

Audited Financial Statements of

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

And Independent Auditors' Report thereon

June 30, 2021

# School District No. 6 (Rocky Mountain)

June 30, 2021

## Table of Contents

Management Report .....	1
Independent Auditors' Report .....	2-4
Statement of Financial Position - Statement 1 .....	5
Statement of Operations - Statement 2 .....	6
Statement of Changes in Net Debt - Statement 4 .....	7
Statement of Cash Flows - Statement 5 .....	8
Notes to the Financial Statements .....	9-24
Schedule of Changes in Accumulated Surplus (Deficit) by Fund - Schedule 1 (Unaudited) .....	25
Schedule of Operating Operations - Schedule 2 (Unaudited) .....	26
Schedule 2A - Schedule of Operating Revenue by Source (Unaudited) .....	27
Schedule 2B - Schedule of Operating Expense by Object (Unaudited) .....	28
Schedule 2C - Operating Expense by Function, Program and Object (Unaudited) .....	29
Schedule of Special Purpose Operations - Schedule 3 (Unaudited) .....	31
Schedule 3A - Changes in Special Purpose Funds and Expense by Object (Unaudited) .....	32
Schedule of Capital Operations - Schedule 4 (Unaudited) .....	34
Schedule 4A - Tangible Capital Assets (Unaudited) .....	35
Schedule 4B - Tangible Capital Assets - Work in Progress (Unaudited) .....	36
Schedule 4C - Deferred Capital Revenue (Unaudited) .....	37
Schedule 4D - Changes in Unspent Deferred Capital Revenue (Unaudited) .....	38

# School District No. 6 (Rocky Mountain)

## MANAGEMENT REPORT

Version: 4357-3611-1629

Management's Responsibility for the Financial Statements.

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, 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 Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

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

*Signature on File*

---

Signature of the Chairperson of the Board of Education

Date Signed

*Signature on File*

---

Signature of the Superintendent

Date Signed

*Signature on File*

---

Signature of the Secretary Treasurer

Date Signed

---

## Independent Auditor's Report

---

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

### Opinion

We have audited the financial statements of School District No. 6 (Rocky Mountain) (the School District), which comprise the statement of financial position as at June 30, 2021, and the statements of operations, changes in net financial assets (debt), and 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 financial statements of the School District as at and for the year ended June 30, 2021 are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia (the Act).

### 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.

### Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 to the financial statements which describes the basis of accounting. The financial statements are prepared in order for the School District to meet the reporting requirements of the Act referred to above. Note 2 to the Financial Statements discloses the impact of these differences between such basis of accounting and Canadian public sector accounting standards. Our opinion is not modified in respect of this matter.

### Other Matters

We draw attention to the fact that the supplementary information included in Schedule 1 to 4 does not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

### Other Information

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

Our opinion on the financial 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 consolidated 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.

Prior to the date of this auditor's report, we obtained the Financial Statement Discussion and Analysis prepared by management. If, based on the work we have performed on this 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 Financial Statements**

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. But not for the purpose of expressing an opinion on the effectiveness of the School District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the School District to express an opinion on the financial statements.



We are responsible for the direction, supervision and performance of the School District audit.  
We remain solely responsible for our audit opinion.

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, British Columbia  
September 14, 2021

# School District No. 6 (Rocky Mountain)

## Statement of Financial Position

As at June 30, 2021

	2021 Actual \$	2020 Actual \$
<b>Financial Assets</b>		
Cash and Cash Equivalents	9,749,908	8,624,666
Accounts Receivable		
Due from Province - Ministry of Education	606,241	156,426
Due from First Nations	12,470	27,597
Other (Note 3)	207,078	198,874
Portfolio Investments (Note 4)	3,268,745	3,252,021
<b>Total Financial Assets</b>	<b>13,844,442</b>	<b>12,259,584</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	4,020,071	3,594,688
Unearned Revenue (Note 6)	3,079,557	383,397
Deferred Revenue (Note 7)	1,560,394	1,484,226
Deferred Capital Revenue (Note 8)	32,818,825	32,334,762
Employee Future Benefits (Note 9)	647,199	642,500
Capital Lease Obligations (Note 10)	532,765	854,121
<b>Total Liabilities</b>	<b>42,658,811</b>	<b>39,293,694</b>
<b>Net Debt</b>	<b>(28,814,369)</b>	<b>(27,034,110)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 11)	59,693,911	58,374,427
Restricted Assets (Endowments) (Note 13)	54,031	76,295
Prepaid Expenses	85,714	100,431
<b>Total Non-Financial Assets</b>	<b>59,833,656</b>	<b>58,551,153</b>
<b>Accumulated Surplus (Deficit)</b>	<b>31,019,287</b>	<b>31,517,043</b>

Contractual Obligations (Note 16)

Contractual Rights (Note 17)

Contingent Liabilities (Note 18)

Approved by the Board

*Signature on File*

Signature of the Chairperson of the Board of Education

Date Signed

*Signature on File*

Signature of the Superintendent

Date Signed

*Signature on File*

Signature of the Secretary Treasurer

Date Signed

# School District No. 6 (Rocky Mountain)

Statement 2

Statement of Operations  
Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	44,724,395	<b>46,631,055</b>	43,822,960
Other			1,621
Tuition	2,475,500	<b>1,155,669</b>	2,983,326
Other Revenue	1,330,785	<b>803,276</b>	1,546,781
Rentals and Leases	47,140	<b>81,210</b>	83,155
Investment Income	162,825	<b>118,278</b>	191,528
Amortization of Deferred Capital Revenue	1,923,721	<b>1,915,113</b>	1,839,417
Recognition of Unamortized Deferred Capital Revenue			211,951
<b>Total Revenue</b>	<b>50,664,366</b>	<b>50,704,601</b>	50,680,739
<b>Expenses (Note 20)</b>			
Instruction	38,400,668	<b>38,078,579</b>	36,904,558
District Administration	1,775,451	<b>1,842,631</b>	1,675,548
Operations and Maintenance	8,807,257	<b>9,019,777</b>	8,945,902
Transportation and Housing	2,106,756	<b>2,224,797</b>	1,982,644
Debt Services	15,142	<b>14,309</b>	15,687
Write-off/down of Buildings and Sites			223,700
<b>Total Expense</b>	<b>51,105,274</b>	<b>51,180,093</b>	49,748,039
<b>Surplus (Deficit) for the year, before endowment contributions</b>	<b>(440,908)</b>	<b>(475,492)</b>	932,700
<b>Endowment Contributions</b>		<b>(22,264)</b>	
<b>Surplus (Deficit) for the year</b>	<b>(440,908)</b>	<b>(497,756)</b>	932,700
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>31,517,043</b>	30,584,343
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<b>31,019,287</b>	31,517,043



# School District No. 6 (Rocky Mountain)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	(440,908)	(497,756)	932,700
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(3,350,535)	(4,843,646)	(4,666,638)
Amortization of Tangible Capital Assets	3,509,510	3,524,163	3,391,872
Write-down carrying value of Tangible Capital Assets			223,700
<b>Total Effect of change in Tangible Capital Assets</b>	158,975	(1,319,483)	(1,051,066)
Acquisition of Prepaid Expenses	(10,000)	(85,715)	(100,431)
Use of Prepaid Expenses	10,000	100,431	80,768
Endowment Contributions		22,264	
<b>Total Effect of change in Other Non-Financial Assets</b>	-	36,980	(19,663)
<b>(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)</b>	(281,933)	(1,780,259)	(138,029)
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Debt</b>		(1,780,259)	(138,029)
<b>Net Debt, beginning of year</b>		(27,034,110)	(26,896,081)
<b>Net Debt, end of year</b>		(28,814,369)	(27,034,110)

# School District No. 6 (Rocky Mountain)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2021

	2021 Actual	2020 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	(497,756)	932,700
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(442,892)	(79,314)
Prepaid Expenses	14,716	(19,663)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	425,383	(330,436)
Unearned Revenue	2,696,161	(1,310,695)
Deferred Revenue	76,168	(7,457)
Employee Future Benefits	4,699	14,265
Amortization of Tangible Capital Assets	3,524,163	3,391,872
Amortization of Deferred Capital Revenue	(1,915,113)	(1,839,417)
Recognition of Deferred Capital Revenue Spent on Sites	(115,426)	(133,082)
Write-Off/down of Buildings and Sites		11,748
Restricted Assets (Endowments)	22,264	
<b>Total Operating Transactions</b>	<u>3,792,367</u>	<u>630,521</u>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(4,260,869)	(3,974,461)
Tangible Capital Assets -WIP Purchased	(483,185)	(164,167)
Capital Lease Purchases	(99,592)	(528,010)
<b>Total Capital Transactions</b>	<u>(4,843,646)</u>	<u>(4,666,638)</u>
<b>Financing Transactions</b>		
Capital Revenue Received	2,514,602	3,002,894
Capital Lease Proceeds	99,591	528,010
Capital Lease Payments	(420,948)	(492,172)
<b>Total Financing Transactions</b>	<u>2,193,245</u>	<u>3,038,732</u>
<b>Investing Transactions</b>		
Investments in Portfolio Investments	(16,724)	(16,361)
<b>Total Investing Transactions</b>	<u>(16,724)</u>	<u>(16,361)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,125,242</b>	<b>(1,013,746)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<u>8,624,666</u>	<u>9,638,412</u>
<b>Cash and Cash Equivalents, end of year</b>	<u>9,749,908</u>	<u>8,624,666</u>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	8,485,013	7,377,967
Cash Equivalents	1,264,895	1,246,699
	<u>9,749,908</u>	<u>8,624,666</u>

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

**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, 2020 and full-time beginning September 1, 2020 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 that:

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

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

Year-ended June 30, 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, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

Year-ended June 30, 2021 – decrease in annual surplus by \$484,063

June 30, 2021 – increase in accumulated surplus and decrease in deferred capital revenue by \$32,818,825

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.

*(Detailed information regarding portfolio investments is disclosed in Note 4)*

e) Unearned Revenue

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

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

g) Employee Future Benefits *(continued)*

vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (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.

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

i) Tangible Capital Assets *(continued)*

- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- Works of art, historic assets and other intangible assets are not recorded as assets in these financial statements.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset 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, 2021**

**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, 2021**

**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, 2021**

**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, 2022. 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 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 and is effective July 1, 2023. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions".

Revenue from transactions with performance obligations should be recognized when (or as) the school district satisfies a performance obligation by providing the promised goods or services to a payor.

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

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

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

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

**3. ACCOUNTS RECEIVABLE – OTHER RECEIVABLES**

	2021	2020
Due from Federal Government	\$ 102,233	\$ 82,055
Other	104,845	116,819
	\$ 207,078	\$ 198,874

**4. PORTFOLIO INVESTMENTS**

	2021	2020
Investments in the cost and amortized cost category:		
Guaranteed investment certificates	\$ 169,192	\$ 166,886
Term deposits	3,099,553	3,085,135
	\$ 3,268,745	\$ 3,252,021

The term deposits have interest rates ranging from 1.45% to 2.65% and maturity dates between November 1, 2021 and April 1, 2023.

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

	2021	2020
Trade payables	\$ 2,072,715	\$ 1,875,409
Salaries and benefits payable	1,571,170	1,378,791
Accrued vacation pay	376,186	340,488
	\$ 4,020,071	\$ 3,594,688

**6. UNEARNED REVENUE**

	2021	2020
Balance, beginning of year	\$ 383,397	\$ 1,694,091
Changes for the year:		
Increase:		
Tuition fees	3,079,557	383,397
	3,079,557	383,397
Decrease:		
Tuition fees	383,397	1,694,091
Net changes for the year	2,696,160	(1,310,694)
Balance, end of year	\$ 3,079,557	\$ 383,397

**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, 2021**

**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.

	2021	2020
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$ 614,837	\$ 607,357
Service Cost	50,135	47,321
Interest Cost	14,264	15,523
Benefit Payments	(62,814)	(59,311)
Actuarial (Gain) Loss	(11,751)	3,947
Accrued Benefit Obligation – March 31	\$ 604,671	\$ 614,837
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation – March 31	\$ 604,671	\$ 614,837
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(604,671)	(614,837)
Employer Contributions After Measurement Date	9,683	18,480
Benefits Expense After Measurement Date	(16,344)	(16,100)
Unamortized Net Actuarial (Gain) Loss	(35,867)	(30,043)
Accrued Benefit Asset (Liability) – June 30	\$ (647,199)	\$ (642,500)
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability – July 1	\$ 642,500	\$ 628,235
Net expense for Fiscal Year	58,716	64,038
Employer Contributions	(54,017)	(49,773)
Accrued Benefit Liability – June 30	\$ 647,199	\$ 642,500
<b>Components of Net Benefit Expense</b>		
Service Cost	\$ 50,030	\$ 48,025
Interest Cost	14,613	15,208
Amortization of Net Actuarial (Gain)/Loss	(5,927)	805
Net Benefit Expense (Income)	\$ 58,716	\$ 64,038

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

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

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

**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 0.03% to 6.49%, expiring September 1, 2021 to July 21, 2025.

Repayments are due as follows:

2022	\$ 244,399
2023	212,181
2024	86,290
2025	15,930
Total minimum lease payments	\$ 558,800
Less amounts representing interest	(26,035)
Present value of net minimum capital lease payments	\$ 532,765

Total interest on leases for the year was \$14,164 (2020: \$15,687)

**11. TANGIBLE CAPITAL ASSETS**

**Net Book Value:**

	Net Book Value 2021	Net Book Value 2020
Sites	\$ 8,588,793	\$ 7,574,166
Buildings	46,242,217	45,868,955
Buildings – work in progress	320,627	188,326
Furniture & equipment	1,396,799	1,288,770
Furniture & equipment under capital lease	179,355	236,828
Vehicles	1,565,348	1,591,313
Computer software	139,310	0
Computer software – work in progress	44,600	0
Computer hardware	364,338	215,982
Computer hardware – work in progress	131,299	339,911
Computer hardware under capital lease	721,225	1,070,176
<b>Total</b>	<b>\$ 59,693,911</b>	<b>\$ 58,374,427</b>

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

**11. TANGIBLE CAPITAL ASSETS**

*(Continued)*

**JUNE 30, 2021**

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2021
Sites	\$ 7,574,166	\$ 1,014,627	\$ -	\$ -	\$ 8,588,793
Buildings	98,157,554	2,374,285	-	188,326	100,720,165
Buildings – work in progress	188,326	320,627	-	(188,326)	320,627
Furniture & equipment	2,482,934	356,323	(481,512)	-	2,357,745
Furniture & equipment – under capital lease	287,363	-	-	-	287,363
Vehicles	3,505,678	324,603	(809,822)	-	3,020,459
Computer software	383,362	-	(37,320)	-	346,042
Computer software – work in progress	-	44,600	-	-	44,600
Computer hardware	766,319	177,691	(260,762)	-	683,248
Computer hardware – work in progress	-	131,299	-	-	131,299
Computer hardware – under capital lease	1,853,689	99,592	(438,690)	-	1,514,591
<b>Total</b>	<b>\$ 115,199,391</b>	<b>\$ 4,843,647</b>	<b>\$(2,028,106)</b>	<b>\$ -</b>	<b>\$118,014,932</b>

	Opening Accumulated Amortization	Additions	Disposals	Total 2021
Sites	\$ -	\$ -	\$ -	\$ -
Buildings	52,288,599	2,189,349	-	54,477,948
Furniture & equipment	1,194,164	248,294	(481,512)	960,946
Furniture & equipment under capital lease	50,535	57,473	-	108,008
Vehicles	1,914,365	350,568	(809,822)	1,455,111
Computer software	167,380	76,672	(37,320)	206,732
Computer hardware	426,408	153,264	(260,762)	318,910
Computer hardware under capital lease	738,513	448,543	(438,690)	793,366
<b>Total</b>	<b>\$ 56,824,964</b>	<b>\$ 3,524,163</b>	<b>\$(2,028,106)</b>	<b>\$ 58,321,021</b>

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

**11. TANGIBLE CAPITAL ASSETS**

*(Continued)*

**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>

	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
Vehicles	-	50,535	-	50,535
Computer software	1,601,506	312,859	-	1,914,365
Computer hardware	116,221	71,177	(20,018)	167,380
Computer hardware under capital lease	443,362	183,290	(200,244)	426,408
<b>Total</b>	<b>\$ 54,901,683</b>	<b>\$ 3,391,872</b>	<b>\$(1,468,591)</b>	<b>\$ 56,824,964</b>

Buildings – work in progress having a value of \$320,627 (2020: \$188,326) has not been amortized. Amortization of these assets will commence when the assets are put into service.

**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, 2020 the Teachers' Pension Plan has about 49,000 active members and approximately 40,000 retired members. As at December 31, 2020 the Municipal Pension Plan has about 220,000 active members, including approximately 28,000 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

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

**12. EMPLOYEE PENSION PLANS**

*(continued)*

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.

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 \$3,361,000 for employer contributions to the plans for the year ended June 30, 2021 (2020: \$3,113,000).

The next valuation for the Teachers' Pension Plan will be as at December 31, 2020, with results available in the last quarter of 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.

Nathan Emery and Alicia Raven memorial endowments transferred to scholarships per direction of the families due to low interest rates resulting in the award not being issued on an annual basis.

Name of Endowment	Balance June 30, 2020	Transfers June 30, 2021	Balance June 30, 2021
J. Alfred and Mollie Laird Bursaries	43,161	-	43,161
Nathan Emery Memorial Bursary	11,619	(11,619)	0
Alicia Raven Memorial Scholarship	10,645	(10,645)	0
Other scholarships and bursaries	10,870	-	10,870
Total	\$ 76,295	\$ (22,264)	\$ 54,031

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

**14. INTERFUND TRANSFERS**

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2021 were as follows:

- Operating funds transferred to capital funds - \$2,374,895
- Special purpose funds transferred to capital funds - \$305,574

**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.

	2022
Contractual obligations:	
Selkirk Secondary roofing project	\$ 982,300
Blarhmont Elementary boiler upgrade project	110,476
Alexander Park Elementary lighting upgrade project	105,226
Selkirk Secondary CCTV, PA and alarm system wiring project	77,435
Selkirk Secondary HVAC upgrade project	113,913
	\$ 1,389,350

**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 \$67,150 for the foreseeable future.

**18. CONTINGENT LIABILITIES**

Liabilities may exist for the remediation of one contaminated School District site. 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, 2021 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 8, 2021.



**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**

**20. EXPENSE BY OBJECT**

	2021	2020
Salaries and benefits	\$ 40,915,033	\$ 37,978,363
Services and supplies	6,726,588	8,138,417
Interest	14,309	15,687
Amortization	3,524,163	3,391,872
Write-off/down of buildings and sites	-	223,700
	\$ 51,180,093	\$ 49,748,039

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

Internally restricted (appropriated) by board for:

School operating surpluses	\$ 509,157	
Future year's operations	138,073	
CBT projects	105,565	
JALES outdoor classroom	8,000	
WES forest classroom	7,212	
Subtotal internally restricted		768,007
Unrestricted operating surplus		919,723
Total available for future operations		\$ 1,687,730

**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.

**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.

**SCHOOL DISTRICT NO. 6 (ROCKY MOUNTAIN)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2021**

**23. RISK MANAGEMENT**

*(continued)*

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. There have been no changes to risk exposure from 2020 related to credit, market or liquidity risks.

# School District No. 6 (Rocky Mountain)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2021

	Operating Fund	Special Purpose Fund	Capital Fund	2021 Actual	2020 Actual
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	3,379,012	76,295	28,061,736	<b>31,517,043</b>	30,584,343
<b>Changes for the year</b>					
Surplus (Deficit) for the year	683,613	283,310	(1,464,679)	<b>(497,756)</b>	932,700
Interfund Transfers					
Tangible Capital Assets Purchased	(102,202)	(262,460)	364,662	-	
Tangible Capital Assets - Work in Progress		(43,114)	43,114	-	
Local Capital	(1,960,529)		1,960,529	-	
Other	(312,164)		312,164	-	
<b>Net Changes for the year</b>	<b>(1,691,282)</b>	<b>(22,264)</b>	<b>1,215,790</b>	<b>(497,756)</b>	<b>932,700</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>1,687,730</b>	<b>54,031</b>	<b>29,277,526</b>	<b>31,019,287</b>	31,517,043

# School District No. 6 (Rocky Mountain)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	40,720,701	<b>40,773,047</b>	39,672,417
Other			1,621
Tuition	2,475,500	<b>1,155,669</b>	2,983,326
Other Revenue	223,460	<b>241,807</b>	315,750
Rentals and Leases	47,140	<b>81,210</b>	83,155
Investment Income	112,500	<b>65,533</b>	118,985
<b>Total Revenue</b>	<u>43,579,301</u>	<u><b>42,317,266</b></u>	<u>43,175,254</u>
<b>Expenses</b>			
Instruction	33,649,375	<b>32,141,854</b>	32,008,626
District Administration	1,762,801	<b>1,839,331</b>	1,667,748
Operations and Maintenance	5,609,070	<b>5,734,722</b>	5,871,302
Transportation and Housing	1,780,849	<b>1,917,746</b>	1,652,761
<b>Total Expense</b>	<u>42,802,095</u>	<u><b>41,633,653</b></u>	<u>41,200,437</u>
<b>Operating Surplus (Deficit) for the year</b>	<u>777,206</u>	<u><b>683,613</b></u>	<u>1,974,817</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased		<b>(102,202)</b>	(30,666)
Local Capital	(327,206)	<b>(1,960,529)</b>	(979,791)
Other	(450,000)	<b>(312,164)</b>	(452,953)
<b>Total Net Transfers</b>	<u>(777,206)</u>	<u><b>(2,374,895)</b></u>	<u>(1,463,410)</u>
<b>Total Operating Surplus (Deficit), for the year</b>	<u>-</u>	<u><b>(1,691,282)</b></u>	<u>511,407</u>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>3,379,012</b>	2,867,605
<b>Operating Surplus (Deficit), end of year</b>		<u><b>1,687,730</b></u>	<u>3,379,012</u>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted		<b>768,007</b>	1,549,274
Unrestricted		<b>919,723</b>	1,829,738
<b>Total Operating Surplus (Deficit), end of year</b>		<u><b>1,687,730</b></u>	<u>3,379,012</u>

# School District No. 6 (Rocky Mountain)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	39,375,063	<b>39,288,103</b>	38,288,102
ISC/LEA Recovery	(124,260)	<b>(109,320)</b>	(131,493)
Other Ministry of Education Grants			
Pay Equity	207,823	<b>207,823</b>	207,823
Funding for Graduated Adults		<b>3,619</b>	3,878
Student Transportation Fund	369,399	<b>369,399</b>	369,399
Carbon Tax Grant			63,336
Employer Health Tax Grant			291,260
Support Staff Benefits Grant		<b>44,902</b>	25,052
Support Staff Wage Increase Funding			154,028
Teachers' Labour Settlement Funding	884,489	<b>884,489</b>	365,197
Early Career Mentorship Funding		<b>70,000</b>	
FSA Scorer Grant	8,187	<b>8,187</b>	8,187
System Wide Capacity Building for MyEdBC			25,803
Early Learning Framework		<b>1,845</b>	1,845
Equity Scan Implementation		<b>4,000</b>	
<b>Total Provincial Grants - Ministry of Education</b>	<b>40,720,701</b>	<b>40,773,047</b>	39,672,417
<b>Provincial Grants - Other</b>			1,621
<b>Tuition</b>			
International and Out of Province Students	2,475,500	<b>1,155,669</b>	2,983,326
<b>Total Tuition</b>	<b>2,475,500</b>	<b>1,155,669</b>	2,983,326
<b>Other Revenues</b>			
Other School District/Education Authorities		<b>5,330</b>	10,668
Funding from First Nations	124,260	<b>109,320</b>	131,493
Miscellaneous			
Artists in Education	7,200	<b>7,200</b>	7,200
Donations	24,000	<b>17,550</b>	68,566
Insurance Proceeds			6,696
Other	68,000	<b>102,407</b>	91,127
<b>Total Other Revenue</b>	<b>223,460</b>	<b>241,807</b>	315,750
<b>Rentals and Leases</b>	<b>47,140</b>	<b>81,210</b>	83,155
<b>Investment Income</b>	<b>112,500</b>	<b>65,533</b>	118,985
<b>Total Operating Revenue</b>	<b>43,579,301</b>	<b>42,317,266</b>	43,175,254

# School District No. 6 (Rocky Mountain)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object  
Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Salaries</b>			
Teachers	14,213,108	<b>14,002,402</b>	13,746,522
Principals and Vice Principals	2,791,115	<b>2,721,430</b>	2,814,030
Educational Assistants	3,273,662	<b>3,435,507</b>	2,801,391
Support Staff	4,108,844	<b>4,029,488</b>	4,040,614
Other Professionals	3,646,170	<b>3,726,678</b>	3,282,659
Substitutes	1,289,530	<b>1,348,979</b>	1,310,387
<b>Total Salaries</b>	<b>29,322,429</b>	<b>29,264,484</b>	27,995,603
<b>Employee Benefits</b>	6,754,125	<b>6,855,040</b>	6,484,051
<b>Total Salaries and Benefits</b>	<b>36,076,554</b>	<b>36,119,524</b>	34,479,654
<b>Services and Supplies</b>			
Services	961,098	<b>950,030</b>	980,392
Student Transportation	443,720	<b>89,245</b>	346,809
Professional Development and Travel	706,025	<b>440,581</b>	576,894
Rentals and Leases	7,100	<b>4,142</b>	18,151
Dues and Fees	1,576,780	<b>920,753</b>	1,713,749
Insurance	152,500	<b>154,078</b>	147,052
Supplies	1,978,318	<b>2,079,900</b>	2,014,746
Utilities	900,000	<b>875,400</b>	922,990
<b>Total Services and Supplies</b>	<b>6,725,541</b>	<b>5,514,129</b>	6,720,783
<b>Total Operating Expense</b>	<b>42,802,095</b>	<b>41,633,653</b>	41,200,437

# School District No. 6 (Rocky Mountain)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2021

	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	12,492,994	401,633	142,070	614,013	272,637	926,020	14,849,367
1.03 Career Programs							-
1.07 Library Services	190,594			128,893		528	320,015
1.08 Counselling	324,733						324,733
1.10 Special Education	985,332		3,259,451	20,884	485,563	171,524	4,922,754
1.30 English Language Learning	8,749						8,749
1.31 Indigenous Education			33,986		669,238	32,990	736,214
1.41 School Administration		2,310,807		275,618		19,933	2,606,358
1.61 Continuing Education		6,133					6,133
1.62 International and Out of Province Students				46,329	364,449		410,778
<b>Total Function 1</b>	<b>14,002,402</b>	<b>2,718,573</b>	<b>3,435,507</b>	<b>1,085,737</b>	<b>1,791,887</b>	<b>1,150,995</b>	<b>24,185,101</b>
<b>4 District Administration</b>							
4.11 Educational Administration					231,695		231,695
4.40 School District Governance					128,826		128,826
4.41 Business Administration					894,529	1,268	895,797
<b>Total Function 4</b>	-	-	-	-	<b>1,255,050</b>	<b>1,268</b>	<b>1,256,318</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration		2,857			232,142	3,034	238,033
5.50 Maintenance Operations				2,124,207	257,640	123,868	2,505,715
5.52 Maintenance of Grounds				67,320		15,137	82,457
5.56 Utilities							-
<b>Total Function 5</b>	-	<b>2,857</b>	-	<b>2,191,527</b>	<b>489,782</b>	<b>142,039</b>	<b>2,826,205</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration					78,638		78,638
7.70 Student Transportation				752,224	111,321	54,677	918,222
<b>Total Function 7</b>	-	-	-	<b>752,224</b>	<b>189,959</b>	<b>54,677</b>	<b>996,860</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	-	-	-	-	-	-	-
<b>Total Functions 1 - 9</b>	<b>14,002,402</b>	<b>2,721,430</b>	<b>3,435,507</b>	<b>4,029,488</b>	<b>3,726,678</b>	<b>1,348,979</b>	<b>29,264,484</b>

# School District No. 6 (Rocky Mountain)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2021

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2021 Actual	2021 Budget	2020 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	14,849,367	3,478,842	18,328,209	1,102,675	19,430,884	20,258,807	19,372,356
1.03 Career Programs	-	-	-	2,867	2,867	21,703	34,006
1.07 Library Services	320,015	82,233	402,248	100,789	503,037	483,720	484,883
1.08 Counselling	324,733	76,488	401,221	3,922	405,143	421,303	361,279
1.10 Special Education	4,922,754	1,237,879	6,160,633	177,178	6,337,811	6,076,168	5,395,727
1.30 English Language Learning	8,749	2,086	10,835	-	10,835	1,750	27,678
1.31 Indigenous Education	736,214	193,447	929,661	116,573	1,046,234	1,093,521	1,014,375
1.41 School Administration	2,606,358	554,884	3,161,242	103,191	3,264,433	3,038,557	2,868,262
1.61 Continuing Education	6,133	1,264	7,397	-	7,397	8,025	-
1.62 International and Out of Province Students	410,778	84,425	495,203	638,010	1,133,213	2,245,821	2,450,060
<b>Total Function 1</b>	<b>24,185,101</b>	<b>5,711,548</b>	<b>29,896,649</b>	<b>2,245,205</b>	<b>32,141,854</b>	<b>33,649,375</b>	<b>32,008,626</b>
<b>4 District Administration</b>							
4.11 Educational Administration	231,695	62,000	293,695	30,432	324,127	292,001	285,288
4.40 School District Governance	128,826	6,043	134,869	61,366	196,235	205,800	212,264
4.41 Business Administration	895,797	202,397	1,098,194	220,775	1,318,969	1,265,000	1,170,196
<b>Total Function 4</b>	<b>1,256,318</b>	<b>270,440</b>	<b>1,526,758</b>	<b>312,573</b>	<b>1,839,331</b>	<b>1,762,801</b>	<b>1,667,748</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	238,033	53,465	291,498	107,521	399,019	508,194	524,632
5.50 Maintenance Operations	2,505,715	565,537	3,071,252	982,430	4,053,682	3,780,069	4,105,204
5.52 Maintenance of Grounds	82,457	15,772	98,229	167,570	265,799	290,201	204,084
5.56 Utilities	-	-	-	1,016,222	1,016,222	1,030,606	1,037,382
<b>Total Function 5</b>	<b>2,826,205</b>	<b>634,774</b>	<b>3,460,979</b>	<b>2,273,743</b>	<b>5,734,722</b>	<b>5,609,070</b>	<b>5,871,302</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	78,638	17,113	95,751	10,569	106,320	115,250	100,991
7.70 Student Transportation	918,222	221,165	1,139,387	672,039	1,811,426	1,665,599	1,551,770
<b>Total Function 7</b>	<b>996,860</b>	<b>238,278</b>	<b>1,235,138</b>	<b>682,608</b>	<b>1,917,746</b>	<b>1,780,849</b>	<b>1,652,761</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>29,264,484</b>	<b>6,855,040</b>	<b>36,119,524</b>	<b>5,514,129</b>	<b>41,633,653</b>	<b>42,802,095</b>	<b>41,200,437</b>



# School District No. 6 (Rocky Mountain)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	3,888,694	<b>5,742,582</b>	4,017,461
Other Revenue	1,107,325	<b>561,469</b>	1,206,966
Investment Income	5,325	<b>9,491</b>	8,548
<b>Total Revenue</b>	<u>5,001,344</u>	<u><b>6,313,542</b></u>	<u>5,232,975</u>
<b>Expenses</b>			
Instruction	4,751,293	<b>5,936,725</b>	4,895,932
District Administration	12,650	<b>3,300</b>	7,800
Operations and Maintenance	14,584	<b>67,943</b>	12,611
<b>Total Expense</b>	<u>4,778,527</u>	<u><b>6,007,968</b></u>	<u>4,916,343</u>
<b>Special Purpose Surplus (Deficit) for the year, before endowment contributions</b>	<u>222,817</u>	<u><b>305,574</b></u>	<u>316,632</u>
<b>Endowment Contributions</b>		<b>(22,264)</b>	
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>222,817</u>	<u><b>283,310</b></u>	<u>316,632</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(222,817)	<b>(262,460)</b>	(316,632)
Tangible Capital Assets - Work in Progress		<b>(43,114)</b>	
<b>Total Net Transfers</b>	<u>(222,817)</u>	<u><b>(305,574)</b></u>	<u>(316,632)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u><b>(22,264)</b></u>	<u>-</u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>		<b>76,295</b>	76,295
<b>Special Purpose Surplus (Deficit), end of year</b>		<u><b>54,031</b></u>	<u>76,295</u>
<b>Special Purpose Surplus (Deficit), end of year</b>			
Endowment Contributions		<b>54,031</b>	76,295
<b>Total Special Purpose Surplus (Deficit), end of year</b>		<u><b>54,031</b></u>	<u>76,295</u>

# School District No. 6 (Rocky Mountain)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2021

	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>	40,607	26,022	2,595	39,926	34,647	1,115,143	39,478	64,670	5,135
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education	195,806	142,508					96,000	22,050	69,767
Other					48,676	407,892			
Investment Income	1,354				2,210	6,634			
	197,160	142,508	-	-	50,886	414,526	96,000	22,050	69,767
<b>Less:</b> Allocated to Revenue	127,908	158,663	2,595	6,475	3,300	566,306	83,697	10,847	74,902
<b>Deferred Revenue, end of year</b>	<b>109,859</b>	<b>9,867</b>	<b>-</b>	<b>33,451</b>	<b>82,233</b>	<b>963,363</b>	<b>51,781</b>	<b>75,873</b>	<b>-</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education	126,554	158,663	2,595	6,475			83,697	10,847	74,902
Other Revenue					1,791	559,678			
Investment Income	1,354				1,509	6,628			
	127,908	158,663	2,595	6,475	3,300	566,306	83,697	10,847	74,902
<b>Expenses</b>									
Salaries									
Teachers									31,468
Principals and Vice Principals									
Educational Assistants		125,837							
Support Staff									
Other Professionals									
Substitutes								7,427	3,102
	-	125,837	-	-	-	-	-	7,427	34,570
Employee Benefits		32,826						1,190	7,809
Services and Supplies	67,943		2,595		3,300	566,306	83,697	2,230	22,804
	67,943	158,663	2,595	-	3,300	566,306	83,697	10,847	65,183
<b>Net Revenue (Expense) before Interfund Transfers</b>	<b>59,965</b>	<b>-</b>	<b>-</b>	<b>6,475</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,719</b>
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased	(59,965)			(6,475)					(9,719)
Tangible Capital Assets - Work in Progress	(59,965)	-	-	(6,475)	-	-	-	-	(9,719)
<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, 2021

	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	First Nation Student Transportation	Mental Health in Schools	Safe Return to School Grant	Federal Safe Return to Class Fund	District Capacity Building	TOTAL
<b>Deferred Revenue, beginning of year</b>	\$ 57,388	\$ -	\$ -	\$ 4,102	\$ 29,673	\$ -	\$ -	\$ 24,840	\$ 1,484,226
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education	391,904	193,470	3,170,506	13,325	55,000	291,299	1,262,309	19,000	5,922,944
Other									456,568
Investment Income									10,198
	391,904	193,470	3,170,506	13,325	55,000	291,299	1,262,309	19,000	6,389,710
<b>Less:</b> Allocated to Revenue	428,225	193,470	3,170,506	-	41,184	291,299	1,148,080	6,085	6,313,542
<b>Deferred Revenue, end of year</b>	<b>21,067</b>	<b>-</b>	<b>-</b>	<b>17,427</b>	<b>43,489</b>	<b>-</b>	<b>114,229</b>	<b>37,755</b>	<b>1,560,394</b>
<b>Revenues</b>									
Provincial Grants - Ministry of Education	428,225	193,470	3,170,506		41,184	291,299	1,148,080	6,085	5,742,582
Other Revenue									561,469
Investment Income									9,491
	428,225	193,470	3,170,506	-	41,184	291,299	1,148,080	6,085	6,313,542
<b>Expenses</b>									
Salaries									
Teachers	86,529		2,558,496				372,631		3,049,124
Principals and Vice Principals							55,480		55,480
Educational Assistants	30,311				21,192		26,986		204,326
Support Staff						130,058	1,836		131,894
Other Professionals	214,876	41,597							256,473
Substitutes		99,206			3,221		66,334	3,723	183,013
	331,716	140,803	2,558,496	-	24,413	130,058	523,267	3,723	3,880,310
Employee Benefits	79,776	25,647	612,010		6,461	28,654	120,225	601	915,199
Services and Supplies	16,733	27,020			10,310	106,559	301,201	1,761	1,212,459
	428,225	193,470	3,170,506	-	41,184	265,271	944,693	6,085	6,007,968
<b>Net Revenue (Expense) before Interfund Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,028</b>	<b>203,387</b>	<b>-</b>	<b>305,574</b>
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased						(26,028)	(160,273)		(262,460)
Tangible Capital Assets - Work in Progress							(43,114)		(43,114)
	-	-	-	-	-	(26,028)	(203,387)	-	(305,574)
<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)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2021

	2021 Budget	2021 Actual			2020 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education	115,000	115,426		115,426	133,082
Other Revenue				-	24,065
Investment Income	45,000		43,254	43,254	63,995
Amortization of Deferred Capital Revenue	1,923,721	1,915,113		1,915,113	1,839,417
District Entered				-	211,951
<b>Total Revenue</b>	<b>2,083,721</b>	<b>2,030,539</b>	<b>43,254</b>	<b>2,073,793</b>	<b>2,272,510</b>
<b>Expenses</b>					
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,183,603	3,217,112		3,217,112	3,061,989
Transportation and Housing	325,907	307,051		307,051	329,883
Write-off/down of Buildings and Sites				-	223,700
Debt Services					
Capital Lease Interest	15,142		14,309	14,309	15,687
<b>Total Expense</b>	<b>3,524,652</b>	<b>3,524,163</b>	<b>14,309</b>	<b>3,538,472</b>	<b>3,631,259</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(1,440,931)</b>	<b>(1,493,624)</b>	<b>28,945</b>	<b>(1,464,679)</b>	<b>(1,358,749)</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	222,817	364,662		364,662	347,298
Tangible Capital Assets - Work in Progress		43,114		43,114	
Local Capital	327,206		1,960,529	1,960,529	979,791
Capital Lease Payment	450,000		312,164	312,164	452,953
<b>Total Net Transfers</b>	<b>1,000,023</b>	<b>407,776</b>	<b>2,272,693</b>	<b>2,680,469</b>	<b>1,780,042</b>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		1,695,069	(1,695,069)	-	
Tangible Capital Assets WIP Purchased from Local Capital		198,691	(198,691)	-	
Principal Payment					
Capital Lease		420,948	(420,948)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>2,314,708</b>	<b>(2,314,708)</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>(440,908)</b>	<b>1,228,860</b>	<b>(13,070)</b>	<b>1,215,790</b>	<b>421,293</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>25,637,705</b>	<b>2,424,031</b>	<b>28,061,736</b>	<b>27,640,443</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>26,866,565</b>	<b>2,410,961</b>	<b>29,277,526</b>	<b>28,061,736</b>

# School District No. 6 (Rocky Mountain)

Schedule 4A (Unaudited)

Tangible Capital Assets  
Year Ended June 30, 2021

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	7,574,166	98,157,555	2,770,297	3,505,678	383,362	2,620,008	<b>115,011,066</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	115,426	1,832,443	64,951	188,318			<b>2,201,138</b>
Operating Fund		14,364	15,872	57,541		14,425	<b>102,202</b>
Special Purpose Funds	5,803	54,162	49,855			152,640	<b>262,460</b>
Local Capital	893,398	486,656	225,645	78,744		10,626	<b>1,695,069</b>
District Entered						99,592	<b>99,592</b>
Transferred from Work in Progress		174,985					<b>174,985</b>
	<u>1,014,627</u>	<u>2,562,610</u>	<u>356,323</u>	<u>324,603</u>	<u>-</u>	<u>277,283</u>	<b><u>4,535,446</u></b>
Decrease:							
Deemed Disposals			481,512	809,822	37,320	699,452	<b>2,028,106</b>
	<u>-</u>	<u>-</u>	<u>481,512</u>	<u>809,822</u>	<u>37,320</u>	<u>699,452</u>	<b><u>2,028,106</u></b>
<b>Cost, end of year</b>	<u>8,588,793</u>	<u>100,720,165</u>	<u>2,645,108</u>	<u>3,020,459</u>	<u>346,042</u>	<u>2,197,839</u>	<b><u>117,518,406</u></b>
<b>Work in Progress, end of year</b>		320,628			44,600	131,298	<b>496,526</b>
<b>Cost and Work in Progress, end of year</b>	<u>8,588,793</u>	<u>101,040,793</u>	<u>2,645,108</u>	<u>3,020,459</u>	<u>390,642</u>	<u>2,329,137</u>	<b><u>118,014,932</u></b>
<b>Accumulated Amortization, beginning of year</b>		52,288,599	1,244,699	1,914,365	167,380	1,209,921	<b>56,824,964</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		2,189,349	305,767	350,568	76,672	601,807	<b>3,524,163</b>
Decrease:							
Deemed Disposals			481,512	809,822	37,320	699,452	<b>2,028,106</b>
			<u>481,512</u>	<u>809,822</u>	<u>37,320</u>	<u>699,452</u>	<b><u>2,028,106</u></b>
<b>Accumulated Amortization, end of year</b>		<u>54,477,948</u>	<u>1,068,954</u>	<u>1,455,111</u>	<u>206,732</u>	<u>1,112,276</u>	<b><u>58,321,021</u></b>
<b>Tangible Capital Assets - Net</b>	<u><b>8,588,793</b></u>	<u><b>46,562,845</b></u>	<u><b>1,576,154</b></u>	<u><b>1,565,348</b></u>	<u><b>183,910</b></u>	<u><b>1,216,861</b></u>	<u><b>59,693,911</b></u>

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

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2021

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
<b>Work in Progress, beginning of year</b>	\$ 188,326	\$	\$	\$	\$ 188,326
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	241,380				241,380
Special Purpose Funds	43,114				43,114
Local Capital	22,793		44,600	131,298	198,691
	<u>307,287</u>	-	44,600	131,298	<u>483,185</u>
Decrease:					
Transferred to Tangible Capital Assets	174,985				174,985
	<u>174,985</u>	-	-	-	<u>174,985</u>
<b>Net Changes for the Year</b>	<u>132,302</u>	-	44,600	131,298	<u>308,200</u>
<b>Work in Progress, end of year</b>	<u><u>320,628</u></u>	-	<u>44,600</u>	<u>131,298</u>	<u><u>496,526</u></u>

# School District No. 6 (Rocky Mountain)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2021

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
<b>Deferred Capital Revenue, beginning of year</b>	\$ 30,357,327	\$ 1,406,062	\$ -	\$ 31,763,389
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	2,085,712			2,085,712
Transferred from Work in Progress	119,212			119,212
	<u>2,204,924</u>	-	-	<u>2,204,924</u>
Decrease:				
Amortization of Deferred Capital Revenue	1,860,309	54,804		1,915,113
	<u>1,860,309</u>	<u>54,804</u>	-	<u>1,915,113</u>
<b>Net Changes for the Year</b>	<u>344,615</u>	<u>(54,804)</u>	-	<u>289,811</u>
<b>Deferred Capital Revenue, end of year</b>	<u>30,701,942</u>	<u>1,351,258</u>	-	<u>32,053,200</u>
<b>Work in Progress, beginning of year</b>	119,213			119,213
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	241,380			241,380
	<u>241,380</u>	-	-	<u>241,380</u>
Decrease				
Transferred to Deferred Capital Revenue	119,212			119,212
	<u>119,212</u>	-	-	<u>119,212</u>
<b>Net Changes for the Year</b>	<u>122,168</u>	-	-	<u>122,168</u>
<b>Work in Progress, end of year</b>	<u>241,381</u>	-	-	<u>241,381</u>
<b>Total Deferred Capital Revenue, end of year</b>	<u>30,943,323</u>	<u>1,351,258</u>	-	<u>32,294,581</u>

# School District No. 6 (Rocky Mountain)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2021

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
<b>Balance, beginning of year</b>	\$ -	\$ 452,160	\$ -	\$ -	\$ -	\$ 452,160
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	2,506,399					2,506,399
Investment Income		8,203				8,203
	2,506,399	8,203	-	-	-	2,514,602
Decrease:						
Transferred to DCR - Capital Additions	2,085,712					2,085,712
Transferred to DCR - Work in Progress	241,380					241,380
Transferred to Revenue - Site Purchases	115,426					115,426
	2,442,518	-	-	-	-	2,442,518
<b>Net Changes for the Year</b>	63,881	8,203	-	-	-	72,084
<b>Balance, end of year</b>	<b>63,881</b>	<b>460,363</b>	-	-	-	<b>524,244</b>