

Audited Financial Statements of

**School District No. 6 (Rocky Mountain)**

And Independent Auditors' Report thereon

June 30, 2020

# School District No. 6 (Rocky Mountain)

June 30, 2020

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# School District No. 6 (Rocky Mountain)

## MANAGEMENT REPORT

The accompanying financial statements of School District No. 6 (Rocky Mountain) 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. 6 (Rocky Mountain) (called the "board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the board. The board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, BDO Canada LLP, Chartered Professional Accountants, 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. 6 (Rocky Mountain) and meet when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 6 (Rocky Mountain)

Manually Signed by Amber Byklum	September 23, 2020
_____ Signature of the Chairperson of the Board of Education	_____ Date Signed

Manually Signed by Karen Shipka	September 23, 2020
_____ Signature of the Superintendent	_____ Date Signed

Manually Signed by Dale Culler	September 23, 2020
_____ Signature of the Secretary Treasurer	_____ Date Signed

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## Independent Auditor's Report

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To the Board of Education of School District No. 6 (Rocky Mountain)

### Opinion

We have audited the accompanying financial statements of the School District No. 6 (Rocky Mountain), which comprise the statement of financial position as at June 30, 2020 and the statements of operations, changes in net debt and cash flows for the year ended June 30, 2020, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements of the School District No. 6 (Rocky Mountain) for the year ended June 30, 2020 are prepared, in all material respects, in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

### Emphasis of Matter

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

### 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 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 for our opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, and for such internal 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 either intends to liquidate the School District or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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## Independent Auditor's Report (Continued)

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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 controls.
- 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 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 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.

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.

*BDO Canada LLP*

Chartered Professional Accountants

Cranbrook, BC

September 23, 2020

# School District No. 6 (Rocky Mountain)

## Statement of Financial Position

As at June 30, 2020

	2020 Actual	2019 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	8,624,666	9,638,412
Accounts Receivable		
Due from Province - Ministry of Education	156,426	34,876
Due from First Nations	27,597	
Other (Note 3)	198,874	268,706
Portfolio Investments (Note 4)	3,252,021	3,235,660
<b>Total Financial Assets</b>	<b>12,259,584</b>	<b>13,177,654</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	3,594,688	3,925,124
Unearned Revenue (Note 6)	383,397	1,694,091
Deferred Revenue (Note 7)	1,484,226	1,491,683
Deferred Capital Revenue (Note 8)	32,334,762	31,516,318
Employee Future Benefits (Note 9)	642,500	628,235
Capital Lease Obligations (Note 10)	854,121	818,284
<b>Total Liabilities</b>	<b>39,293,694</b>	<b>40,073,735</b>
<b>Net Debt</b>	<b>(27,034,110)</b>	<b>(26,896,081)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 11)	58,374,427	57,323,361
Restricted Assets (Endowments) (Note 13)	76,295	76,295
Prepaid Expenses	100,431	80,768
<b>Total Non-Financial Assets</b>	<b>58,551,153</b>	<b>57,480,424</b>
<b>Accumulated Surplus (Deficit)</b>	<b>31,517,043</b>	<b>30,584,343</b>

Contractual Obligations (Note 16)

Contractual Rights (Note 17)

Contingent Liabilities (Note 18)

Approved by the Board

Manually Signed by Amber Byklum September 23, 2020

Signature of the Chairperson of the Board of Education Date Signed

Manually Signed by Karen Shipka September 23, 2020

Signature of the Superintendent Date Signed

Manually Signed by Dale Culler September 23, 2020

Signature of the Secretary Treasurer Date Signed

# School District No. 6 (Rocky Mountain)

Statement 2

Statement of Operations  
Year Ended June 30, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	41,831,256	<b>43,822,960</b>	41,104,291
Other	25,585	<b>1,621</b>	18,556
Federal Grants			58,595
Tuition	3,686,488	<b>2,983,326</b>	3,681,937
Other Revenue	1,397,833	<b>1,546,781</b>	1,767,377
Rentals and Leases	80,800	<b>83,155</b>	95,250
Investment Income	185,325	<b>191,528</b>	219,437
Amortization of Deferred Capital Revenue	1,840,205	<b>1,839,417</b>	1,837,777
Recognition of Unamortized Deferred Capital Revenue		<b>211,951</b>	6,302
<b>Total Revenue</b>	<u>49,047,492</u>	<u><b>50,680,739</b></u>	<u>48,789,522</u>
<b>Expenses (Note 20)</b>			
Instruction	37,014,450	<b>36,904,558</b>	35,885,755
District Administration	1,635,250	<b>1,675,548</b>	1,537,874
Operations and Maintenance	8,559,586	<b>8,945,902</b>	8,625,871
Transportation and Housing	1,967,891	<b>1,982,644</b>	2,082,335
Debt Services	10,170	<b>15,687</b>	9,824
Write-off/down of Buildings and Sites		<b>223,700</b>	323,624
<b>Total Expense</b>	<u>49,187,347</u>	<u><b>49,748,039</b></u>	<u>48,465,283</u>
<b>Surplus (Deficit) for the year, before endowment contributions</b>	<u>(139,855)</u>	<u><b>932,700</b></u>	<u>324,239</u>
<b>Endowment Transfer</b>			(50,000)
<b>Surplus (Deficit) for the year</b>	<u>(139,855)</u>	<u><b>932,700</b></u>	<u>274,239</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>30,584,343</b>	30,310,104
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><b>31,517,043</b></u>	<u>30,584,343</u>

# School District No. 6 (Rocky Mountain)

Statement of Changes in Net Debt  
Year Ended June 30, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	(139,855)	<b>932,700</b>	274,239
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(3,895,737)	<b>(4,666,638)</b>	(3,186,164)
Amortization of Tangible Capital Assets	3,362,024	<b>3,391,872</b>	3,365,014
Write-down carrying value of Tangible Capital Assets		<b>223,700</b>	323,624
<b>Total Effect of change in Tangible Capital Assets</b>	(533,713)	<b>(1,051,066)</b>	502,474
Acquisition of Prepaid Expenses	(25,000)	<b>(100,431)</b>	(80,768)
Use of Prepaid Expenses	10,000	<b>80,768</b>	96,259
Endowment Transfer			50,000
<b>Total Effect of change in Other Non-Financial Assets</b>	(15,000)	<b>(19,663)</b>	65,491
<b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b>	<u>(688,568)</u>	<b>(138,029)</b>	842,204
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Debt</b>		<b>(138,029)</b>	842,204
<b>Net Debt, beginning of year</b>		<b>(26,896,081)</b>	(27,738,285)
<b>Net Debt, end of year</b>		<u><b>(27,034,110)</b></u>	<u>(26,896,081)</u>



# School District No. 6 (Rocky Mountain)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2020

	2020 Actual	2019 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	932,700	274,239
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(79,314)	223,993
Prepaid Expenses	(19,663)	15,491
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(330,436)	549,237
Unearned Revenue	(1,310,695)	(148,006)
Deferred Revenue	(7,457)	89,944
Employee Future Benefits	14,265	(3,956)
Amortization of Tangible Capital Assets	3,391,872	3,365,014
Amortization of Deferred Capital Revenue	(1,839,417)	(1,837,777)
Recognition of Deferred Capital Revenue Spent on Sites	(133,082)	(148,345)
Write-Off/down of Buildings and Sites	11,748	317,322
Restricted Assets (Endowments)		50,000
<b>Total Operating Transactions</b>	<b>630,521</b>	<b>2,747,156</b>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(3,974,461)	(2,573,223)
Tangible Capital Assets -WIP Purchased	(164,167)	(316,991)
Capital Lease Purchases	(528,010)	(295,950)
<b>Total Capital Transactions</b>	<b>(4,666,638)</b>	<b>(3,186,164)</b>
<b>Financing Transactions</b>		
Capital Revenue Received	3,002,894	2,134,499
Capital Lease Proceeds	528,010	295,950
Capital Lease Payments	(492,172)	(418,568)
<b>Total Financing Transactions</b>	<b>3,038,732</b>	<b>2,011,881</b>
<b>Investing Transactions</b>		
Investments in Portfolio Investments	(16,361)	(2,358)
<b>Total Investing Transactions</b>	<b>(16,361)</b>	<b>(2,358)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(1,013,746)</b>	<b>1,570,515</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>9,638,412</b>	<b>8,067,897</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>8,624,666</b>	<b>9,638,412</b>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	7,377,967	8,422,747
Cash Equivalents	1,246,699	1,215,665
	<b>8,624,666</b>	<b>9,638,412</b>

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020**

**1. AUTHORITY AND PURPOSE**

The School District, established on December 2, 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. 6 (Rocky Mountain)", and operates as "School District No. 6 (Rocky Mountain)". 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. 6 (Rocky Mountain) is exempt from federal and provincial corporate income taxes.

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act of 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, the Province of British Columbia Treasury Board ("Treasury Board") provided a directive through Restricted Contributions Regulation 198/2011 providing direction for the reporting of restricted contributions whether they are received or receivable by the School District before or after this regulation was in effect.

As noted in Notes 2(f) and 2(m), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these transfers to be fully recognized into revenue.

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

Year-ended June 30, 2019 – decrease in annual surplus by \$142,075

June 30, 2019 – increase in accumulated surplus and decrease in deferred capital revenue by \$31,516,318

Year-ended June 30, 2020 – decrease in annual surplus by \$818,444

June 30, 2020 – increase in accumulated surplus and decrease in deferred capital revenue by \$32,334,762

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

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 guaranteed investment certificates and term deposits that have a maturity of greater than three months at the time of acquisition. Guaranteed investment certificates and term deposits not quoted in an active market are reported at cost.

e) Unearned Revenue

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

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

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

g) Employee Future Benefits *(continued)*

mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan.

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

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

h) Liability for Contaminated Sites

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

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

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

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.

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020**

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

i) Tangible Capital Assets *(continued)*

- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset and commences the year following acquisition. It is management’s responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful lives are as follows:

Buildings	40 years
Furniture & Equipment	10 years
Furniture & Equipment Under Capital Lease	5 years
Vehicles	10 years
Computer Software	5 years
Computer Hardware	5 years
Computer Hardware Under Capital Lease	3-5 years

j) Capital Leases

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

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

k) Prepaid Expenses

Prepaid insurance, maintenance fees, permits and other costs included as prepaid expenses are stated at acquisition cost and are charged to expense over the periods expected to benefit from them.

l) Funds and Reserves

Certain amounts, as approved by the board, are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 14 – Interfund Transfers and Note 21 – Internally Restricted Surplus – Operating Fund).

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

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

m) Revenue Recognition

Revenues are recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated.

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

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

- non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year related expenses are incurred;
- contributions restricted for site acquisitions are recorded as revenue when the sites are purchased; and
- contributions restricted for tangible capital asset 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 being performed is deferred and recognized when the fee is earned or service performed.

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

n) Expenditures

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

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant 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 aboriginal education, are allocated to these programs. All other costs are allocated to related programs.

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

n) Expenditures *(continued)*

- 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.

o) Endowment Contributions

Endowment contributions are reported as revenue on the 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 Statement of Financial Position.

p) Financial Instruments

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

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

Interest and dividends attributable to financial instruments are reported in the Statement of Operations.

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.

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

q) 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.

r) Future Changes in Accounting Policies

PS 3280 Asset Retirement Obligations issued August 2018 establishes standards for recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets and is effective July 1, 2021. A liability will be 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.

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the [Consolidated] Statement of Operations.

A modified retroactive application has been recommended by Government pending approval in the Fall of 2020. Management is in the process of assessing the impact of adopting this standard on the School District's financial results.

PS 3400 Revenue issued November 2018 establishes standards on how to account for and report on revenue. 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. 6 (ROCKY MOUNTAIN)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

**3. ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	2020	2019
Due from Federal Government	\$ 82,055	\$ 86,070
Other	116,819	182,636
	\$ 198,874	\$ 268,706

**4. PORTFOLIO INVESTMENTS**

	2020	2019
Investments in the cost and amortized cost category:		
Guaranteed investment certificates	\$ 166,886	\$ 163,935
Term deposits	3,085,135	3,071,725
	\$ 3,252,021	\$ 3,235,660

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER**

	2020	2019
Trade payables	\$ 1,875,409	\$ 2,135,709
Salaries and benefits payable	1,378,791	1,424,772
Accrued vacation pay	340,488	364,643
	\$ 3,594,688	\$ 3,925,124

**6. UNEARNED REVENUE**

	2020	2019
Balance, beginning of year	\$ 1,694,091	\$ 1,842,097
Changes for the year:		
Increase:		
Tuition fees	383,397	1,694,091
	383,397	1,694,091
Decrease:		
Tuition fees	1,694,091	1,842,097
Net changes for the year	(1,310,694)	(148,006)
Balance, end of year	\$ 383,397	\$ 1,694,091

**7. 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.

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020**

**8. 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.

**9. 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.

	2020	2019
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$ 607,357	\$ 527,277
Service Cost	47,321	38,855
Interest Cost	15,523	14,824
Benefit Payments	(59,311)	(47,618)
Actuarial (Gain) Loss	3,947	74,019
Accrued Benefit Obligation – March 31	\$ 614,837	\$ 607,357
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation – March 31	\$ 614,837	\$ 607,357
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(614,837)	(607,357)
Employer Contributions After Measurement Date	18,480	28,018
Benefits Expense After Measurement Date	(16,100)	(15,711)
Unamortized Net Actuarial (Gain) Loss	(30,043)	(33,185)
Accrued Benefit Asset (Liability) – June 30	\$ (642,500)	\$ (628,235)
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability – July 1	\$ 628,235	\$ 632,191
Net expense for Fiscal Year	64,038	49,792
Employer Contributions	(49,773)	(53,748)
Accrued Benefit Liability – June 30	\$ 642,500	\$ 628,235
<b>Components of Net Benefit Expense</b>		
Service Cost	\$ 48,025	\$ 40,971
Interest Cost	15,208	14,999
Amortization of Net Actuarial (Gain)/Loss	805	(6,178)
Net Benefit Expense (Income)	\$ 64,038	\$ 49,792

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

Discount Rate – April 1	2.50%	2.75%
Discount Rate – March 31	2.25%	2.50%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSLS – March 31	10.6	10.6

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020**

**10. CAPITAL LEASE OBLIGATIONS**

The School District has entered into capital leases for photocopier equipment from RCAP Leasing Inc. and for computer hardware from Macquarie Equipment Finance Ltd. with implicit interest rates of 0% to 6.49%, expiring September 17, 2019 to August 1, 2024.

Repayments are due as follows:

2021	\$ 413,030
2022	222,173
2023	189,955
2024	63,920
Total minimum lease payments	<u>\$ 889,078</u>
Less amounts representing interest	<u>(34,957)</u>
Present value of net minimum capital lease payments	<u>\$ 854,121</u>

Total interest on leases for the year was \$15,687 (2019: \$9,824)

**11. TANGIBLE CAPITAL ASSETS**

**Net Book Value:**

	Net Book Value 2020	Net Book Value 2019
Sites	\$ 7,574,166	\$ 7,336,012
Buildings	45,868,955	44,816,342
Buildings – work in progress	188,326	316,991
Furniture & equipment	1,288,770	1,366,088
Furniture & equipment under capital lease	236,828	252,675
Vehicles	1,591,313	1,527,080
Computer software	215,982	239,664
Computer hardware	339,911	473,088
Computer hardware under capital lease	1,070,176	995,421
<b>Total</b>	<b>\$ 58,374,427</b>	<b>\$ 57,323,361</b>

**JUNE 30, 2020**

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2020
Sites	\$ 7,336,012	\$ 238,154	\$ -	\$ -	\$ 7,574,166
Buildings	95,718,985	3,068,198	(946,620)	316,991	98,157,554
Buildings – work in progress	316,991	188,326	-	(316,991)	188,326
Furniture & equipment	2,465,676	169,250	(151,992)	-	2,482,934
Furniture & equipment – Under capital lease	252,675	34,688	-	-	287,363
Vehicles	3,128,586	377,092	-	-	3,505,678
Computer software	355,885	47,495	(20,018)	-	383,362
Computer hardware	916,450	50,113	(200,244)	-	766,319
Computer hardware – under capital lease	1,733,784	493,322	(373,417)	-	1,853,689
<b>Total</b>	<b>\$ 112,225,044</b>	<b>\$ 4,666,638</b>	<b>\$(1,692,291)</b>	<b>\$ -</b>	<b>\$115,199,391</b>

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

**11. TANGIBLE CAPITAL ASSETS**  
*(Continued)*

**JUNE 30, 2020** *(continued)*

	Opening Accumulated Amortization	Additions	Disposals	Total 2020
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	50,902,643	2,108,876	(722,920)	52,288,599
Furniture & equipment	1,099,588	246,568	(151,992)	1,194,164
Furniture & equipment under capital lease	-	50,535	-	50,535
Vehicles	1,601,506	312,859	-	1,914,365
Computer software	116,221	71,177	(20,018)	167,380
Computer hardware	443,362	183,290	(200,244)	426,408
Computer hardware under capital lease	738,363	418,567	(373,417)	738,513
<b>Total</b>	<b>\$ 54,901,683</b>	<b>\$ 3,391,872</b>	<b>\$ (1,468,591)</b>	<b>\$ 56,824,964</b>

**JUNE 30, 2019**

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2019
Sites	\$ 7,145,767	\$ 190,245	\$ -	\$ -	\$ 7,336,012
Buildings	95,493,772	1,756,943	(1,683,176)	151,446	95,718,985
Buildings – work in progress	151,446	316,991	-	(151,446)	316,991
Furniture & equipment	2,219,042	328,650	(82,016)	-	2,465,676
Furniture & equipment – Under capital lease	-	252,675	-	-	252,675
Vehicles	3,515,821	209,232	(596,467)	-	3,128,586
Computer software	398,161	5,486	(47,762)	-	355,885
Computer hardware	1,108,643	82,667	(274,860)	-	916,450
Computer hardware – under capital lease	1,690,509	43,275	-	-	1,733,784
<b>Total</b>	<b>\$ 111,723,161</b>	<b>\$ 3,186,164</b>	<b>\$ (2,684,281)</b>	<b>\$ -</b>	<b>\$ 112,225,044</b>

	Opening Accumulated Amortization	Additions	Disposals	Total 2019
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	50,179,778	2,082,417	(1,359,552)	50,902,643
Furniture & equipment	959,699	221,905	(82,016)	1,099,588
Vehicles	1,846,391	351,582	(596,467)	1,601,506
Computer software	84,351	79,632	(47,762)	116,221
Computer hardware	496,493	221,729	(274,860)	443,362
Computer hardware under capital lease	330,614	407,749	-	738,363
<b>Total</b>	<b>\$ 53,897,326</b>	<b>\$ 3,365,014</b>	<b>\$ (2,360,657)</b>	<b>\$ 54,901,683</b>

Buildings – work in progress having a value of \$188,326 (2019: \$316,991) has not been amortized. Amortization of these assets will commence when the assets are put into service.

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020**

**12. EMPLOYEE PENSION PLANS**

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2018 the Teachers' Pension Plan has about 48,000 active members and approximately 38,000 retired members. As at December 31, 2018 the Municipal Pension Plan has about 205,000 active members, including approximately 26,000 from school districts.

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

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

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

School District No. 6 (Rocky Mountain) paid \$3,113,000 for employer contributions to the plans for the year ended June 30, 2020 (2019: \$3,114,000).

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

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

**13. RESTRICTED ASSETS - ENDOWMENT FUNDS**

Donors have placed restrictions on their contributions to the endowment funds of the School District. One restriction is that the original contribution should not be spent. Another potential restriction is that any investment income of the endowment fund that is required to offset the eroding effect of inflation or preserve the original value of the endowment should also not be spent.

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020**

**13. RESTRICTED ASSETS - ENDOWMENT FUNDS**  
(Continued)

Name of Endowment	Balance June 30, 2019	Transfers June 30, 2020	Balance June 30, 2020
J. Alfred and Mollie Laird Bursaries	43,161	-	43,161
Nathan Emery Memorial Bursary	11,619	-	11,619
Alicia Raven Memorial Scholarship	10,645	-	10,645
Other scholarships and bursaries	10,870	-	10,870
Total	\$ 76,295	\$ -	\$ 76,295

**14. INTERFUND TRANSFERS**

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

- Operating funds transferred to capital funds - \$1,463,410
- Special purpose funds transferred to capital funds - \$316,632

**15. 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.

**16. 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.

	2021
Contractual obligations:	
David Thompson Secondary electrical main upgrade project	\$ 104,000
Lady Grey lighting upgrade project	127,500
Marysville Elementary mechanical upgrade project	184,082
Nicholson Elementary building envelope upgrade project	698,213
Golden bus barn	367,528
	\$ 1,481,323

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020**

**17. 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 ongoing rental agreements. The School District has the right to receive annual rental revenue of \$84,022 for the foreseeable future.

**18. CONTINGENT LIABILITIES**

Liabilities may exist for the remediation of two possibly contaminated School District sites. The fair value of the liabilities for remediation will be recognized in the period in which a reasonable estimate can be made. As of June 30, 2020 the liability is not reasonably determinable and the School District has accordingly not made any provision in the financial statements to reflect the future remediation costs.

**19. BUDGET FIGURES**

Budget figures included in the financial statements are audited. They were approved by the board through the adoption of an annual budget on June 11, 2019.

**20. EXPENSE BY OBJECT**

	2020	2019
Salaries and benefits	\$ 37,978,363	\$ 35,775,789
Services and supplies	8,138,418	8,991,031
Interest	15,687	9,825
Amortization	3,391,872	3,365,014
Write-off/down of buildings and sites	223,700	323,624
	\$ 49,748,040	\$ 48,465,283

**21. INTERNALLY RESTRICTED SURPLUS – OPERATING FUND**

Internally restricted (appropriated) by board for:

School operating surpluses	\$ 1,399,732	
Early learning initiatives	135,449	
CBT projects	4,841	
WES Forest Classroom	9,252	
Subtotal internally restricted	1,549,274	1,549,274
Unrestricted operating surplus		1,829,738
Total available for future operations		\$ 3,379,012

**22. ECONOMIC DEPENDENCE**

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

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2020**

**23. 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 and cash equivalents, accounts receivable and portfolio investments.

The School District is exposed to credit risk in the event of non-performance by a debtor. This risk is mitigated as, throughout the year, the accounts receivable are primarily due from the Province and the Federal Government, and are collectible.

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

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 portfolio 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 and term deposits that have a maturity date of no more than five 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.





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## Notice to Reader

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Management has compiled the supplementary schedules of School District No. 6 (Rocky Mountain) for the year ended June 30, 2020 and are for the purpose of additional analysis and are not a required part of the financial statements.

We have not performed an audit or a review engagement in respect to this financial information and, accordingly, we express no assurance thereon.

Readers are cautioned that this financial information may not be appropriate for their purposes.

*BDO Canada LLP*

Chartered Professional Accountants

Cranbrook, BC  
September 23, 2020

# School District No. 6 (Rocky Mountain)

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

	Operating Fund	Special Purpose Fund	Capital Fund	2020 Actual	2019 Actual
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	2,867,605	76,295	27,640,443	<b>30,584,343</b>	30,310,104
<b>Changes for the year</b>					
Surplus (Deficit) for the year	1,974,817	316,632	(1,358,749)	<b>932,700</b>	274,239
Interfund Transfers					
Tangible Capital Assets Purchased	(30,666)	(316,632)	347,298	-	
Local Capital	(979,791)		979,791	-	
Other	(452,953)		452,953	-	
<b>Net Changes for the year</b>	<b>511,407</b>	-	<b>421,293</b>	<b>932,700</b>	<b>274,239</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>3,379,012</b>	<b>76,295</b>	<b>28,061,736</b>	<b>31,517,043</b>	30,584,343

# School District No. 6 (Rocky Mountain)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	38,222,670	<b>39,672,417</b>	37,313,624
Other		<b>1,621</b>	6,347
Federal Grants			58,595
Tuition	3,686,488	<b>2,983,326</b>	3,681,937
Other Revenue	290,508	<b>315,750</b>	370,758
Rentals and Leases	80,800	<b>83,155</b>	95,250
Investment Income	150,000	<b>118,985</b>	164,511
<b>Total Revenue</b>	<u>42,430,466</u>	<u><b>43,175,254</b></u>	<u>41,691,022</u>
<b>Expenses</b>			
Instruction	32,522,924	<b>32,008,626</b>	31,255,655
District Administration	1,622,600	<b>1,667,748</b>	1,531,074
Operations and Maintenance	5,500,780	<b>5,871,302</b>	5,549,043
Transportation and Housing	1,648,006	<b>1,652,761</b>	1,771,462
<b>Total Expense</b>	<u>41,294,310</u>	<u><b>41,200,437</b></u>	<u>40,107,234</u>
<b>Operating Surplus (Deficit) for the year</b>	<u>1,136,156</u>	<u><b>1,974,817</b></u>	<u>1,583,788</u>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<u>43,388</u>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased		<b>(30,666)</b>	(76,098)
Local Capital	(704,983)	<b>(979,791)</b>	(1,769,692)
Other	(474,561)	<b>(452,953)</b>	(450,000)
<b>Total Net Transfers</b>	<u>(1,179,544)</u>	<u><b>(1,463,410)</b></u>	<u>(2,295,790)</u>
<b>Total Operating Surplus (Deficit), for the year</b>	<u>-</u>	<u><b>511,407</b></u>	<u>(712,002)</u>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>2,867,605</b>	3,579,607
<b>Operating Surplus (Deficit), end of year</b>		<u><b>3,379,012</b></u>	<u>2,867,605</u>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		<b>1,549,274</b>	1,324,729
Unrestricted		<b>1,829,738</b>	1,542,876
<b>Total Operating Surplus (Deficit), end of year</b>		<u><b>3,379,012</b></u>	<u>2,867,605</u>

# School District No. 6 (Rocky Mountain)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	37,367,048	<b>38,288,102</b>	36,564,547
ISC/LEA Recovery	(192,208)	<b>(131,493)</b>	(124,260)
Other Ministry of Education Grants			
Pay Equity	207,823	<b>207,823</b>	207,823
Funding for Graduated Adults	20,000	<b>3,878</b>	5,871
Transportation Supplement	369,399	<b>369,399</b>	369,399
Economic Stability Dividend			37,464
Carbon Tax Grant	56,000	<b>63,336</b>	63,336
Employer Health Tax Grant	291,260	<b>291,260</b>	88,508
Strategic Priorities - Mental Health Grant			35,000
Support Staff Benefits Grant	16,400	<b>25,052</b>	16,400
Support Staff Wage Increase Funding		<b>154,028</b>	
Teachers' Labour Settlement Funding		<b>365,197</b>	
FSA Testing	8,187	<b>8,187</b>	8,187
MyEd SD Academy Travel			1,500
System Wide Capacity Building for MyEd BC	78,761	<b>25,803</b>	33,974
ERASE Strategy			5,875
Early Learning Framework		<b>1,845</b>	
<b>Total Provincial Grants - Ministry of Education</b>	<b>38,222,670</b>	<b>39,672,417</b>	<b>37,313,624</b>
<b>Provincial Grants - Other</b>		<b>1,621</b>	<b>6,347</b>
<b>Federal Grants</b>			<b>58,595</b>
<b>Tuition</b>			
International and Out of Province Students	3,686,488	<b>2,983,326</b>	3,681,937
<b>Total Tuition</b>	<b>3,686,488</b>	<b>2,983,326</b>	<b>3,681,937</b>
<b>Other Revenues</b>			
Other School District/Education Authorities		<b>10,668</b>	7,500
Funding from First Nations	192,208	<b>131,493</b>	124,260
Miscellaneous			
Artists in Education	7,300	<b>7,200</b>	7,200
Donations	19,000	<b>68,566</b>	82,622
Insurance Proceeds		<b>6,696</b>	3,150
Other	72,000	<b>91,127</b>	146,026
<b>Total Other Revenue</b>	<b>290,508</b>	<b>315,750</b>	<b>370,758</b>
<b>Rentals and Leases</b>	<b>80,800</b>	<b>83,155</b>	<b>95,250</b>
<b>Investment Income</b>	<b>150,000</b>	<b>118,985</b>	<b>164,511</b>
<b>Total Operating Revenue</b>	<b>42,430,466</b>	<b>43,175,254</b>	<b>41,691,022</b>

# School District No. 6 (Rocky Mountain)

Schedule 2B (Unaudited)

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

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	13,568,718	<b>13,746,522</b>	13,072,851
Principals and Vice Principals	2,797,139	<b>2,814,030</b>	2,689,381
Educational Assistants	2,727,008	<b>2,801,391</b>	2,377,815
Support Staff	3,947,373	<b>4,040,614</b>	3,853,712
Other Professionals	3,234,126	<b>3,282,659</b>	3,114,422
Substitutes	1,309,180	<b>1,310,387</b>	1,456,830
<b>Total Salaries</b>	<b>27,583,544</b>	<b>27,995,603</b>	<b>26,565,011</b>
<b>Employee Benefits</b>	6,224,854	<b>6,484,051</b>	6,017,850
<b>Total Salaries and Benefits</b>	<b>33,808,398</b>	<b>34,479,654</b>	<b>32,582,861</b>
<b>Services and Supplies</b>			
Services	994,247	<b>980,392</b>	1,055,806
Student Transportation	575,050	<b>346,809</b>	583,127
Professional Development and Travel	760,689	<b>576,894</b>	650,365
Rentals and Leases	6,900	<b>18,151</b>	2,333
Dues and Fees	2,101,136	<b>1,713,749</b>	2,179,336
Insurance	152,500	<b>147,052</b>	134,530
Supplies	1,995,390	<b>2,014,746</b>	2,009,419
Utilities	900,000	<b>922,990</b>	909,457
<b>Total Services and Supplies</b>	<b>7,485,912</b>	<b>6,720,783</b>	<b>7,524,373</b>
<b>Total Operating Expense</b>	<b>41,294,310</b>	<b>41,200,437</b>	<b>40,107,234</b>

# School District No. 6 (Rocky Mountain)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	12,299,318	787,072	135,465	623,351	127,211	835,039	14,807,456
1.03 Career Programs	22,520						22,520
1.07 Library Services	178,233			121,091		3,581	302,905
1.08 Counselling	289,286						289,286
1.10 Special Education	934,984		2,631,193	16,051	375,598	215,001	4,172,827
1.30 English Language Learning	22,181						22,181
1.31 Indigenous Education			34,733		634,293	1,600	670,626
1.41 School Administration		1,959,859		279,190		34,626	2,273,675
1.62 International and Out of Province Students				46,590	477,049	1,222	524,861
<b>Total Function 1</b>	<b>13,746,522</b>	<b>2,746,931</b>	<b>2,801,391</b>	<b>1,086,273</b>	<b>1,614,151</b>	<b>1,091,069</b>	<b>23,086,337</b>
<b>4 District Administration</b>							
4.11 Educational Administration					217,743		217,743
4.40 School District Governance					125,931		125,931
4.41 Business Administration					767,041	1,301	768,342
<b>Total Function 4</b>	-	-	-	-	<b>1,110,715</b>	<b>1,301</b>	<b>1,112,016</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration		67,099			216,755	9,200	293,054
5.50 Maintenance Operations				2,203,542	159,929	130,789	2,494,260
5.52 Maintenance of Grounds				31,850		20,828	52,678
5.56 Utilities							-
<b>Total Function 5</b>	-	<b>67,099</b>	-	<b>2,235,392</b>	<b>376,684</b>	<b>160,817</b>	<b>2,839,992</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration					74,490	1,695	76,185
7.70 Student Transportation				718,949	106,619	55,505	881,073
<b>Total Function 7</b>	-	-	-	<b>718,949</b>	<b>181,109</b>	<b>57,200</b>	<b>957,258</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	-	-	-	-	-	-	-
<b>Total Functions 1 - 9</b>	<b>13,746,522</b>	<b>2,814,030</b>	<b>2,801,391</b>	<b>4,040,614</b>	<b>3,282,659</b>	<b>1,310,387</b>	<b>27,995,603</b>

# School District No. 6 (Rocky Mountain)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	14,807,456	3,440,067	18,247,523	1,124,834	19,372,357	19,381,976	18,752,368
1.03 Career Programs	22,520	5,312	27,832	6,174	34,006	35,379	20,289
1.07 Library Services	302,905	76,588	379,493	105,390	484,883	477,381	476,502
1.08 Counselling	289,286	68,236	357,522	3,758	361,280	417,308	571,822
1.10 Special Education	4,172,827	1,031,389	5,204,216	191,511	5,395,727	5,363,607	4,905,726
1.30 English Language Learning	22,181	5,252	27,433	245	27,678	25,659	23,722
1.31 Indigenous Education	670,626	186,608	857,234	157,139	1,014,373	923,728	824,408
1.41 School Administration	2,273,675	486,231	2,759,906	108,356	2,868,262	2,840,467	2,589,221
1.62 International and Out of Province Students	524,861	97,990	622,851	1,827,209	2,450,060	3,057,419	3,091,597
<b>Total Function 1</b>	<b>23,086,337</b>	<b>5,397,673</b>	<b>28,484,010</b>	<b>3,524,616</b>	<b>32,008,626</b>	<b>32,522,924</b>	<b>31,255,655</b>
<b>4 District Administration</b>							
4.11 Educational Administration	217,743	44,527	262,270	23,019	285,289	271,999	269,782
4.40 School District Governance	125,931	6,099	132,030	80,234	212,264	205,800	205,669
4.41 Business Administration	768,342	172,498	940,840	229,355	1,170,195	1,144,801	1,055,623
<b>Total Function 4</b>	<b>1,112,016</b>	<b>223,124</b>	<b>1,335,140</b>	<b>332,608</b>	<b>1,667,748</b>	<b>1,622,600</b>	<b>1,531,074</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	293,054	63,793	356,847	167,785	524,632	477,859	545,497
5.50 Maintenance Operations	2,494,260	560,376	3,054,636	1,050,568	4,105,204	3,739,312	3,774,107
5.52 Maintenance of Grounds	52,678	10,839	63,517	140,567	204,084	253,003	179,335
5.56 Utilities	-	-	-	1,037,382	1,037,382	1,030,606	1,050,104
<b>Total Function 5</b>	<b>2,839,992</b>	<b>635,008</b>	<b>3,475,000</b>	<b>2,396,302</b>	<b>5,871,302</b>	<b>5,500,780</b>	<b>5,549,043</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	76,185	16,295	92,480	8,511	100,991	106,201	97,417
7.70 Student Transportation	881,073	211,951	1,093,024	458,746	1,551,770	1,541,805	1,674,045
<b>Total Function 7</b>	<b>957,258</b>	<b>228,246</b>	<b>1,185,504</b>	<b>467,257</b>	<b>1,652,761</b>	<b>1,648,006</b>	<b>1,771,462</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>27,995,603</b>	<b>6,484,051</b>	<b>34,479,654</b>	<b>6,720,783</b>	<b>41,200,437</b>	<b>41,294,310</b>	<b>40,107,234</b>

# School District No. 6 (Rocky Mountain)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	3,608,586	4,017,461	3,642,322
Other	25,585		12,209
Other Revenue	1,107,325	1,206,966	1,232,355
Investment Income	5,325	8,548	9,316
<b>Total Revenue</b>	<b>4,746,821</b>	<b>5,232,975</b>	<b>4,896,202</b>
<b>Expenses</b>			
Instruction	4,491,526	4,895,932	4,630,100
District Administration	12,650	7,800	6,800
Operations and Maintenance	16,667	12,611	22,687
<b>Total Expense</b>	<b>4,520,843</b>	<b>4,916,343</b>	<b>4,659,587</b>
<b>Special Purpose Surplus (Deficit) for the year, before endowment contributions</b>	<b>225,978</b>	<b>316,632</b>	<b>236,615</b>
<b>Endowment Transfer</b>			(50,000)
<b>Special Purpose Surplus (Deficit) for the year</b>	<b>225,978</b>	<b>316,632</b>	<b>186,615</b>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(225,978)	(316,632)	(202,774)
Tangible Capital Assets - Work in Progress			(33,841)
<b>Total Net Transfers</b>	<b>(225,978)</b>	<b>(316,632)</b>	<b>(236,615)</b>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<b>-</b>	<b>-</b>	<b>(50,000)</b>
<b>Special Purpose Surplus (Deficit), beginning of year</b>		<b>76,295</b>	126,295
<b>Special Purpose Surplus (Deficit), end of year</b>		<b>76,295</b>	<b>76,295</b>
<b>Special Purpose Surplus (Deficit), end of year</b>			
Endowment Contributions		<b>76,295</b>	76,295
<b>Total Special Purpose Surplus (Deficit), end of year</b>		<b>76,295</b>	<b>76,295</b>



# School District No. 6 (Rocky Mountain)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2020

	Annual Facility Grant	Learning Improvement Fund	Aboriginal Education Technology	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	47,891	61,165	2,595	40,877	35,155	1,102,980	27,547	50,695	10,480
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education	195,806	140,221					99,091	22,342	91,936
Other					4,376	1,214,122			
Investment Income	1,148				2,916	5,755			
	196,954	140,221	-	-	7,292	1,219,877	99,091	22,342	91,936
<b>Less:</b> Allocated to Revenue	204,238	175,364	-	951	7,800	1,207,714	87,160	8,367	97,281
<b>Deferred Revenue, end of year</b>	<b>40,607</b>	<b>26,022</b>	<b>2,595</b>	<b>39,926</b>	<b>34,647</b>	<b>1,115,143</b>	<b>39,478</b>	<b>64,670</b>	<b>5,135</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education	204,238	175,364		951			87,160	8,367	97,281
Other Revenue					5,007	1,201,959			
Investment Income					2,793	5,755			
	204,238	175,364	-	951	7,800	1,207,714	87,160	8,367	97,281
<b>Expenses</b>									
Salaries									
Teachers									31,519
Educational Assistants		145,605							
Support Staff	100								
Other Professionals									
Substitutes								356	392
	100	145,605	-	-	-	-	-	356	31,911
Employee Benefits	10	29,759						70	7,519
Services and Supplies	12,501				7,800	1,207,714	87,160	7,941	57,851
	12,611	175,364	-	-	7,800	1,207,714	87,160	8,367	97,281
<b>Net Revenue (Expense) before Interfund Transfers</b>	<b>191,627</b>	<b>-</b>	<b>-</b>	<b>951</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased	(191,627)			(951)					
	(191,627)	-	-	(951)	-	-	-	-	-
<b>Net Revenue (Expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# School District No. 6 (Rocky Mountain)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2020

	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	First Nation Student Transportation	Mental Health in Schools	EY2K Transitions	TOTAL
	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	74,020		13,085			25,193	1,491,683
<b>Add:</b> Restricted Grants							
Provincial Grants - Ministry of Education	381,992	217,035	2,784,176	4,102	30,500	30,000	3,997,201
Other							1,218,498
Investment Income							9,819
	381,992	217,035	2,784,176	4,102	30,500	30,000	5,225,518
<b>Less:</b> Allocated to Revenue	398,624	217,035	2,797,261	-	827	30,353	5,232,975
<b>Deferred Revenue, end of year</b>	<b>57,388</b>	<b>-</b>	<b>-</b>	<b>4,102</b>	<b>29,673</b>	<b>24,840</b>	<b>1,484,226</b>
<b>Revenues</b>							
Provincial Grants - Ministry of Education	398,624	217,035	2,797,261		827	30,353	4,017,461
Other Revenue							1,206,966
Investment Income							8,548
	398,624	217,035	2,797,261	-	827	30,353	5,232,975
<b>Expenses</b>							
Salaries							
Teachers	63,038		2,262,179			17,856	2,374,592
Educational Assistants	63,939						209,544
Support Staff							100
Other Professionals	167,558	17,507					185,065
Substitutes		61,765				718	63,231
	294,535	79,272	2,262,179	-	-	18,574	2,832,532
Employee Benefits	75,703	13,709	535,082			4,325	666,177
Services and Supplies	28,386				827	7,454	1,417,634
	398,624	92,981	2,797,261	-	827	30,353	4,916,343
<b>Net Revenue (Expense) before Interfund Transfers</b>	<b>-</b>	<b>124,054</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>316,632</b>
<b>Interfund Transfers</b>							
Tangible Capital Assets Purchased		(124,054)					(316,632)
	-	(124,054)	-	-	-	-	(316,632)
<b>Net Revenue (Expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# School District No. 6 (Rocky Mountain)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2020

	2020 Budget	2020 Actual			2019 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education		133,082		133,082	148,345
Other Revenue			24,065	24,065	164,264
Investment Income	30,000		63,995	63,995	45,610
Amortization of Deferred Capital Revenue	1,840,205	1,839,417		1,839,417	1,837,777
Recognition of Unamortized Deferred Capital Revenue		211,951		211,951	6,302
<b>Total Revenue</b>	<b>1,870,205</b>	<b>2,184,450</b>	<b>88,060</b>	<b>2,272,510</b>	<b>2,202,298</b>
<b>Expenses</b>					
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,042,139	3,061,989		3,061,989	3,054,141
Transportation and Housing	319,885	329,883		329,883	310,873
Write-off/down of Buildings and Sites		223,700		223,700	323,624
Debt Services					
Capital Lease Interest	10,170		15,687	15,687	9,824
<b>Total Expense</b>	<b>3,372,194</b>	<b>3,615,572</b>	<b>15,687</b>	<b>3,631,259</b>	<b>3,698,462</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(1,501,989)</b>	<b>(1,431,122)</b>	<b>72,373</b>	<b>(1,358,749)</b>	<b>(1,496,164)</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	225,978	347,298		347,298	278,872
Tangible Capital Assets - Work in Progress				-	33,841
Local Capital	704,983		979,791	979,791	1,769,692
Capital Lease Payment	474,561		452,953	452,953	450,000
<b>Total Net Transfers</b>	<b>1,405,522</b>	<b>347,298</b>	<b>1,432,744</b>	<b>1,780,042</b>	<b>2,532,405</b>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		1,050,535	(1,050,535)	-	
Tangible Capital Assets WIP Purchased from Local Capital		44,954	(44,954)	-	
Principal Payment					
Capital Lease		492,172	(492,172)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>1,587,661</b>	<b>(1,587,661)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>(96,467)</b>	<b>503,837</b>	<b>(82,544)</b>	<b>421,293</b>	<b>1,036,241</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>25,133,867</b>	<b>2,506,576</b>	<b>27,640,443</b>	<b>26,604,202</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>25,637,704</b>	<b>2,424,032</b>	<b>28,061,736</b>	<b>27,640,443</b>

# School District No. 6 (Rocky Mountain)

Schedule 4A (Unaudited)

Tangible Capital Assets  
Year Ended June 30, 2020

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	7,336,012	95,718,985	2,718,351	3,128,586	355,885	2,650,234	<b>111,908,053</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	133,082	2,277,180	16,030	150,336			<b>2,576,628</b>
Operating Fund	28,816	1,850					<b>30,666</b>
Special Purpose Funds		315,681	951				<b>316,632</b>
Local Capital	76,256	497,646	152,270	226,756	47,495	50,112	<b>1,050,535</b>
Assets Acquired by Lease			34,687			493,323	<b>528,010</b>
Transferred from Work in Progress		292,832					<b>292,832</b>
	238,154	3,385,189	203,938	377,092	47,495	543,435	<b>4,795,303</b>
Decrease:							
Deemed Disposals			151,992		20,018	573,661	<b>745,671</b>
Written-off/down During Year		946,620					<b>946,620</b>
	-	946,620	151,992	-	20,018	573,661	<b>1,692,291</b>
<b>Cost, end of year</b>	<b>7,574,166</b>	<b>98,157,554</b>	<b>2,770,297</b>	<b>3,505,678</b>	<b>383,362</b>	<b>2,620,008</b>	<b>115,011,065</b>
<b>Work in Progress, end of year</b>		188,326					<b>188,326</b>
<b>Cost and Work in Progress, end of year</b>	<b>7,574,166</b>	<b>98,345,880</b>	<b>2,770,297</b>	<b>3,505,678</b>	<b>383,362</b>	<b>2,620,008</b>	<b>115,199,391</b>
<b>Accumulated Amortization, beginning of year</b>		50,902,643	1,099,588	1,601,506	116,221	1,181,725	<b>54,901,683</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		2,108,876	297,103	312,859	71,177	601,857	<b>3,391,872</b>
Decrease:							
Deemed Disposals			151,992		20,018	573,661	<b>745,671</b>
Written-off During Year		722,920					<b>722,920</b>
		722,920	151,992	-	20,018	573,661	<b>1,468,591</b>
<b>Accumulated Amortization, end of year</b>		<b>52,288,599</b>	<b>1,244,699</b>	<b>1,914,365</b>	<b>167,380</b>	<b>1,209,921</b>	<b>56,824,964</b>
<b>Tangible Capital Assets - Net</b>	<b>7,574,166</b>	<b>46,057,281</b>	<b>1,525,598</b>	<b>1,591,313</b>	<b>215,982</b>	<b>1,410,087</b>	<b>58,374,427</b>

# School District No. 6 (Rocky Mountain)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2020

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	316,991				<b>316,991</b>
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	119,213				<b>119,213</b>
Local Capital	44,954				<b>44,954</b>
	<u>164,167</u>	-	-	-	<b>164,167</b>
Decrease:					
Transferred to Tangible Capital Assets	292,832				<b>292,832</b>
	<u>292,832</u>	-	-	-	<b>292,832</b>
<b>Net Changes for the Year</b>	<u>(128,665)</u>	-	-	-	<b>(128,665)</b>
<b>Work in Progress, end of year</b>	<u><b>188,326</b></u>	-	-	-	<b>188,326</b>

# School District No. 6 (Rocky Mountain)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	29,666,757	1,460,866		<b>31,127,623</b>
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,443,546			2,443,546
Transferred from Work in Progress	243,588			243,588
	<u>2,687,134</u>	-	-	<u>2,687,134</u>
Decrease:				
Amortization of Deferred Capital Revenue	1,784,613	54,804		1,839,417
Revenue Recognized on Disposal of Buildings	211,951			211,951
	<u>1,996,564</u>	54,804	-	<u>2,051,368</u>
<b>Net Changes for the Year</b>	<u>690,570</u>	<u>(54,804)</u>	-	<u>635,766</u>
<b>Deferred Capital Revenue, end of year</b>	<u>30,357,327</u>	<u>1,406,062</u>	-	<u>31,763,389</u>
<b>Work in Progress, beginning of year</b>	243,588			243,588
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	119,213			119,213
	<u>119,213</u>	-	-	<u>119,213</u>
Decrease				
Transferred to Deferred Capital Revenue	243,588			243,588
	<u>243,588</u>	-	-	<u>243,588</u>
<b>Net Changes for the Year</b>	<u>(124,375)</u>	-	-	<u>(124,375)</u>
<b>Work in Progress, end of year</b>	<u>119,213</u>	-	-	<u>119,213</u>
<b>Total Deferred Capital Revenue, end of year</b>	<u>30,476,540</u>	<u>1,406,062</u>	-	<u>31,882,602</u>

# School District No. 6 (Rocky Mountain)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
<b>Balance, beginning of year</b>	\$ 306	\$ 144,801	\$	\$	\$	\$ 145,107
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	2,975,146					2,975,146
Investment Income		7,748				7,748
Transfer project surplus to MEd Restricted (from) Bylaw	(279,611)	279,611				-
Rentals and Leases		20,000				20,000
	2,695,535	307,359	-	-	-	3,002,894
Decrease:						
Transferred to DCR - Capital Additions	2,443,546					2,443,546
Transferred to DCR - Work in Progress	119,213					119,213
Transferred to Revenue - Site Purchases	133,082					133,082
	2,695,841	-	-	-	-	2,695,841
<b>Net Changes for the Year</b>	(306)	307,359	-	-	-	307,053
<b>Balance, end of year</b>	-	452,160	-	-	-	452,160