

Consolidated Audited Financial Statements of

School District No. 53 (Okanagan Similkameen)

And Independent Auditors' Report thereon

June 30, 2024

School District No. 53 (Okanagan Similkameen)

June 30, 2024

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School District No. 53 (Okanagan Similkameen)

MANAGEMENT REPORT

Version: 2311-1565-8583

Management's Responsibility for the Consolidated Financial Statements.

The accompanying consolidated financial statements of School District No. 53 (Okanagan Similkameen) 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 consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements.

The preparation of consolidated 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. 53 (Okanagan Similkameen) (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 consolidated financial statements on a monthly basis and externally audited consolidated financial statements yearly.

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of School District No. 53 (Okanagan Similkameen) 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 consolidated financial statements.

On behalf of School District No. 53 (Okanagan Similkameen)

Signature of the Chairperson of the Board of Education

24-9-24

Date Signed

Signature of the Superintendent

24-9-24

Date Signed

Signature of the Secretary Treasurer

24-9-24

Date Signed

Independent auditor's report

To the Board of Education of School District No. 53 (Okanagan Similkameen) and the Ministry of Education and Child Care

Grant Thornton LLP
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Opinion

We have audited the consolidated financial statements of School District No. 53 (Okanagan Similkameen) ("the District"), which comprise the consolidated statement of financial position as at June 30, 2024, and the consolidated statement of operations, consolidated statement of changes in net financial debt and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of School District No. 53 (Okanagan Similkameen) as at June 30, 2024 and for the year then ended, are prepared in all material respects in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia ("Section 23.1").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 2 to the consolidated financial statements, which describes the basis of accounting. The consolidated financial statements are prepared to assist the District to comply with the financial reporting provisions of Section 23.1. As a result, the consolidated financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other matter – Supplementary Information

Our audit was conducted for the purposes of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included in Schedules 1 through 4 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on it.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the consolidated financial statements and our auditor's report thereon, in the Financial Statement Discussion and Analysis.

Our opinion on the financial consolidated statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Financial Statement Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

Management is responsible for the preparation of these consolidated financial statements in accordance with the financial reporting provisions of Section 23.1, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, management is responsible for assessing the 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 either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated 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 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 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District to cease to continue as a going concern.

We 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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, handwritten font.

Chartered Professional Accountants

Kelowna, Canada

September 10, 2024

School District No. 53 (Okanagan Similkameen)

Statement 1

Consolidated Statement of Financial Position

As at June 30, 2024

	2024 Actual	2023 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents (Note 2c)	8,583,336	9,089,963
Accounts Receivable		
Due from Province - Ministry of Education and Child Care (Note 2d, 3)	3,389	
Due from First Nations (Note 2d, 3)	498,381	155,136
Other (Note 2d, 3)	193,888	165,024
Portfolio Investments (Note 2d, 4)	4,132	4,132
Total Financial Assets	9,279,737	9,417,644
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	1,954,102	537,528
Deferred Revenue (Note 2f, 6)	1,312,850	1,206,008
Deferred Capital Revenue (Note 2f, 7)	62,728,911	61,427,163
Employee Future Benefits (Note 2g, 8)	1,626,194	1,592,785
Asset Retirement Obligation (Note 2h, 21)	1,819,566	1,819,566
Capital Lease Obligations (Note 2k, 9)	302,621	453,929
Other Liabilities (Note 5)	879,102	834,233
Total Liabilities	70,623,346	67,871,212
Net Debt	(61,343,609)	(58,453,568)
Non-Financial Assets		
Tangible Capital Assets (Note 2j, 10)	66,781,202	65,259,751
Restricted Assets (Endowments) (Note 2p, 12)	269,018	269,018
Prepaid Expenses (Note 2l)	99,609	100,838
Total Non-Financial Assets	67,149,829	65,629,607
Accumulated Surplus (Deficit)	5,806,220	7,176,039

Contractual Obligations (Note 15)

Approved by the Board

24 - 9 - 24

Date Signed

Signature of the Chairperson of the Board of Education

Signature of the Superintendent

24 - 9 - 24

Date Signed

Signature of the Secretary Treasurer

24 - 9 - 24

Date Signed

School District No. 53 (Okanagan Similkameen)

Statement 2

Consolidated Statement of Operations

Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	37,258,807	38,261,876	35,279,972
Other	51,060	56,249	54,726
Tuition		10,000	25,986
Other Revenue	2,621,746	3,611,177	3,003,935
Rentals and Leases	48,640	55,617	52,236
Investment Income	128,875	237,924	223,075
Gain (Loss) on Disposal of Tangible Capital Assets		1	
Amortization of Deferred Capital Revenue (Note 2f, 7)	2,363,442	2,444,035	2,396,468
Total Revenue	42,472,570	44,676,879	41,036,398
Expenses			
Instruction (Note 2o)	33,025,291	35,881,537	31,837,802
District Administration (Note 2o)	1,812,244	1,672,678	1,496,363
Operations and Maintenance (Note 2o)	6,755,741	6,958,560	6,526,348
Transportation and Housing (Note 2o)	1,266,491	1,533,923	1,355,058
Debt Services	1,209		
Total Expense	42,860,976	46,046,698	41,215,571
Surplus (Deficit) for the year	(388,406)	(1,369,819)	(179,173)
Accumulated Surplus (Deficit) from Operations, beginning of year		7,176,039	7,355,212
Accumulated Surplus (Deficit) from Operations, end of year	5,806,220	7,176,039	

School District No. 53 (Okanagan Similkameen)

Statement 4

Consolidated Statement of Changes in Net Debt

Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Surplus (Deficit) for the year		<u>(388,406)</u>	<u>(1,369,819)</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets (Note 2j, 10)	(3,388,753)	(4,504,083)	(3,012,057)
Amortization of Tangible Capital Assets (Note 2j, 10)	2,956,020	2,982,632	2,836,767
Total Effect of change in Tangible Capital Assets	<u>(432,733)</u>	<u>(1,521,451)</u>	<u>(175,290)</u>
 Acquisition of Prepaid Expenses (Note 2l)			
Use of Prepaid Expenses (Note 2l)		(99,609)	(100,838)
Total Effect of change in Other Non-Financial Assets	<u>100,838</u>	<u>1,229</u>	<u>104,379</u>
 (Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)		<u>(821,139)</u>	<u>(2,890,041)</u>
 Net Remeasurement Gains (Losses)			
 (Increase) Decrease in Net Debt		<u>(2,890,041)</u>	<u>(350,922)</u>
 Net Debt, beginning of year		<u>(58,453,568)</u>	<u>(58,102,646)</u>
 Net Debt, end of year		<u>(61,343,609)</u>	<u>(58,453,568)</u>

School District No. 53 (Okanagan Similkameen)

Statement 5

Consolidated Statement of Cash Flows

Year Ended June 30, 2024

	2024 Actual	2023 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(1,369,819)	(179,173)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable (Note 2d, 3)	(368,719)	66,058
Prepaid Expenses (Note 2l)	1,229	3,542
Increase (Decrease)		
Accounts Payable and Accrued Liabilities (Note 5)	1,416,574	(32,333)
Deferred Revenue (Note 2f, 6)	106,842	323,649
Employee Future Benefits (Note 2g, 8)	33,409	(13,115)
Other Liabilities (Note 5)	44,869	214,409
Amortization of Tangible Capital Assets (Note 2j, 10)	2,982,632	2,836,767
Amortization of Deferred Capital Revenue (Note 2f, 7)	(2,444,035)	(2,396,468)
Total Operating Transactions	402,982	823,336
Capital Transactions		
Tangible Capital Assets Purchased (Note 2j, 10)	(4,504,083)	(2,406,821)
Total Capital Transactions	(4,504,083)	(2,406,821)
Financing Transactions		
Capital Revenue Received (Note 2f, 7)	3,745,783	2,854,942
Lease Payment	(151,309)	(151,309)
Total Financing Transactions	3,594,474	2,703,633
Net Increase (Decrease) in Cash and Cash Equivalents	(506,627)	1,120,148
Cash and Cash Equivalents, beginning of year (Note 2c)	9,089,963	7,969,815
Cash and Cash Equivalents, end of year	8,583,336	9,089,963
Cash and Cash Equivalents, end of year, is made up of:		
Cash (Note 2c)	6,657,447	7,267,327
Cash Equivalents (Note 2c)	1,925,889	1,822,636
	8,583,336	9,089,963

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on December 1, 1996, 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. 53 (Okanagan Similkameen)", and operates as "School District No. 53 (Okanagan Similkameen)." 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. 53 (Okanagan Similkameen) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

These consolidated 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 with regards to the accounting for government transfers as set out in Notes 2 (f) and 2 (n).

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

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 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 these differences on the financial statements of the School District are as follows:

- June 30, 2023 - increase in annual surplus by \$36,990
- June 30, 2023 - increase in accumulated surplus and decrease in deferred contributions by \$60,688,454
- June 30, 2024 – increase in annual surplus by \$1,476,381
- June 30, 2024 – increase in accumulated surplus and decrease in deferred contributions by \$62,164,835

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Basis of Consolidation

These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity, which is comprised of all controlled entities. The following entities are consolidated into the financial statements:

- South Okanagan Secondary School Transportation Society
- Osoyoos Secondary School Transportation Society
- Similkameen Elementary Secondary School Extra-Curricular Support Group

The transactions of these entities are accounted for using the line by line consolidation method. Inter-entity transactions have been eliminated.

c) 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.

d) Accounts Receivable

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

e) Portfolio Investments

The School District has investments in GIC's and term deposits that have a maturity of greater than 3 months at the time of acquisition. GIC's and term deposits not quoted in an active market are reported at cost or amortized cost. Detailed information regarding portfolio investments is disclosed in Note 4.

f) Deferred Revenue and Deferred Capital Revenue

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

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the consolidated 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 consolidated financial statements.

**SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include accumulated non-vested sick leave, retirement/severance, 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.

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 2j. Assumptions used in the calculations are reviewed annually.

i) Liability for Contaminated Sites

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

- an environmental standard exists;
- contamination exceeds the environmental standard;

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site. At this time the School District has determined there are no liabilities for contaminated sites.

j) Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- 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 consolidated Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

k) Capital Leases

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

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

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

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

l) Prepaid Expenses

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

m) Funds and Reserves

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 13 – Interfund Transfers and Note 18 – Restricted Surplus).

n) 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.

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 consolidated financial statements.

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

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

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

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

o) Expenditures

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

Categories of Salaries

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

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and 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.

p) Endowment Contributions

Endowment contributions are reported as revenue on the consolidated Statement of Operations when received. Investment income earned on endowment principal is recorded as deferred revenue if it meets the definition of a liability and is recognized as revenue in the year related expenses (disbursements) are incurred. If the investment income earned does not meet the definition of a liability, it is recognized as revenue in the year it is earned. Endowment assets are reported as restricted non-financial assets on the consolidated Statement of Financial Position.

q) 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 consolidated financial statements. The School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

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

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

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

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the consolidated 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.

r) Measurement Uncertainty

Preparation of consolidated 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 consolidated 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, asset retirement obligation, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	2024	2023
	\$	\$
Due from First Nations	498,381	155,136
Due from MECC – Ventilation & OLEP Funding	-	3,389
Other	193,888	165,024
	<u>692,269</u>	<u>323,549</u>

NOTE 4 PORTFOLIO INVESTMENTS

	2024	2023
	\$	\$
Investments in the cost and amortized cost category:		
GIC's	4,132	4,132
	<u>4,132</u>	<u>4,132</u>

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2024	2023
	\$	\$
Trade payables	1,954,102	537,528
Salaries and benefits payable	483,294	466,848
Accrued vacation pay	315,547	274,567
Other	80,261	92,818
	<u>2,833,204</u>	<u>1,371,761</u>

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.

	2024	2023
	\$	\$
Balance, beginning of year	1,206,008	882,359
Changes for the year:		
Increases:		
Provincial grants - MECC	4,705,988	4,086,867
Other revenue	1,923,323	1,552,803
	<u>6,629,311</u>	<u>5,609,670</u>
Decrease:		
Allocated to revenue	(6,522,469)	(5,286,021)
Net change for the year	<u>106,842</u>	<u>323,649</u>
Balance, end of year	<u>1,312,850</u>	<u>1,206,008</u>

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

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.

Deferred Capital Revenue:

	2024	2023
	\$	\$
Balance, beginning of year	60,688,454	60,725,444
Changes for the year:		
Increases:		
Transferred from Unspent DCR – Capital Additions	3,920,416	2,359,478
Decreases:		
Amortization of Deferred Capital Revenue	(2,444,035)	(2,396,468)
Net change for the year	1,476,381	(36,990)
Balance, end of year	<u>62,164,835</u>	<u>60,688,454</u>

Unspent Deferred Capital Revenue:

	2024	2023
	\$	\$
Unspent Deferred Capital Revenue, beginning of year	738,709	243,245
Changes for the year:		
Provincial grants - MECC	3,606,817	2,753,694
Investment income	138,966	101,248
	<u>3,745,783</u>	<u>2,854,942</u>
Decrease:		
Transferred to DCR- Capital Additions	(3,920,416)	(2,359,478)
Net change for the year	<u>(174,633)</u>	<u>495,464</u>
Unspent Deferred Capital Revenue, end of year	<u>564,076</u>	<u>738,709</u>
Total Deferred Capital Revenue, end of year	<u>62,728,911</u>	<u>61,427,163</u>

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 8 EMPLOYEE FUTURE BENEFITS

Benefits include accumulating non-vested sick leave, retirement/severance 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.

	2024 \$	2023 \$
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	1,009,093	1,065,512
Service Cost	90,172	92,588
Interest Cost	41,389	34,791
Benefit Payments	(21,181)	(85,536)
Increase (Decrease) in obligation due to Plan Amendment	-	-
Actuarial (Gain) Loss	<u>(124,494)</u>	<u>(98,262)</u>
Accrued Benefit Obligation – March 31	<u>994,979</u>	<u>1,009,093</u>
Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	994,979	1,009,093
Market Value of Plan Assets - March 31	-	-
Funded Status - Surplus (Deficit)	(994,979)	(1,009,093)
Employer Contributions After Measurement Date	-	-
Benefits Expense After Measurement Date	(33,023)	(32,890)
Unamortized Net Actuarial (Gain) Loss	<u>(598,192)</u>	<u>(550,802)</u>
Accrued Benefit Asset (Liability) - June 30	<u>(1,626,194)</u>	<u>(1,592,785)</u>
Reconciliation of Change in Accrued Benefit Liability		
Accrued Benefit Liability (Asset) - July 1	1,592,786	1,605,902
Net Expense for Fiscal Year	54,589	58,229
Employer Contributions	<u>(21,181)</u>	<u>(71,344)</u>
Accrued Benefit Liability (Asset) - June 30	<u>1,626,194</u>	<u>1,592,785</u>

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 8 EMPLOYEE FUTURE BENEFITS
(continued)

Components of Net Benefit Expense

Service Cost	89,816	91,984
Interest Cost	41,879	36,440
Immediate Recognition of Plan Amendment	-	-
Amortization of Net Actuarial (Gain)/Loss	<u>(77,105)</u>	<u>(70,195)</u>
Net Benefit Expense (Income)	<u><u>54,590</u></u>	<u><u>58,229</u></u>

Assumptions

Discount Rate - April 1	4.00%	3.25%
Discount Rate - March 31	4.25%	4.00%
Long Term Salary Growth - April 1	2.50%	2.50%
Long Term Salary Growth - March 31	2.50%	2.50%
EARSL - March 31	10.4	10.4

The impact of changes in assumptions between the March 31, 2024 measurement date and June 30, 2024, reporting date have been considered and are not material.

NOTE 9 CAPITAL LEASE OBLIGATIONS

The School District entered into a 48-month capital lease obligation for computer hardware on August 1, 2022 with an option to buy the computer hardware at the end of the lease. The lease is held with Macquarie Equipment Finance Ltd., at an effective interest rate of 0.68%. The annual lease payment is \$151,309 over the four-year term.

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 10 TANGIBLE CAPITAL ASSETS

Net Book Value:

	Net Book Value 2024 \$	Net Book Value 2023 \$
Sites	1,093,054	1,093,054
Buildings	63,219,577	61,655,646
Furniture & Equipment	687,350	698,104
Vehicles	1,206,513	1,043,005
Computer Hardware	221,653	240,361
Computer Hardware under capital lease	353,055	529,581
Total	66,781,202	65,259,751

June 30, 2024

	Opening Cost \$	Additions \$	Disposals \$	Total 2024 \$
Sites	1,093,054	-	-	1,093,054
Buildings	99,828,254	3,931,738	-	103,759,992
Furniture & Equipment	2,012,270	152,576	(910,519)	1,254,327
Vehicles	1,531,938	337,776	(112,359)	1,757,355
Computer Hardware	467,890	81,993	(10,784)	539,099
Computer Hardware under capital lease	605,236	-	-	605,236
Total	105,538,642	4,504,083	(1,033,662)	109,009,063

	Opening Accumulated Amortization \$	Additions \$	Disposals \$	Total 2024 \$
Sites	-	-	-	-
Buildings	38,172,608	2,367,807	-	40,540,415
Furniture & Equipment	1,314,166	163,330	(910,519)	566,977
Vehicles	488,933	174,268	(112,359)	550,842
Computer Hardware	227,529	100,700	(10,784)	317,445
Computer hardware under capital lease	75,655	176,527	-	252,182
Total	40,278,891	2,982,632	(1,033,662)	42,227,861

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 10 TANGIBLE CAPITAL ASSETS (continued)

June 30, 2023

	Opening Cost \$	Additions \$	Disposals \$	Total 2023 \$
Sites	1,093,054	-	-	1,093,054
Buildings	97,826,851	2,001,403	-	99,828,254
Furniture & Equipment	1,986,388	25,882	-	2,012,270
Vehicles	1,443,970	379,536	(291,568)	1,531,938
Computer Hardware	551,907	-	(84,017)	467,890
Computer Hardware under capital lease	524,252	605,236	(524,252)	605,236
Total	103,426,422	3,012,057	(899,837)	105,538,642

	Opening Accumulated Amortization \$	Additions \$	Disposals \$	Total 2023 \$
Sites	-	-	-	-
Buildings	35,872,010	2,300,598	-	38,172,608
Furniture & Equipment	1,114,233	199,933	-	1,314,166
Vehicles	621,901	158,600	(291,568)	488,933
Computer Hardware	209,565	101,981	(84,017)	227,529
Computer Hardware under capital lease	525,252	75,655	(524,252)	75,655
Total	38,341,961	2,836,767	(899,837)	40,278,891

NOTE 11 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, 2023, the Teachers' Pension Plan has about 51,000 active members and approximately 42,000 retired members. As of December 31, 2023, the Municipal Pension Plan has about 256,000 active members, including approximately 31,000 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.

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 11 EMPLOYEE PENSION PLANS *(continued)*

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 \$2,852,973 for employer contributions to the plans for the year ended June 30, 2024 (2023: \$2,593,644).

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.

NOTE 12 RESTRICTED ASSETS - ENDOWMENT FUNDS

Donors have placed restrictions on their contributions to the endowment funds of the School District in which the original contribution cannot be spent. A large portion of the income earned on endowment funds are used for student scholarships.

	2024	2023
	\$	\$
Total Endowments	<u>269,018</u>	<u>269,018</u>
	<u>269,018</u>	<u>269,018</u>

NOTE 13 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2024, were as follows:

- Transfer from operating fund to capital fund of \$203,204 for furniture & equipment
- Transfer from operating fund to local capital fund of \$550,000 for Policy C-11
- Transfer from operating fund to capital fund of \$151,309 for lease payments

NOTE 14 RELATED PARTY TRANSACTIONS

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

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 15 CONTRACTUAL OBLIGATIONS

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

Contractual obligations	2025	2026	2027	2028	Thereafter
	\$	\$	\$	\$	\$
Ricoh Financial	61,728	61,728	61,728	61,728	-

NOTE 16 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of an annual budget on June 21, 2023.

NOTE 17 EXPENSE BY OBJECT

	2024	2023
	\$	\$
Salaries and benefits	35,902,714	32,039,530
Services and supplies	7,161,352	6,339,274
Amortization	2,982,632	2,836,767
	<u>46,046,698</u>	<u>41,215,571</u>

NOTE 18 RESTRICTED SURPLUS

Internally Restricted (appropriated) for:	2024
	\$
School Surplus carried forward	106,344
Roots of Empathy	5,000
Skills Canada Competition	2,361
Take A Risk Grant	10,000
Technology Upgrades	40,000
Maintenance Requirements	35,313
District Initiatives	25,000
Leadership Initiatives/New Curriculum	25,000
Unrestricted Surplus	-
Total Surplus Available for Future Operations	249,018
Special Purpose Fund	269,018
Capital Fund	5,288,184
Accumulated Surplus (Deficit) end of year	<u>5,806,220</u>

SCHOOL DISTRICT No. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

NOTE 19 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 consolidated financial statements have been prepared on a going concern basis.

NOTE 20 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 and the School District invests solely in GICs.

b) Market risk:

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in GICs.

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. 53 (Okanagan Similkameen)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

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

NOTE 21 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, 2022. The obligation was 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, 2023	\$1,819,566
Settlements during the year	-
Asset Retirement Obligation, closing balance	<u><u>\$1,819,566</u></u>

School District No. 53 (Okanagan Similkameen)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund

Year Ended June 30, 2024

	Operating Fund	Special Purpose Fund	Capital Fund	2024 Actual	2023 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	2,024,499	269,018	4,882,522	7,176,039	7,355,212
Changes for the year					
Surplus (Deficit) for the year	(870,968)	30,877	(529,728)	(1,369,819)	(179,173)
Interfund Transfers					
Tangible Capital Assets Purchased	(203,204)	(30,877)	234,081	-	
Local Capital	(550,000)		550,000	-	
Other	(151,309)		151,309	-	
Net Changes for the year	(1,775,481)	-	405,662	(1,369,819)	(179,173)
Accumulated Surplus (Deficit), end of year - Statement 2	249,018	269,018	5,288,184	5,806,220	7,176,039

School District No. 53 (Okanagan Similkameen)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2024

	2024 Budget \$	2024 Actual \$	2023 Actual \$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	33,031,426	33,645,449	31,512,536
Other	24,060	24,060	24,060
Tuition		10,000	25,986
Other Revenue	1,579,035	1,782,173	1,561,986
Rentals and Leases	48,640	55,617	52,236
Investment Income	120,464	225,201	211,467
Total Revenue	34,803,625	35,742,500	33,388,271
Expenses			
Instruction	27,871,378	29,580,357	26,794,752
District Administration	1,812,244	1,672,678	1,496,363
Operations and Maintenance	3,846,166	4,055,203	3,707,513
Transportation and Housing	1,072,687	1,305,230	1,140,445
Total Expense	34,602,475	36,613,468	33,139,073
Operating Surplus (Deficit) for the year	201,150	(870,968)	249,198
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(49,662)	(203,204)	(25,882)
Local Capital		(550,000)	(573,599)
Other	(151,488)	(151,309)	(151,309)
Total Net Transfers	(201,150)	(904,513)	(750,790)
Total Operating Surplus (Deficit), for the year	-	(1,775,481)	(501,592)
Operating Surplus (Deficit), beginning of year		2,024,499	2,526,091
Operating Surplus (Deficit), end of year		249,018	2,024,499
Operating Surplus (Deficit), end of year			
Internally Restricted		249,018	1,407,149
Unrestricted			617,350
Total Operating Surplus (Deficit), end of year		249,018	2,024,499

School District No. 53 (Okanagan Similkameen)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	33,291,120	34,071,256	31,193,708
ISC/LEA Recovery	(1,273,070)	(1,439,908)	(1,345,038)
Other Ministry of Education and Child Care Grants			
Pay Equity	233,703	233,703	233,703
Funding for Graduated Adults	9,242	10,321	16,975
Student Transportation Fund	209,099	209,099	209,099
FSA Scorer Grant	7,506	7,506	7,506
Early Learning Framework (ELF) Implementation	354	-	354
Labour Settlement Funding	553,472	553,472	1,196,229
Total Provincial Grants - Ministry of Education and Child Care	33,031,426	33,645,449	31,512,536
Provincial Grants - Other	24,060	24,060	24,060
Tuition			
Continuing Education		-	10,960
International and Out of Province Students		10,000	15,026
Total Tuition	-	10,000	25,986
Other Revenues			
Funding from First Nations	1,273,070	1,439,908	1,345,038
Miscellaneous			
Youth In Trades Revenue	98,500	82,414	63,130
Other Revenues	79,682	92,878	61,273
School Generated Funds	45,098	56,300	7,210
Transportation Societies	82,685	110,673	85,335
Total Other Revenue	1,579,035	1,782,173	1,561,986
Rentals and Leases	48,640	55,617	52,236
Investment Income	120,464	225,201	211,467
Total Operating Revenue	34,803,625	35,742,500	33,388,271

School District No. 53 (Okanagan Similkameen)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Salaries			
Teachers	13,223,125	14,027,730	12,911,918
Principals and Vice Principals	2,296,220	2,279,852	2,241,153
Educational Assistants	3,286,750	3,465,003	2,950,135
Support Staff	3,374,040	3,440,987	3,222,458
Other Professionals	1,375,589	1,599,568	1,198,264
Substitutes	853,525	933,334	879,326
Total Salaries	24,409,249	25,746,474	23,403,254
Employee Benefits	5,837,276	6,175,299	5,452,114
Total Salaries and Benefits	30,246,525	31,921,773	28,855,368
Services and Supplies			
Services	1,456,684	1,841,315	1,635,926
Student Transportation	165,961	221,305	230,190
Professional Development and Travel	165,475	206,049	184,229
Dues and Fees	97,900	93,627	97,879
Insurance	124,515	190,302	116,294
Supplies	1,564,355	1,301,821	1,214,628
Utilities	781,060	837,276	804,559
Total Services and Supplies	4,355,950	4,691,695	4,283,705
Total Operating Expense	34,602,475	36,613,468	33,139,073

School District No. 53 (Okanagan Similkameen)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2024

	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	11,109,100	237,206	21,940	605,514	217,362	799,240	12,990,362
1.03 Career Programs	135,297			22,009		4,192	161,498
1.07 Library Services	351,289	178,134	142,265			1,421	673,109
1.08 Counselling	469,433						469,433
1.10 Special Education	1,514,105	243,517	2,971,618	98,354	438,866	95,615	5,362,075
1.30 English Language Learning	241,074						241,074
1.31 Indigenous Education	207,432	52,891	329,180			3,351	592,854
1.41 School Administration		1,430,560		192,177		2,308	1,625,045
1.61 Continuing Education	137,544			53,751			191,295
Total Function 1	14,027,730	2,279,852	3,465,003	971,805	656,228	906,127	22,306,745
4 District Administration							
4.11 Educational Administration				11,172	329,340	4,749	345,261
4.40 School District Governance					101,081		101,081
4.41 Business Administration				166,857	313,411		480,268
Total Function 4	-	-	-	178,029	743,832	4,749	926,610
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration				2,225	152,309	5,476	160,010
5.50 Maintenance Operations				1,441,355		15,675	1,457,030
5.52 Maintenance of Grounds				193,059		1,307	194,366
5.56 Utilities							-
Total Function 5	-	-	-	1,636,639	152,309	22,458	1,811,406
7 Transportation and Housing							
7.41 Transportation and Housing Administration				2,225	47,199		49,424
7.70 Student Transportation				652,289			652,289
Total Function 7	-	-	-	654,514	47,199	-	701,713
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	14,027,730	2,279,852	3,465,003	3,440,987	1,599,568	933,334	25,746,474

School District No. 53 (Okanagan Similkameen)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2024

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2024 Actual	2024 Budget	2023 Actual
1 Instruction							
1.02 Regular Instruction	12,990,362	2,996,640	15,987,002	1,195,355	17,182,357	15,148,253	15,716,095
1.03 Career Programs	161,498	38,405	199,903	135,703	335,606	362,750	218,529
1.07 Library Services	673,109	162,022	835,131	24,254	859,385	838,091	761,182
1.08 Counselling	469,433	113,315	582,748	9,310	592,058	471,175	314,495
1.10 Special Education	5,362,075	1,485,837	6,847,912	351,036	7,198,948	7,442,593	6,629,849
1.30 English Language Learning	241,074	57,959	299,033	512	299,545	270,959	283,796
1.31 Indigenous Education	592,854	140,421	733,275	117,101	850,376	914,740	711,913
1.41 School Administration	1,625,045	351,498	1,976,543	46,420	2,022,963	2,192,992	1,923,234
1.61 Continuing Education	191,295	47,824	239,119		239,119	229,825	235,659
Total Function 1	22,306,745	5,393,921	27,700,666	1,879,691	29,580,357	27,871,378	26,794,752
4 District Administration							
4.11 Educational Administration	345,261	74,852	420,113	16,217	436,330	392,620	346,807
4.40 School District Governance	101,081	5,838	106,919	78,703	185,622	167,400	239,904
4.41 Business Administration	480,268	97,735	578,003	472,723	1,050,726	1,252,224	909,652
Total Function 4	926,610	178,425	1,105,035	567,643	1,672,678	1,812,244	1,496,363
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	160,010	34,369	194,379	80,371	274,750	240,096	242,104
5.50 Maintenance Operations	1,457,030	328,028	1,785,058	710,697	2,495,755	2,480,740	2,282,375
5.52 Maintenance of Grounds	194,366	52,991	247,357	200,065	447,422	344,270	378,475
5.56 Utilities	-	-	-	837,276	837,276	781,060	804,559
Total Function 5	1,811,406	415,388	2,226,794	1,828,409	4,055,203	3,846,166	3,707,513
7 Transportation and Housing							
7.41 Transportation and Housing Administration	49,424	10,551	59,975	2,738	62,713	61,158	55,985
7.70 Student Transportation	652,289	177,014	829,303	413,214	1,242,517	1,011,529	1,084,460
Total Function 7	701,713	187,565	889,278	415,952	1,305,230	1,072,687	1,140,445
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	25,746,474	6,175,299	31,921,773	4,691,695	36,613,468	34,602,475	33,139,073

School District No. 53 (Okanagan Similkameen)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	4,227,381	4,616,427	3,767,436
Other	27,000	32,189	30,666
Other Revenue	1,042,711	1,829,004	1,436,949
Investment Income	4,180	3,855	4,680
Total Revenue	5,301,272	6,481,475	5,239,731
Expenses			
Instruction	5,153,913	6,301,180	5,043,050
Operations and Maintenance	125,870	94,993	140,668
Transportation and Housing	21,489	54,425	56,013
Total Expense	5,301,272	6,450,598	5,239,731
Special Purpose Surplus (Deficit) for the year		30,877	-
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(30,877)	
Total Net Transfers	-	(30,877)	-
Total Special Purpose Surplus (Deficit) for the year		-	-
Special Purpose Surplus (Deficit), beginning of year		269,018	269,018
Special Purpose Surplus (Deficit), end of year		269,018	269,018
Special Purpose Surplus (Deficit), end of year			
Endowment Contributions		269,018	269,018
Total Special Purpose Surplus (Deficit), end of year		269,018	269,018

School District No. 53 (Okanagan Similkameen)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2024

Schedule 3A (Unaudited)

	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	-	525	21,270	566,662	-	8,861	12,295	-	14,091
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	125,870	126,011			128,000	12,250	12,797	250,329	72,357
Provincial Grants - Other					1,740,548				
Other				3,939					
Investment Income					1,740,548				
	125,870	126,011	3,939	1,740,548	128,000	12,250	12,797	250,329	72,357
Less: Allocated to Revenue	125,870	126,536	3,855	1,687,355	128,000	7,765	10,814	246,251	63,563
Recovered									14,091
Deferred Revenue, end of year	-	-	21,354	619,855	-	13,346	14,278	4,078	8,794
Revenues									
Provincial Grants - Ministry of Education and Child Care	125,870	126,536			128,000	7,765	10,814	246,251	63,563
Provincial Grants - Other					1,687,355				
Other Revenue				3,855					
Investment Income					1,687,355				
	125,870	126,536	3,855	1,687,355	128,000	7,765	10,814	246,251	63,563
Expenses									
Salaries									
Teachers									73,992
Principals and Vice Principals									
Educational Assistants			97,028						45,400
Support Staff						87,000	487		4,669
Other Professionals									36,182
Substitutes		639			6,700				1,064
	-	97,667	-	-	93,700	487	-	125,125	36,182
Employee Benefits		28,869			19,300			32,953	9,045
Services and Supplies	94,993		3,855	1,687,355	15,000	7,278	10,814	88,173	18,336
	94,993	126,536	3,855	1,687,355	128,000	7,765	10,814	246,251	63,563
Net Revenue (Expense) before Interfund Transfers	30,877	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(30,877)								
	(30,877)	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 53 (Okanagan Similkameen)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2024

Schedule 3A (Unaudited)

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Seamless Day Kindergarten	Early Childhood Education Dual Credit Program	Student & Family Affordability	JUST B4
Deferred Revenue, beginning of year	\$ -	\$ 26,903	\$ 47,956	\$ -	\$ -	\$ -	\$ 40,000	\$ 119,681	\$ 3,622
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	2,663,556	137,385	57,435	55,000	6,750	110,800	43,000	100,000	25,000
Provincial Grants - Other									
Other									
Investment Income									
	2,663,556	137,385	57,435	55,000	6,750	258,120	43,000	100,000	25,000
Less: Allocated to Revenue	2,663,556	137,385	54,425	37,780	6,750	252,449	20,051	143,913	19,959
Recovered		26,903							
Deferred Revenue, end of year	-	-	50,966	17,220	-	5,671	62,949	75,768	8,663
Revenues									
Provincial Grants - Ministry of Education and Child Care	2,663,556	137,385	54,425	37,780	6,750	110,800	20,051	143,913	19,959
Provincial Grants - Other									
Other Revenue									
Investment Income									
	2,663,556	137,385	54,425	37,780	6,750	252,449	20,051	143,913	19,959
Expenses									
Salaries									
Teachers		2,120,744							
Principals and Vice Principals									
Educational Assistants									
Support Staff				41,907					
Other Professionals									
Substitutes			53,581		4,589	6,083			398
	2,120,744	53,581	41,907	-	4,589	199,955	-	-	15,737
Employee Benefits	542,812	17,861	12,518		1,558	51,161			3,748
Services and Supplies		65,943		37,780	603	1,333	20,051	143,913	474
	2,663,556	137,385	54,425	37,780	6,750	252,449	20,051	143,913	19,959
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased									
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 53 (Okanagan Similkameen)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2024

Schedule 3A (Unaudited)

	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	Feeding Futures Fund	Health Career Grants	Integrated Child & Youth Counsellor (ICY)	Health Promoting Schools	Venables Auditorium	TOTAL
Deferred Revenue, beginning of year	\$ 3,084	\$ 46,286	\$ -	\$ -	\$ 224,782	\$ 673	\$ 69,317	\$ 1,206,008
Add: Restricted Grants								
Provincial Grants - Ministry of Education and Child Care	19,000	175,000	350,000	25,000	210,448	31,516		4,705,988
Provincial Grants - Other								31,516
Other								1,887,868
Investment Income								3,939
Less: Allocated to Revenue	19,000	175,000	350,000	25,000	210,448	31,516	-	6,629,311
Recovered	15,693	183,074	283,663	-	230,579	32,189	-	6,481,475
Deferred Revenue, end of year	6,391	38,212	66,337	25,000	204,651	-	69,317	1,312,850
Revenues								
Provincial Grants - Ministry of Education and Child Care	15,693	183,074	283,663		230,579			4,616,427
Provincial Grants - Other						32,189		32,189
Other Revenue								1,829,004
Investment Income								3,855
Expenses								
Salaries								
Teachers						20,995		2,215,731
Principals and Vice Principals		130,089						130,089
Educational Assistants	486		57,074		43,762			271,917
Support Staff			2,314					353,603
Other Professionals					120,393			120,393
Substitutes		6,255	162					79,471
Employee Benefits	486	136,344	59,550	-	164,155	20,995	-	3,171,204
Services and Supplies	86	28,367	13,180		42,715	5,564		809,737
	15,121	18,363	210,933		23,709	5,630		2,469,657
	15,693	183,074	283,663	-	230,579	32,189	-	6,450,598
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	30,877
Interfund Transfers								
Tangible Capital Assets Purchased								(30,877)
	-	-	-	-	-	-	-	(30,877)
Net Revenue (Expense)	-	-	-	-	-	-	-	-

School District No. 53 (Okanagan Similkameen)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2024

	2024 Actual				
	2024 Budget	Invested in Tangible Capital Assets	Local Capital	Fund Balance	2023 Actual
	\$	\$	\$	\$	\$
Revenues					
Other Revenue				-	5,000
Investment Income	4,231		8,868	8,868	6,928
Gain (Loss) on Disposal of Tangible Capital Assets		1		1	
Amortization of Deferred Capital Revenue	2,363,442	2,444,035		2,444,035	2,396,468
Total Revenue	<u>2,367,673</u>	<u>2,444,036</u>	<u>8,868</u>	<u>2,452,904</u>	<u>2,408,396</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	2,783,705	2,808,364		2,808,364	2,678,167
Transportation and Housing	172,315	174,268		174,268	158,600
Debt Services					
Capital Lease Interest	1,209			-	
Total Expense	<u>2,957,229</u>	<u>2,982,632</u>	<u>-</u>	<u>2,982,632</u>	<u>2,836,767</u>
Capital Surplus (Deficit) for the year	<u>(589,556)</u>	<u>(538,596)</u>	<u>8,868</u>	<u>(529,728)</u>	<u>(428,371)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	49,662	234,081		234,081	25,882
Local Capital		550,000		550,000	573,599
Capital Lease Payment	151,488	151,309		151,309	151,309
Total Net Transfers	<u>201,150</u>	<u>234,081</u>	<u>701,309</u>	<u>935,390</u>	<u>750,790</u>
Other Adjustments to Fund Balances					
District Portion of Proceeds on Disposal		(1)	1	-	
Tangible Capital Assets Purchased from Local Capital	349,586	(349,586)		-	
Principal Payment					
Capital Lease	151,309	(151,309)		-	
Total Other Adjustments to Fund Balances	<u>500,894</u>	<u>(500,894)</u>		-	
Total Capital Surplus (Deficit) for the year	<u>(388,406)</u>	<u>196,379</u>	<u>209,283</u>	<u>405,662</u>	<u>322,419</u>
Capital Surplus (Deficit), beginning of year		2,164,982	2,717,540	4,882,522	4,560,103
Capital Surplus (Deficit), end of year		<u>2,361,361</u>	<u>2,926,823</u>	<u>5,288,184</u>	<u>4,882,522</u>

School District No. 53 (Okanagan Similkameen)

Schedule 4A (Unaudited)

Tangible Capital Assets

Year Ended June 30, 2024

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
Cost, beginning of year	\$ 1,093,054	\$ 99,828,254	\$ 2,012,270	\$ 1,531,938	\$ -	\$ 1,073,126	\$ 105,538,642
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	3,397,344		53,848	216,565			3,667,757
Deferred Capital Revenue - Other	252,659						252,659
Operating Fund			121,211		81,993		203,204
Special Purpose Funds		30,877					30,877
Local Capital	281,735	67,851					349,586
	-	3,931,738	152,576	337,776	-	81,993	4,504,083
Decrease:							
Deemed Disposals		910,519	112,359		10,784		1,033,662
	-	910,519	112,359	-	10,784		1,033,662
Cost, end of year	1,093,054	103,759,992	1,254,327	1,757,355	-	1,144,335	109,009,063
Work in Progress, end of year							-
Cost and Work in Progress, end of year	1,093,054	103,759,992	1,254,327	1,757,355	-	1,144,335	109,009,063
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year	38,172,608	1,314,166	488,933	-	303,184		40,278,891
Decrease:							
Deemed Disposals	2,367,807	163,330	174,268		277,227		2,982,632
	-	910,519	112,359		10,784		1,033,662
Accumulated Amortization, end of year	40,540,415	566,977	550,842	-	569,627		42,227,861
Tangible Capital Assets - Net	1,093,054	63,219,577	687,350	1,206,513	-	574,708	66,781,202

School District No. 53 (Okanagan Similkameen)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2024

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
Deferred Capital Revenue, beginning of year	\$ 57,249,608	\$ 510,621	\$ 2,928,225	\$ 60,688,454
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	3,667,757	252,659		3,920,416
	3,667,757	252,659	-	3,920,416
Decrease:				
Amortization of Deferred Capital Revenue	2,311,796	35,897	96,342	2,444,035
	2,311,796	35,897	96,342	2,444,035
Net Changes for the Year	1,355,961	216,762	(96,342)	1,476,381
Deferred Capital Revenue, end of year	58,605,569	727,383	2,831,883	62,164,835
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	58,605,569	727,383	2,831,883	62,164,835

School District No. 53 (Okanagan Similkameen)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2024

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
Balance, beginning of year	\$ 728,854		\$ 9,855			\$ 738,709
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	3,159,708					3,159,708
Provincial Grants - Other			447,109			447,109
Investment Income	138,966					138,966
	3,298,674	-	447,109	-	-	3,745,783
Decrease:						
Transferred to DCR - Capital Additions	3,667,757		252,659			3,920,416
	3,667,757	-	252,659	-	-	3,920,416
Net Changes for the Year	(369,083)	-	194,450	-	-	(174,633)
Balance, end of year	359,771	-	204,305	-	-	564,076