER John R. Martin		TELEPHONE NUMBER 250-949-6618

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, 2023

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

	DATE SIGNED Nov. 7/23
	DATE SIGNED Nov. 7/23
	DATE SIGNED Nov. 7/23

School District Statement of Financial Information (SOFI)

School District No. 85 (Vancouver Island North)

Fiscal Year Ended June 30, 2023

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Documents are arranged in the following order:

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

School District Statement of Financial Information (SOFI)

School District No. 85 (Vancouver Island North)

Fiscal Year Ended June 30, 2023

Management Report

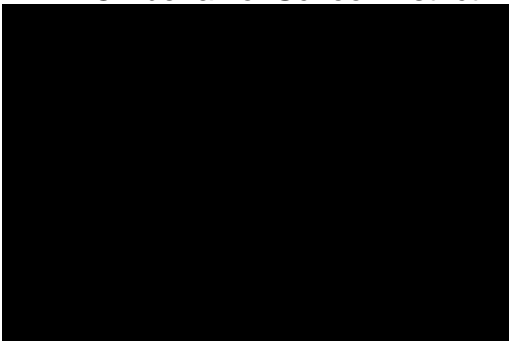
The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with accounting principle generally accepted for British Columbia school districts as prescribed or permitted by the Ministry of Education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

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

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

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

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



John Martin
Secretary-Treasurer
November 7, 2023

Audited Financial Statements of

School District No. 85 (Vancouver Island North)

And Independent Auditors' Report thereon

June 30, 2023

School District No. 85 (Vancouver Island North)

June 30, 2023

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School District No. 85 (Vancouver Island North)

MANAGEMENT REPORT

Version: 6537-5791-3809

Management's Responsibility for the Financial Statements.

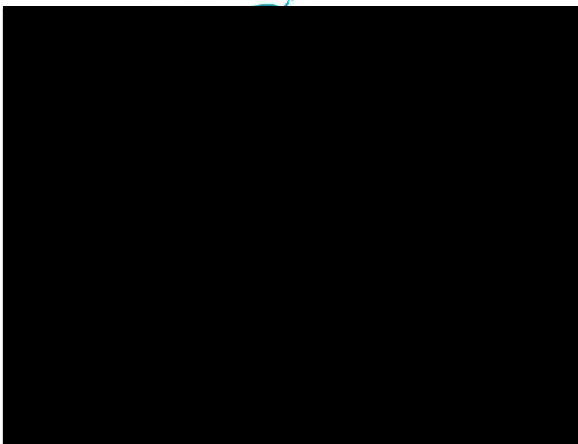
The accompanying financial statements of School District No. 85 (Vancouver Island North) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 85 (Vancouver Island North) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a quarterly basis and externally audited financial statements yearly.

The external auditors, Chan Nowosad Boates, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 85 (Vancouver Island North) and meet when required. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.



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SEP 18 2023

Education

Date Signed

SEP 18 2023

Date Signed

SEP 18 2023

Date Signed



INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the accompanying financial statements of School District #85 (Vancouver Island North) (the "School District"), which comprise the statement of financial position as at June 30, 2023, the statement of operations and 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 (hereinafter referred to as the "financial statements").

In our opinion, the School District's financial statements present fairly, in all material respects, the financial position of the School District as at June 30, 2023, and of its financial performance and its cash flows for the year then ended. The financial statements have been prepared by management in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis of Opinion

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

We are independent of the School District 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 of our opinion.

Emphasis of Matter

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

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

Management is responsible for the preparation and fair presentation of the 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 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 School District'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 intends for the School District to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for over-seeing the School District's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 the users taken on the basis of these 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 School District'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 School District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the School District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

Other Matters

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

Chan Nawrood Bontis Inc

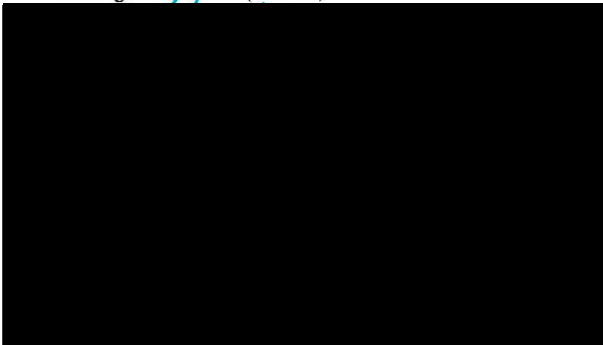
Chartered Professional Accountants
Campbell River, BC

September 18, 2023

School District No. 85 (Vancouver Island North)

Statement of Financial Position
As at June 30, 2023

	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$
Financial Assets		
Cash and Cash Equivalents	8,208,661	8,243,032
Accounts Receivable		
Due from Province - Ministry of Education and Child Care (Note 3a)		206,421
Other (Note 3c)	63,790	60,140
Portfolio Investments (Note 4)		9,440
Total Financial Assets	<u>8,272,451</u>	<u>8,519,033</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	2,487,787	2,155,893
Deferred Revenue (Note 6)	598,661	464,868
Deferred Capital Revenue (Note 7)	25,735,297	24,413,525
Employee Future Benefits (Note 8)	1,551,181	1,504,519
Asset Retirement Obligation (Note 16)	4,048,585	4,048,585
Total Liabilities	<u>34,421,511</u>	<u>32,587,390</u>
Net Debt	<u>(26,149,060)</u>	<u>(24,068,357)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 9)	36,135,219	34,345,802
Prepaid Expenses	144,548	217,786
Total Non-Financial Assets	<u>36,279,767</u>	<u>34,563,588</u>
Accumulated Surplus (Deficit)	<u>10,130,707</u>	<u>10,495,231</u>
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) from Operations	10,130,707	10,495,231
Accumulated Remeasurement Gains (Losses)		
	<u>10,130,707</u>	<u>10,495,231</u>
Contractual Obligations (Note 18)		
Contractual Rights (Note 13)		
Contingent Liabilities (Note 14)		



SEP 18 2023

Date Signed

SEP 18 2023

Date Signed

SEP 18 2023

Date Signed

School District No. 85 (Vancouver Island North)

Statement 2

Statement of Operations
Year Ended June 30, 2023

	2023 Budget (Note 15) \$	2023 Actual \$	2022 Actual (Restated - Note 21) \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	22,167,756	22,888,992	21,970,154
Other		10,500	16,290
Tuition			11,000
Other Revenue	303,000	302,426	354,580
Rentals and Leases	103,000	125,690	140,397
Investment Income	90,000	251,891	55,653
Amortization of Deferred Capital Revenue	1,298,057	1,305,966	1,262,748
Total Revenue	<u>23,961,813</u>	<u>24,885,465</u>	<u>23,810,822</u>
Expenses (Note 17)			
Instruction	19,513,278	18,060,342	16,210,599
District Administration	1,436,527	1,434,092	1,238,795
Operations and Maintenance	4,688,099	4,803,062	4,508,153
Transportation and Housing	962,361	952,493	928,249
Total Expense	<u>26,600,265</u>	<u>25,249,989</u>	<u>22,885,796</u>
Surplus (Deficit) for the year	<u>(2,638,452)</u>	<u>(364,524)</u>	925,026
Accumulated Surplus (Deficit) from Operations, beginning of year		10,495,231	9,570,205
Accumulated Surplus (Deficit) from Operations, end of year		<u>10,130,707</u>	<u>10,495,231</u>

School District No. 85 (Vancouver Island North)

Statement of Changes in Net Debt

Year Ended June 30, 2023

	2023 Budget (Note 15) \$	2023 Actual \$	2022 Actual (Restated - Note 21) \$
Surplus (Deficit) for the year	(2,638,452)	(364,524)	925,026
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(2,957,433)	(3,480,666)	(3,859,119)
Amortization of Tangible Capital Assets	1,667,435	1,691,249	1,619,829
Total Effect of change in Tangible Capital Assets	(1,289,998)	(1,789,417)	(2,239,290)
Acquisition of Prepaid Expenses		(144,548)	(217,786)
Use of Prepaid Expenses		217,786	164,095
Total Effect of change in Other Non-Financial Assets	-	73,238	(53,691)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	(3,928,450)	(2,080,703)	(1,367,955)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(2,080,703)	(1,367,955)
Net Debt, beginning of year		(24,068,357)	(22,700,402)
Net Debt, end of year		(26,149,060)	(24,068,357)

School District No. 85 (Vancouver Island North)

Statement of Cash Flows
Year Ended June 30, 2023

	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(364,524)	925,026
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	202,771	(142,770)
Prepaid Expenses	73,238	(53,691)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	331,894	(106,355)
Deferred Revenue	133,793	37,854
Employee Future Benefits	46,662	9,211
Amortization of Tangible Capital Assets	1,691,249	1,619,829
Amortization of Deferred Capital Revenue	(1,305,966)	(1,262,748)
Total Operating Transactions	<u>809,117</u>	<u>1,026,356</u>
Capital Transactions		
Tangible Capital Assets Purchased	(3,480,666)	(3,859,119)
Total Capital Transactions	<u>(3,480,666)</u>	<u>(3,859,119)</u>
Financing Transactions		
Capital Revenue Received	2,627,738	3,527,588
Total Financing Transactions	<u>2,627,738</u>	<u>3,527,588</u>
Investing Transactions		
Investments in Portfolio Investments	9,440	(940)
Total Investing Transactions	<u>9,440</u>	<u>(940)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(34,371)</u>	693,885
Cash and Cash Equivalents, beginning of year	<u>8,243,032</u>	7,549,147
Cash and Cash Equivalents, end of year	<u>8,208,661</u>	<u>8,243,032</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	1,100	1,100
Cash Equivalents	8,207,561	8,241,932
	<u>8,208,661</u>	<u>8,243,032</u>

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on July 1, 1965 operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No. 85 (Vancouver Island North)", and operates as "School District No. 85 (Vancouver Island North)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 85 (Vancouver Island North) is exempt from federal and provincial corporate income taxes.

The COVID 19 outbreak was declared a pandemic by the World Health Organization in March 2020 and has had a significant financial, market and social dislocating impact worldwide. The ongoing impact of the pandemic presents uncertainty over future cash flows, may have a significant impact on future operations including decreases in revenue, impairment of receivables, reduction in investment income and delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact are not known, an estimate of the future financial effect on the School District is not practicable at this time.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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

As noted in Notes 2 (f) and 2 (m), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense.

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Basis of Accounting (*Continued*)

As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require that:

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

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

Year-ended June 30, 2022 – increase annual surplus by \$2,264,840

June 30, 2022 – increase accumulated surplus and decrease deferred capital revenue by \$24,413,525

Year-ended June 30, 2023 – increase annual surplus by \$1,322,255

June 30, 2022 – increase accumulated surplus and decrease deferred capital revenue by \$25,735,297

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) Portfolio Investments

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

Detailed information regarding portfolio investments is disclosed in Note 4.

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Deferred Revenue and Deferred Capital Revenue

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

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

g) Employee Future Benefits

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

The most recent valuation of the obligation was performed at March 31, 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.

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

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

h) Asset Retirement Obligations

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

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

The liability for the removal of asbestos and other hazardous material in several of the buildings owned by the School District has been initially recognized using the modified retroactive method. The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. 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 i). Assumptions used in the calculations are reviewed annually. The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets.

i) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- 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.

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

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

i) Tangible Capital Assets *(Continued)*

- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management’s responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

- In the year of acquisition amortization is recorded as half of the annual rate for the year.

j) Prepaid Expenses

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

k) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Notes 11 – Interfund Transfers and Note 17 – Internally Restricted Surplus). Funds and reserves are disclosed on Schedules 2, 3 and 4.

l) 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.

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

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

l) Revenue Recognition *(Continued)*

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

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

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

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

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

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

m) Expenditures

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

Categories of Salaries

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

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

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

m) Expenditures *(Continued)*

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 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 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.

n) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, accounts payable, 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. There are no measurement gains or losses during the periods presented; therefore, no statement of remeasurement gains or losses is included in these financial statements.

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

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

n) Financial Instruments *(Continued)*

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

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

o) Measurement Uncertainty

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

p) Future Changes in Accounting Policies

PS 3400 Revenue issued November 2018 establishes standards on how to account for and report on revenue and becomes 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

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	June 30, 2023	June 30, 2022
a) Due From Province		
MECC – Ventilation Grant	\$ -	\$ 64,326
MECC – Capital Advances	\$ -	\$142,095
	\$ -	\$206,421

	June 30, 2023	June 30, 2022
b) LEA/Direct Funding Receivable		
Due from Direct Funding (2002-2003)	\$79,245	\$79,245
Allowance for Doubtful Accounts	(\$79,245)	(\$79,245)
	\$ -	\$ -

	June 30, 2023	June 30, 2022
c) Accounts Receivable Other		
Due from Federal Government	\$59,352	\$57,728
Due from Other	\$ 4,438	\$ 2,412
	\$63,790	\$60,140

NOTE 4 PORTFOLIO INVESTMENTS

	June 30, 2023	June 30, 2022
Investments in the cost and amortized cost category:		
GIC's	\$ -	\$9,440
	\$ -	\$9,440

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	June 30, 2023	June 30, 2022
Trade payables	\$ 564,237	\$ 685,873
Salaries and benefits payable	\$ 1,514,897	\$ 1,110,472
Accrued vacation pay	\$ 328,198	\$ 267,170
Other payables	\$ 80,455	\$ 92,378
	\$ 2,487,787	\$ 2,155,893

NOTE 6 DEFERRED REVENUE

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled. Detailed information about the changes in deferred revenue is included in Schedule 3A.

	June 30, 2023	June 30, 2022
Balance, beginning of year	\$ 464,868	\$ 427,014
Changes for the year:		
Increase – Grants:		
Provincial – Ministry of Education	\$ 2,756,350	\$ 2,145,290
School generated funds	\$ 287,535	\$ 393,367
Other	\$ 2,600	\$ 5,690
	\$ 3,046,485	\$ 2,544,347
Decrease – Allocated to Revenue:		
Provincial – Ministry of Education	\$ 2,622,804	\$ 2,154,911
School generated funds	\$ 284,229	\$ 346,532
Other	\$ 5,659	\$ 5,050
	\$ 2,912,692	\$ 2,506,493
Balance, end of year	\$ 598,661	\$ 464,868

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

NOTE 7 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired. Detailed information about the changes in deferred capital revenue is included in Schedules 4C and 4D.

	June 30, 2023	June 30, 2022
Deferred Capital Revenue		
Balance, beginning of year	\$24,399,112	\$22,134,272
Changes for the year:		
Increase:		
Capital Additions	\$ 2,628,221	\$ 3,527,588
Decrease:		
Amortization	\$ 1,305,966	\$ 1,262,748
	\$25,721,367	\$24,399,112
Unspent Deferred Capital Revenue		
Balance, beginning of year	\$ 14,413	\$ 14,413
Changes for the year:		
Increase:		
Provincial grants – Ministry of Education	\$ 2,627,738	\$ 3,527,588
Decrease:		
Transfer to deferred capital revenue	\$ 2,628,221	\$ 3,527,588
	\$ 13,930	\$ 14,413
Total Deferred Capital Revenue balance, end of year	\$25,735,297	\$24,413,525

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

NOTE 8 EMPLOYEE FUTURE BENEFITS

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

	June 30, 2023	June 30, 2022
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	\$1,225,702	\$1,287,616
Service Cost	109,849	120,633
Interest Cost	40,627	33,658
Benefit Payments	(92,102)	(131,909)
Actuarial (Gain) Loss	(89,512)	(84,296)
Accrued Benefit Obligation – March 31	\$1,225,702	\$1,225,702
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation – March 31	\$1,194,564	\$1,225,702
Market Value of Plan Assets – March 31	-	-
Funded Status – Deficit	\$(1,194,564)	\$(1,225,702)
Employer Contributions After Measurement Date	33,613	56,599
Benefits Expense After Measurement Date	(39,294)	(37,619)
Unamortized Net Actuarial (Gain) Loss	(350,937)	(297,797)
Accrued Benefit Liability – June 30	\$(1,551,181)	\$(1,504,519)
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability – July 1	\$1,504,519	\$1,495,308
Net expense for Fiscal Year	115,778	125,061
Employer Contributions	(69,116)	(115,849)
Accrued Benefit Liability – June 30	\$1,551,181	\$1,504,519
Components of Net Benefit Expense		
Service Cost	\$109,262	\$117,937
Interest Cost	42,889	35,400
Amortization of Net Actuarial Loss	(36,373)	(28,277)
Net Benefit Expense	\$115,778	\$125,061

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

Assumptions

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
EARSL – March 31	10.3	10.3

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

NOTE 9 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2023	Net Book Value 2022 (restated see Note 21)
Sites	\$ 2,891,161	\$ 2,891,161
Buildings	31,750,800	29,889,766
Furniture & Equipment	596,312	557,644
Vehicles	822,320	977,369
Computer Software	34,256	-
Computer Hardware	40,370	29,862
Total	\$36,135,219	\$34,345,802

June 30, 2023

	Opening Cost	Additions	Disposals	Total 2023
Sites	\$ 2,891,161	\$ -	\$ -	\$ 2,891,161
Buildings	75,087,123	3,245,470	-	78,332,593
Furniture & Equipment	1,031,660	141,323	151,547	1,021,436
Vehicles	2,004,704	30,672	324,847	1,710,529
Computer Software	-	38,062	-	38,062
Computer Hardware	65,147	25,139	9,126	81,160
Total	\$81,079,795	\$3,480,666	\$485,520	\$84,074,941

	Opening Accumulated Amortization	Additions	Disposals	Total 2023
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	45,197,357	1,384,436	-	46,581,793
Furniture & Equipment	474,016	102,655	151,547	425,124
Vehicles	1,027,335	185,721	324,847	888,209
Computer Software	-	3,806	-	3,806
Computer Hardware	35,285	14,631	9,126	40,790
Total	\$46,733,993	\$1,691,249	\$485,520	\$47,939,722

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

NOTE 9 TANGIBLE CAPITAL ASSETS *(Continued)*

June 30, 2022

	Opening Cost	ARO (see Note 21)	Additions	Disposals	Total 2022 (restated see Note 21)
Sites	\$ 2,891,161	\$ -	\$ -	\$ -	\$ 2,891,161
Buildings	67,378,332	4,048,585	3,660,206	-	75,087,123
Furniture & Equipment	912,598	-	137,018	17,956	1,031,660
Vehicles	1,983,570	-	52,016	30,882	2,004,704
Computer Hardware	87,921	-	9,879	32,653	65,147
Total	\$73,253,582	\$ 4,048,585	\$3,859,119	\$81,491	\$81,079,795

	Opening Accumulated Amortization	ARO (see Note 21)	Additions	Disposals	Total 2022 (restated see Note 21)
Sites	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	39,846,903	4,044,893	1,305,561	-	45,197,357
Furniture & Equipment	394,759	-	97,213	17,956	474,016
Vehicles	858,854	-	199,373	30,882	1,027,335
Computer Hardware	52,621	-	15,307	32,653	35,285
Total	\$41,153,137	\$4,044,893	\$1,617,454	\$81,491	\$46,733,993

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

NOTE 10 EMPLOYEE PENSION PLANS

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 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 \$1,369,570 for employer contributions to the plans for the year ended June 30, 2023 (2022: \$1,313,740).

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.

**SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023**

NOTE 11 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2023, were as follows:

1. Transfer from Special Purpose Funds to Capital Fund	\$135,775
2. Transfer from Operating Fund to Capital Fund	\$400,000

These transfers were made in order to fund the cost of capital programs.

NOTE 12 RELATED PARTY TRANSACTIONS

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

NOTE 13 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 leases of vacant buildings. The following table summarizes the contractual rights of the School District for future assets:

Contractual rights	2024	2025	2026	2027	2028	Thereafter
Future lease/rental revenue	\$114,732	\$96,377	\$88,937	\$28,602	\$18,002	\$18,002
	\$114,732	\$96,377	\$88,937	\$28,602	\$18,002	\$18,002

Future lease and rental revenue is calculated by management based on the current lease/rental agreements that exist between the School District and its tenants.

NOTE 14 CONTINGENT LIABILITIES

In the ordinary course of operations, the School District has legal proceedings brought against it and provisions have been included in liabilities where appropriate. It is the opinion of management that final determination of these claims will not have a material effect on the financial position or operations of the School District. The resulting loss on the District, if any, will be recorded in the period in which it is determinable

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

NOTE 15 BUDGET FIGURES

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an amended annual budget bylaw on February 13, 2023. The amended budget is based on a more accurate estimation of revenue and expenditure than the budget approved before the commencement of the fiscal year.

NOTE 16 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. A reasonable estimate of the fair value of the obligation has been recognized using the modified retroactive approach as at July 1, 2021 (see Note 21 – Prior Period Adjustment – Change in Accounting Policy). The obligation has been measured at current cost as the timing of future cash flows cannot be reasonably determined. These costs have been capitalized as part of the assets' carrying value and are amortized over the assets' estimated useful lives.

Asset Retirement Obligation, July 1, 2021 (see Note 21)	\$4,048,585
Settlements during the year	-
Asset Retirement Obligation, closing balance, June 30, 2022	\$4,048,585
Settlements during fiscal 2023	-
Asset Retirement Obligation, closing balance, June 30, 2023	\$4,048,585

NOTE 17 EXPENSE BY OBJECT

Total expenses as per Statement 2, detailed by object.

	June 30, 2023	June 30, 2022 (restated see Note 21)
Salaries and benefits	\$19,281,965	\$17,516,548
Services and supplies	4,276,775	3,751,794
Amortization	1,691,249	1,617,454
	\$25,249,989	\$22,885,796

**SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023**

NOTE 18 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted (appropriated) by the Board for:

	June 30, 2023
Appropriation to 2023 – 2024 Annual Budget	\$2,158,791
District Budgets Carried Forward	149,220
School-Based Budgets Carried Forward	157,115
	\$2,465,428
Internally Restricted Surplus	\$2,465,428
Unrestricted Operating Surplus	1,225,156
Total Available for Future Operations	\$3,690,584

NOTE 19 CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

Certain schools in the School District contain or may contain asbestos. No amount has been recorded in these financial statements with regard to this potential liability since the fair value for the future removal costs cannot be reasonably estimated due to unknown timelines.

NOTE 20 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 21 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 16). This standard was adopted using the modified retroactive approach.

On July 1, 2021 the School District recognized an asset retirement obligation relating to several owned buildings that contain asbestos and other hazardous materials. The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The associated costs have been reported as an increase to the carrying value of the associated tangible capital assets. Accumulated amortization has been recorded from the later of, the date of acquisition of the related asset or April 1, 1988 (effective date of the *Hazardous Waste Regulation (April 1, 1988) – Part 6 – Management of Specific Hazardous Wastes*).

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

NOTE 21 **PRIOR PERIOD ADJUSTMENT** *(Continued)*

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

	<u>Increase (Decrease)</u>
Asset Retirement Obligation (liability)	\$4,048,585
Tangible Capital Assets – cost	4,048,585
Tangible Capital Assets – accumulated amortization	4,044,893
Operations & Maintenance Expense – Asset amortization (2022)	2,375
Accumulated Surplus – Invested in Capital Assets	(4,042,518)

NOTE 22 **RISK MANAGEMENT**

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

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

a) Credit risk:

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

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

b) Market risk:

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

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

SCHOOL DISTRICT NO. 85
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023

NOTE 22 **RISK MANAGEMENT** *(continued)*

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

c) **Liquidity risk:**

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

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

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

School District No. 85 (Vancouver Island North)

Schedule 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 21)
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	4,205,600		6,289,631	10,495,231	13,612,723
Prior Period Adjustments					(4,042,518)
Accumulated Surplus (Deficit), beginning of year, as restated	4,205,600	-	6,289,631	10,495,231	9,570,205
Changes for the year					
Surplus (Deficit) for the year	(115,016)	135,775	(385,283)	(364,524)	925,026
Interfund Transfers					
Tangible Capital Assets Purchased		(135,775)	135,775	-	
Local Capital	(400,000)		400,000	-	
Net Changes for the year	(515,016)	-	150,492	(364,524)	925,026
Accumulated Surplus (Deficit), end of year - Statement 2	3,690,584	-	6,440,123	10,130,707	10,495,231

School District No. 85 (Vancouver Island North)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2023

	2023 Budget (Note 15) \$	2023 Actual \$	2022 Actual (Restated - Note 21) \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	19,476,643	20,266,188	19,815,243
Other		10,500	16,290
Tuition			11,000
Other Revenue		12,538	2,998
Rentals and Leases	103,000	125,690	140,397
Investment Income	90,000	251,891	55,653
Total Revenue	<u>19,669,643</u>	<u>20,666,807</u>	<u>20,041,581</u>
Expenses			
Instruction	16,732,291	15,360,776	14,044,475
District Administration	1,436,527	1,434,092	1,238,795
Operations and Maintenance	3,194,982	3,284,904	2,964,207
Transportation and Housing	710,692	702,051	644,615
Total Expense	<u>22,074,492</u>	<u>20,781,823</u>	<u>18,892,092</u>
Operating Surplus (Deficit) for the year	<u>(2,404,849)</u>	<u>(115,016)</u>	<u>1,149,489</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>2,804,849</u>		
Net Transfers (to) from other funds			
Local Capital	(400,000)	(400,000)	(350,000)
Total Net Transfers	<u>(400,000)</u>	<u>(400,000)</u>	<u>(350,000)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(515,016)</u>	<u>799,489</u>
Operating Surplus (Deficit), beginning of year		4,205,600	3,406,111
Operating Surplus (Deficit), end of year		<u>3,690,584</u>	<u>4,205,600</u>
Operating Surplus (Deficit), end of year			
Internally Restricted (Note 18)		2,465,428	1,937,000
Unrestricted		1,225,156	2,268,600
Total Operating Surplus (Deficit), end of year		<u>3,690,584</u>	<u>4,205,600</u>

School District No. 85 (Vancouver Island North)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2023

	2023 Budget (Note 15)	2023 Actual	2022 Actual (Restated - Note 21)
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	19,136,195	19,179,900	19,474,057
Other Ministry of Education and Child Care Grants			
Pay Equity	115,216	115,216	115,216
Student Transportation Fund	118,179	118,179	118,179
Support Staff Benefits Grant	19,421	19,993	19,676
FSA Scorer Grant	7,506	7,506	7,506
Early Learning Framework (ELF) Implementation	1,126	182	1,609
Labour Settlement Funding		743,831	
Equity Grant	79,000	81,381	79,000
Total Provincial Grants - Ministry of Education and Child Care	19,476,643	20,266,188	19,815,243
Provincial Grants - Other		10,500	16,290
Tuition			
International and Out of Province Students			11,000
Total Tuition	-	-	11,000
Other Revenues			
Miscellaneous			
Sale of Assets		1,405	2,998
Miscellaneous		11,133	
Total Other Revenue	-	12,538	2,998
Rentals and Leases	103,000	125,690	140,397
Investment Income	90,000	251,891	55,653
Total Operating Revenue	19,669,643	20,666,807	20,041,581

School District No. 85 (Vancouver Island North)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2023

	2023 Budget (Note 15) \$	2023 Actual \$	2022 Actual (Restated - Note 21) \$
Salaries			
Teachers	6,535,668	6,206,227	5,852,813
Principals and Vice Principals	1,860,825	2,030,080	1,976,181
Educational Assistants	2,354,099	2,156,983	1,704,219
Support Staff	2,633,369	2,655,082	2,446,520
Other Professionals	775,659	874,359	819,329
Substitutes	609,038	460,244	354,603
Total Salaries	14,768,658	14,382,975	13,153,665
Employee Benefits	3,634,751	2,969,307	2,672,279
Total Salaries and Benefits	18,403,409	17,352,282	15,825,944
Services and Supplies			
Services	1,034,861	1,000,505	955,522
Student Transportation	86,968	98,311	79,372
Professional Development and Travel	513,554	390,288	260,314
Rentals and Leases	18,000	7,516	12,157
Dues and Fees	20,790	25,659	16,690
Insurance	88,128	89,630	79,873
Supplies	1,059,202	919,135	652,630
Utilities	849,580	898,497	1,009,590
Total Services and Supplies	3,671,083	3,429,541	3,066,148
Total Operating Expense	22,074,492	20,781,823	18,892,092

School District No. 85 (Vancouver Island North)

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
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	4,578,863	916,734		98,691		211,011	5,805,299
1.03 Career Programs	105,011					5,101	110,112
1.07 Library Services	195,898			60,552		11,632	268,082
1.08 Counselling	170,720					10,056	180,776
1.10 Special Education	884,303	108,578	1,941,366	13,602	47,433	91,093	3,086,375
1.30 English Language Learning	228,445					13,299	241,744
1.31 Indigenous Education	42,987	101,885	215,617	49,331		10,282	420,102
1.41 School Administration		868,921		527,671		29,052	1,425,644
1.64 Other							-
Total Function 1	6,206,227	1,996,118	2,156,983	749,847	47,433	381,526	11,538,134
4 District Administration							
4.11 Educational Administration		33,962		29,027	387,983		450,972
4.40 School District Governance					91,947		91,947
4.41 Business Administration				154,419	240,180		394,599
Total Function 4	-	33,962	-	183,446	720,110	-	937,518
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				84,229	53,408	123	137,760
5.50 Maintenance Operations				1,258,644		44,322	1,302,966
5.52 Maintenance of Grounds				42,291			42,291
5.56 Utilities							-
Total Function 5	-	-	-	1,385,164	53,408	44,445	1,483,017
7 Transportation and Housing							
7.41 Transportation and Housing Administration					53,408		53,408
7.70 Student Transportation				336,625		34,273	370,898
7.73 Housing							-
Total Function 7	-	-	-	336,625	53,408	34,273	424,306
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	6,206,227	2,030,080	2,156,983	2,655,082	874,359	460,244	14,382,975

School District No. 85 (Vancouver Island North)

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 15)	2022 Actual (Restated - Note 21)
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	5,805,299	1,213,148	7,018,447	611,894	7,630,341	8,690,611	7,059,605
1.03 Career Programs	110,112	20,728	130,840	6,229	137,069	124,459	136,496
1.07 Library Services	268,082	60,308	328,390	19,147	347,537	343,893	317,275
1.08 Counselling	180,776	37,796	218,572	2,911	221,483	237,768	211,762
1.10 Special Education	3,086,375	604,354	3,690,729	166,839	3,857,568	4,153,282	3,373,466
1.30 English Language Learning	241,744	50,210	291,954	13,339	305,293	326,435	295,697
1.31 Indigenous Education	420,102	95,191	515,293	488,365	1,003,658	1,041,848	899,904
1.41 School Administration	1,425,644	307,272	1,732,916	47,133	1,780,049	1,757,495	1,672,997
1.64 Other	-	-	-	77,778	77,778	56,500	77,273
Total Function 1	11,538,134	2,389,007	13,927,141	1,433,635	15,360,776	16,732,291	14,044,475
4 District Administration							
4.11 Educational Administration	450,972	83,929	534,901	95,765	630,666	571,966	501,716
4.40 School District Governance	91,947	3,383	95,330	70,199	165,529	252,654	131,651
4.41 Business Administration	394,599	58,249	452,848	185,049	637,897	611,907	605,428
Total Function 4	937,518	145,561	1,083,079	351,013	1,434,092	1,436,527	1,238,795
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	137,760	31,086	168,846	77,049	245,895	198,774	217,162
5.50 Maintenance Operations	1,302,966	299,524	1,602,490	420,343	2,022,833	2,062,567	1,632,374
5.52 Maintenance of Grounds	42,291	12,435	54,726	62,953	117,679	84,061	105,081
5.56 Utilities	-	-	-	898,497	898,497	849,580	1,009,590
Total Function 5	1,483,017	343,045	1,826,062	1,458,842	3,284,904	3,194,982	2,964,207
7 Transportation and Housing							
7.41 Transportation and Housing Administration	53,408	10,155	63,563	3,446	67,009	96,050	62,309
7.70 Student Transportation	370,898	81,539	452,437	173,605	626,042	599,642	569,685
7.73 Housing	-	-	-	9,000	9,000	15,000	12,621
Total Function 7	424,306	91,694	516,000	186,051	702,051	710,692	644,615
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	14,382,975	2,969,307	17,352,282	3,429,541	20,781,823	22,074,492	18,892,092

School District No. 85 (Vancouver Island North)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2023

	2023 Budget (Note 15) \$	2023 Actual \$	2022 Actual (Restated - Note 21) \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	2,691,113	2,622,804	2,154,911
Other Revenue	303,000	289,888	351,582
Total Revenue	<u>2,994,113</u>	<u>2,912,692</u>	<u>2,506,493</u>
Expenses			
Instruction	2,780,987	2,699,566	2,166,124
Operations and Maintenance	12,630	12,630	123,490
Transportation and Housing	64,721	64,721	84,261
Total Expense	<u>2,858,338</u>	<u>2,776,917</u>	<u>2,373,875</u>
Special Purpose Surplus (Deficit) for the year	<u>135,775</u>	<u>135,775</u>	<u>132,618</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(135,775)	(135,775)	(132,618)
Total Net Transfers	<u>(135,775)</u>	<u>(135,775)</u>	<u>(132,618)</u>
Total Special Purpose Surplus (Deficit) for the year	<u><u>-</u></u>	<u><u>-</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>-</u></u>

School District No. 85 (Vancouver Island North)

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

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year			10,285	331,423		14,224			
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	148,405	67,571			96,000	14,700	9,900	340,870	127,569
Other			2,600	287,535					
	148,405	67,571	2,600	287,535	96,000	14,700	9,900	340,870	127,569
Less: Allocated to Revenue	148,405	67,571	5,659	284,229	96,000	10,981	6,546	340,870	127,569
Deferred Revenue, end of year	-	-	7,226	334,729	-	17,943	3,354	-	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	148,405	67,571			96,000	10,981	6,546	340,870	127,569
Other Revenue			5,659	284,229					
	148,405	67,571	5,659	284,229	96,000	10,981	6,546	340,870	127,569
Expenses									
Salaries									
Teachers									
Principals and Vice Principals									
Educational Assistants		54,913						253,770	
Support Staff									
Substitutes								17,550	87,173
	-	54,913	-	-	-	-	-	271,320	87,173
Employee Benefits		12,658						69,377	12,993
Services and Supplies	12,630		5,659	284,229	96,000	10,981	6,546	173	27,403
	12,630	67,571	5,659	284,229	96,000	10,981	6,546	340,870	127,569
Net Revenue (Expense) before Interfund Transfers	135,775	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(135,775)								
	(135,775)	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 85 (Vancouver Island North)

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

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Student & Family Affordability	JUST B4	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year				102,037	6,899				
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	1,263,150	86,214	64,721	57,000	11,250	250,000	25,000	19,000	175,000
Other									
	1,263,150	86,214	64,721	57,000	11,250	250,000	25,000	19,000	175,000
Less: Allocated to Revenue	1,263,150	76,532	64,721	118,978	5,496	199,718	-	235	96,032
Deferred Revenue, end of year	-	9,682	-	40,059	12,653	50,282	25,000	18,765	78,968
Revenues									
Provincial Grants - Ministry of Education and Child Care	1,263,150	76,532	64,721	118,978	5,496	199,718		235	96,032
Other Revenue									
	1,263,150	76,532	64,721	118,978	5,496	199,718	-	235	96,032
Expenses									
Salaries									
Teachers	960,087								
Principals and Vice Principals									77,527
Educational Assistants									
Support Staff			26,400						419
Substitutes		27,373		875	2,651				
	960,087	27,373	26,400	875	2,651	-	-	-	77,946
Employee Benefits	303,063		5,600	193	231				16,830
Services and Supplies		49,159	32,721	117,910	2,614	199,718		235	1,256
	1,263,150	76,532	64,721	118,978	5,496	199,718	-	235	96,032
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased									
	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 85 (Vancouver Island North)

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

	<u>TOTAL</u>
	\$
Deferred Revenue, beginning of year	464,868
Add: Restricted Grants	
Provincial Grants - Ministry of Education and Child Care	2,756,350
Other	290,135
	<u>3,046,485</u>
Less: Allocated to Revenue	<u>2,912,692</u>
Deferred Revenue, end of year	<u>598,661</u>
Revenues	
Provincial Grants - Ministry of Education and Child Care	2,622,804
Other Revenue	289,888
	<u>2,912,692</u>
Expenses	
Salaries	
Teachers	960,087
Principals and Vice Principals	77,527
Educational Assistants	308,683
Support Staff	26,819
Substitutes	135,622
	<u>1,508,738</u>
Employee Benefits	420,945
Services and Supplies	847,234
	<u>2,776,917</u>
Net Revenue (Expense) before Interfund Transfers	<u>135,775</u>
Interfund Transfers	
Tangible Capital Assets Purchased	<u>(135,775)</u>
	(135,775)
Net Revenue (Expense)	<u><u>-</u></u>

School District No. 85 (Vancouver Island North)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2023

	2023	2023 Actual			2022
	Budget (Note 15)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual (Restated - Note 21)
	\$	\$	\$	\$	\$
Revenues					
Amortization of Deferred Capital Revenue	1,298,057	1,305,966		1,305,966	1,262,748
Total Revenue	1,298,057	1,305,966	-	1,305,966	1,262,748
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	1,480,487	1,505,528		1,505,528	1,420,456
Transportation and Housing	186,948	185,721		185,721	199,373
Total Expense	1,667,435	1,691,249	-	1,691,249	1,619,829
Capital Surplus (Deficit) for the year	(369,378)	(385,283)	-	(385,283)	(357,081)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	135,775	135,775		135,775	132,618
Local Capital	400,000		400,000	400,000	350,000
Total Net Transfers	535,775	135,775	400,000	535,775	482,618
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		716,670	(716,670)	-	
Total Other Adjustments to Fund Balances		716,670	(716,670)	-	
Total Capital Surplus (Deficit) for the year	166,397	467,162	(316,670)	150,492	125,537
Capital Surplus (Deficit), beginning of year		5,898,105	391,526	6,289,631	10,206,612
Prior Period Adjustments					
To Recognize Asset Retirement Obligation					(4,042,518)
Capital Surplus (Deficit), beginning of year, as restated		5,898,105	391,526	6,289,631	6,164,094
Capital Surplus (Deficit), end of year		6,365,267	74,856	6,440,123	6,289,631

School District No. 85 (Vancouver Island North)

Tangible Capital Assets
Year Ended June 30, 2023

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	2,891,161	71,038,538	1,031,660	2,004,704		65,147	77,031,210
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		4,048,585					4,048,585
Cost, beginning of year, as restated	2,891,161	75,087,123	1,031,660	2,004,704	-	65,147	81,079,795
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		2,628,221					2,628,221
Special Purpose Funds		135,775					135,775
Local Capital		481,474	141,323	30,672	38,062	25,139	716,670
	-	3,245,470	141,323	30,672	38,062	25,139	3,480,666
Decrease:							
Deemed Disposals			151,547	324,847		9,126	485,520
	-	-	151,547	324,847	-	9,126	485,520
Cost, end of year	2,891,161	78,332,593	1,021,436	1,710,529	38,062	81,160	84,074,941
Work in Progress, end of year							-
Cost and Work in Progress, end of year	2,891,161	78,332,593	1,021,436	1,710,529	38,062	81,160	84,074,941
Accumulated Amortization, beginning of year		41,152,464	474,016	1,027,335		35,285	42,689,100
Prior Period Adjustments							
To Recognize Asset Retirement Obligation		4,044,893					4,044,893
Accumulated Amortization, beginning of year, as restated		45,197,357	474,016	1,027,335	-	35,285	46,733,993
Changes for the Year							
Increase: Amortization for the Year		1,384,436	102,655	185,721	3,806	14,631	1,691,249
Decrease:							
Deemed Disposals			151,547	324,847		9,126	485,520
			151,547	324,847		9,126	485,520
Accumulated Amortization, end of year		46,581,793	425,124	888,209	3,806	40,790	47,939,722
Tangible Capital Assets - Net	2,891,161	31,750,800	596,312	822,320	34,256	40,370	36,135,219

School District No. 85 (Vancouver Island North)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2023

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
Deferred Capital Revenue, beginning of year	\$ 24,297,026	\$ 102,086	\$	\$ 24,399,112
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,628,221			2,628,221
	2,628,221	-	-	2,628,221
Decrease:				
Amortization of Deferred Capital Revenue	1,289,074	16,892		1,305,966
	1,289,074	16,892	-	1,305,966
Net Changes for the Year	1,339,147	(16,892)	-	1,322,255
Deferred Capital Revenue, end of year	25,636,173	85,194	-	25,721,367
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	25,636,173	85,194	-	25,721,367

School District No. 85 (Vancouver Island North)

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
Balance, beginning of year	\$	\$ 12,756	\$ 1,657	\$	\$	\$ 14,413
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	2,627,738					2,627,738
	2,627,738	-	-	-	-	2,627,738
Decrease:						
Transferred to DCR - Capital Additions	2,628,221					2,628,221
	2,628,221	-	-	-	-	2,628,221
Net Changes for the Year	(483)	-	-	-	-	(483)
Balance, end of year	(483)	12,756	1,657	-	-	13,930

School District Statement of Financial Information (SOFI)

School District No. 85 (Vancouver Island North)

Fiscal Year Ended June 30, 2023

Schedule of Debt

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

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

School District Statement of Financial Information (SOFI)

School District No. 85 (Vancouver Island North)

Fiscal Year Ended June 30, 2023

Schedule of Guarantee and Indemnity Agreements

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

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

NAME	POSITION	REMUNERATION	EXPENSE
ELECTED OFFICIALS :			
Cann, Paul	School Trustees	4,198.68	2.12
Deane, Janet	School Trustees	8,397.36	1,630.85
Farrell, Leanne	School Trustees	4,198.68	2.12
Field, Jeffrey G.	School Trustees	13,854.00	8,540.41
Garrett, Lawrence	School Trustees	12,596.04	3,020.74
Hunter, Eric	School Trustees	12,596.04	3,310.07
Prescott, Carol	School Trustees	12,596.04	5,645.14
Tjepkema, Katherine	School Trustees	8,397.36	3,205.90
Wishart, Leightan	School Trustees	15,113.04	5,498.92
TOTAL ELECTED OFFICIALS		91,947.24	30,856.27
DETAILED EMPLOYEES > 75,000.00 :			
Bedford, Stacey	Teachers, TTOC Staff	98,840.62	
Birney, Keon	Teachers, TTOC Staff	75,071.52	253.32
Boal, Stephanie	Teachers, Principals	135,672.08	2,567.93
Bono, Tammy	Teachers	99,322.98	527.49
Boyko, Craig R	Teachers	100,293.77	
Boyko, Marlei	Teachers	93,106.68	1,841.62
Bragan, Sheila	Teachers	105,624.10	502.96
Bramham, John	Teachers, TTOC Staff	75,634.84	185.66
Brown, Jillian	Teachers, TTOC Staff	107,378.03	
Cagna, Paul	Teachers	97,189.74	113.45
Casson, Nimfa	Teachers	92,122.10	429.18
Clausen, Jennifer	Teachers, CUPE Appoi	83,990.76	2,041.01
Cochrane, Joy	Teachers, Principals	119,409.83	835.07
Cook, Jill	Principals & Vice-Pr	133,438.56	5,769.05
Cox, Courtney	Teachers	92,878.62	14.52
Cunningham, Anne	Principals & Vice-Pr	125,626.58	3,898.54
Demoe, Melanie	Teachers, TTOC Staff	82,227.96	
Donoghue, Ben	Teachers, Principals	117,361.48	2,089.94
Donoghue, Morgan	Teachers, TTOC Staff	76,178.28	420.45
Dyck, Joel	Teachers	98,951.81	
Fleeton, Malcolm	Teachers, Principals	95,078.87	1,538.00
Fletcher, Michelle	Teachers, CUPE 10 Mo	79,290.09	
Gibson, Kenneth	CUPE 12 Month Staff	78,317.54	683.32
Gildersleeve, Darby	Excluded Staff	106,353.00	4,739.74
Gordon, Robyn L.	Teachers	100,006.32	175.45
Gough, Shawn	Teachers	98,822.22	500.00
Graham, Krista	Teachers	84,964.43	591.10
Hagen, Angela	Teachers	104,170.09	4,759.14
Harris, Roberta	Teachers, Principals	108,692.89	2,930.43
Haugrud, Eliza	Teachers	89,430.57	913.15
Head, Robert	Teachers	107,382.29	1,843.93
Heavenor, Emily	Teachers, CUPE On-Ca	76,809.52	66.37
Hogeweide, Jennifer	Teachers, TTOC Staff	105,344.18	1,521.49
House, Darcy	Teachers	105,999.68	66.08
Hubbard, Leah	Teachers, Principals	122,234.49	5,911.77
Hunt, Teniel	Teachers, CUPE 10 Mo	76,174.97	146.07
Huston, Jacqueline	Teachers, Principals	118,589.67	1,998.33

School District No. 85
 SCHEDULE OF REMUNERATION AND EXPENSE
 YEAR ENDED JUNE 30,2023

NAME	POSITION	REMUNERATION	EXPENSE
Isaac, Irene	Principals & Vice-Pr	135,786.67	9,911.05
Jack, Heather	Teachers, TTOC Staff	96,446.85	38.06
Janveau, Deborah	Teachers	105,281.26	126.56
Jensen, Wendie	Teachers	95,783.62	267.71
Johnson, Stacia	Teachers, Principals	144,066.23	5,665.87
Kennedy, Maritta	Teachers, TTOC Staff	81,599.51	498.00
Klaric, Richard	CUPE 12 Month Staff	78,424.40	1,151.30
Kunstar, Holly	Teachers, TTOC Staff	89,508.39	68.48
Lansdowne, Serena	Teachers	99,449.72	51.49
MacDonald, Christina	Principals & Vice-Pr	197,674.13	25,486.40
MacLean, W.Frank	Teachers, Principals	108,892.91	58.51
Martin, John R	Secretary Treasurer	169,408.38	20,177.02
May, Tracy	Teachers, TTOC Staff	94,505.73	3,740.95
McAleer, Bernice	Teachers, CUPE On-Ca	76,024.97	456.99
McCrae, Ricki-Lyn	Teachers, TTOC Staff	86,646.15	1,914.34
McGhee, Kevin	Teachers	99,327.71	880.15
Miller, Heather K	Teachers, TTOC Staff	89,961.51	11.71
Mitchell, Nina	Teachers, Principals	108,324.03	5,116.62
Nelson, Harold	Teachers, TTOC Staff	79,505.92	1,686.72
Nicholson, Jonathan	CUPE 12 Month Staff	82,002.81	1,018.84
Nielsen, Julie	Teachers, TTOC Staff	87,345.36	81.24
Nielsen, Sarah	Teachers, TTOC Staff	86,654.48	283.55
Ogren, Kevin	Teachers, Honourariu	107,378.03	300.00
Peterson, Jaclyn	Teachers, Principals	115,876.39	1,968.36
Pottle, Jennifer	Teachers, TTOC Staff	93,632.93	
Purdey, Charleen	Teachers	107,378.03	1,375.84
Reynolds, Catherine	Teachers, TTOC Staff	88,467.11	385.56
Roland, Lindsay	Teachers, TTOC Staff	91,808.11	1,875.30
Sedola, Michelle	Teachers	105,774.47	1,793.63
Sharpe, Kendra	Teachers, TTOC Staff	76,898.11	119.18
Sneazwell, Jacqueline	Teachers, Principals	97,466.90	2,484.30
Soltau, Sarah	Teachers	107,464.53	868.60
Sweeney, Rena	Principals & Vice-Pr	154,760.98	24,964.24
Thompson, Matthew	Teachers	75,011.74	1,335.88
Turner, Jennifer L	Principals & Vice-Pr	143,752.17	4,923.32
Voth, Jason	Teachers	99,316.56	
wadhams, Teresa L	Teachers	88,396.24	314.18
walkus, Jillian	Teachers, Principals	146,877.44	4,862.90
wall, Courtney	Teachers	76,040.98	786.48
watson, Melody	Teachers, Principals	130,112.41	3,750.78
webber, Alison	Principals & Vice-Pr	130,908.74	3,085.55
williams, Sherri	Teachers, TTOC Staff	76,542.52	576.81
woodford, Jamie	Teachers	107,378.03	3,035.00
TOTAL DETAILED EMPLOYEES > 75,000.00		8,181,844.32	187,372.03
TOTAL EMPLOYEES <= 75,000.00		7,857,866.38	75,785.73
TOTAL		16,131,657.94	294,014.03
TOTAL EMPLOYER PREMIUM FOR CPP/EI			935,467.86

School District Statement of Financial Information (SOFI)

School District No. 85 (Vancouver Island North)

Fiscal Year Ended June 30, 2023

Statement of Severance Agreements

There were no severance agreements between School District No. 85 (Vancouver Island North) and its non-unionized employees during the 2022 - 2023 fiscal year.

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

VENDOR NAME -----	EXPENSE -----
DETAILED VENDORS > 25,000.00 :	
ABBA FLOORCOVERINGS LTD	125,259.75
AFC INDUSTRIES LTD	2,208,225.42
AMAZON	151,441.34
ANU ENTERPRISES LTD	50,257.94
BC EMPLOYER HEALTH TAX	286,204.35
BC FERRY CORP	26,050.83
BC HYDRO & POWER AUTHORITY	491,584.50
BC PENSION CORPORATION	1,369,570.00
BRADLEY SHUYA ARCHITECT INC	27,300.00
BRITCO BOXX	241,893.70
BUNZL CLEANING & HYGIENE	68,480.58
CHAN NOWOSAD BOATES	39,149.38
CRAIG YOUNG DBA SWGR CONTRACTING	68,689.62
DAVID NIXON	45,015.81
DISTRICT OF PORT HARDY	60,422.44
DOR TEC SECURITY LTD	50,452.67
EB HORSMAN & SON	34,436.99
FOX'S DISPOSAL SERVICE	45,309.13
FULCRUM MANAGEMENT SOLUTIONS LTD.	25,401.60
FURNEY DISTRIBUTING LTD	68,590.20
GWA'SALA-'NAKWAXDA'XW NATIONS	295,217.05
HEROLD ENGINEERING LTD	49,000.78
HOME HARDWARE	38,559.28
IGA	25,332.04
KWAKIUTL BAND	71,639.00
LINDA WEAVER	58,704.63
LINDE CANADA INC	72,536.37
MID ISLAND CONSUMER SERVICES CO-OP	42,344.50
MID ISLAND GLASS LTD	62,161.05
MONK OFFICE SUPPLY LTD	67,270.01
N HARRIS COMPUTER CORPORATION	29,016.40
N I COMMUNITY SERVICES	64,000.00
N I CRISIS & COUNSELLING CNTR	32,000.00
NELSON ROOFING & SHEET METAL LTD	389,592.93
PACIFIC BLUE CROSS	256,951.93
PARKLAND CORPORATION	37,063.87
PORT ALICE GAS INC	49,667.20
PUBLIC EDUCATION BENEFITS TRUST	258,638.10
RACER MACHINERY INTERNATIONAL	73,345.15
REGIONAL DIST OF MT WADDINGTON	29,201.05
RIMKUS CONSULTING GROUP	40,687.50
SAVE ON FOODS #2261	44,262.68
SMCN CONSULTING INC	97,730.09
STAPLES	32,613.22
STEVE MARSHALL FORD LINCOLN LTD	31,132.16
SUPERIOR PROPANE INC.	319,919.62
TELUS COMMUNICATIONS COMPANY	35,206.69
TINYEYE	57,138.22
TOWN OF PORT MCNEILL	32,342.19
TRANE CANADA ULC - ZM	73,662.38
VINCE LETENDRE PAINTING	34,650.00

VENDOR NAME -----	EXPENSE -----
VINTA - PRO D	74,250.00
WORKSAFE BC	194,394.44

TOTAL DETAILED VENDORS > 25,000.00	8,553,966.78
TOTAL VENDORS <= 25,000.00	1,197,079.27
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TOTAL PAYMENTS FOR THE GOODS AND SERVICES	9,751,046.05

SCHEDULED PAYMENTS

REMUNERATION	16,131,657.94
EMPLOYEE EXPENSES	294,014.03
EMPLOYER CPP/EI	935,467.86
PAYMENTS FOR GOODS AND SERVICES	9,751,046.05
TOTAL SCHEDULED PAYMENTS	----- 27,112,185.88

RECONCILIATION ITEMS

NONCASH ITEMS:	
ACCOUNTS PAYABLE ACCRUALS	133,559.00-
PAYROLL ACCRUALS	465,453.00
INVENTORIES AND PREPAIDS	73,238.00-
PAYMENTS INCLUDED:	
TAXABLE BENEFITS	51,597.28-
OTHER:	
THIRD PARTY RECOVERIES	161,656.06-
GST/HST REBATE	277,500.85-
RECOVERIES OF EXPENSES	11,509.58-
MISCELLANEOUS	170,827.89
TOTAL RECONCILIATION ITEMS	----- 72,779.88-

FINANCIAL STATEMENT EXPENDITURES

OPERATING FUND	20,781,823.00
TRUST FUND	2,776,917.00
CAPITAL FUND	3,480,666.00
TOTAL FINANCIAL STATEMENT EXPENDITURES	----- 27,039,406.00

BALANCE

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0.00