

Audited Financial Statements of

School District No. 73 (Kamloops-Thompson)

And Independent Auditors' Report thereon

June 30, 2024

School District No. 73 (Kamloops-Thompson)

June 30, 2024

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School District No. 73 (Kamloops-Thompson)

MANAGEMENT REPORT

Version: 3429-2684-9701

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 73 (Kamloops-Thompson) 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. 73 (Kamloops-Thompson) (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. 73 (Kamloops-Thompson) 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. 73 (Kamloops-Thompson)

<u>Heather Grieve</u>	<u>September 9, 2024</u>
Signature of the Chairperson of the Board of Education	Date Signed

<u>Dr. Rhonda Nixon</u>	<u>September 9, 2024</u>
Signature of the Superintendent	Date Signed

<u>Trina Cassidy</u>	<u>September 9, 2024</u>
Signature of the Secretary Treasurer	Date Signed

Independent Auditor's Report

To the Board of Education of School District No. 73 (Kamloops-Thompson)

Opinion

We have audited the financial statements of School District No. 73 (Kamloops-Thompson) (the District), which comprise the Statements of Financial Position as at June 30, 2024, Statements of Operations, Changes in Net 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 present fairly, in all material respects, the financial position of the District as at June 30, 2024, and its results of operations, changes in net debt, and cash flows for the year then ended in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the 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

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

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the exhibits on pages 31 through 45 of School District No. 73 (Kamloops-Thompson)'s Financial Statements.

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 District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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:

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.

- 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 District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District to cease to continue as a going concern.
- 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

Kamloops, British Columbia
September 9, 2024

School District No. 73 (Kamloops-Thompson)

Statement of Financial Position

As at June 30, 2024

	2024 Actual \$	2023 Actual \$
Financial Assets		
Cash and Cash Equivalents	29,730,356	34,223,997
Accounts Receivable		
Due from Province - Ministry of Education and Child Care	7,604,144	1,870,500
Due from First Nations	669,632	1,231,095
Other (Note 3)	3,527,008	1,741,254
Investments in Government Business Enterprises (Note 6)	2,562,841	2,232,972
Portfolio Investments (Note 5)	27,139	27,139
Total Financial Assets	44,121,120	41,326,957
Liabilities		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education and Child Care		2,120
Other (Note 7)	22,200,039	18,334,604
Unearned Revenue (Note 8)	3,902,292	3,740,004
Deferred Revenue (Note 9)	6,732,327	6,604,344
Deferred Capital Revenue (Note 10)	108,879,543	90,378,036
Employee Future Benefits (Note 11)	6,433,561	6,133,228
Asset Retirement Obligation (Note 26)	8,165,697	8,270,391
Other Liabilities	305,885	190,096
Total Liabilities	156,619,344	133,652,823
Net Debt	(112,498,224)	(92,325,866)
Non-Financial Assets		
Tangible Capital Assets (Note 4)	137,030,168	119,404,944
Restricted Assets (Endowments) (Note 22)	150,125	150,125
Prepaid Expenses	503,487	468,270
Supplies Inventory	805,809	686,282
Total Non-Financial Assets	138,489,589	120,709,621
Accumulated Surplus (Deficit)	25,991,365	28,383,755

Contingent Liabilities (Note 19)

Approved by the Board

Heather Grieve

Signature of the Chairperson of the Board of Education

September 9, 2024

Date Signed

Dr. Rhonda Nixon

Signature of the Superintendent

September 9, 2024

Date Signed

Trina Cassidy

Signature of the Secretary Treasurer

September 9, 2024

Date Signed

School District No. 73 (Kamloops-Thompson)

Statement of Operations
Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	218,249,031	216,932,326	197,006,366
Other	55,440	252,723	248,194
Tuition	5,140,000	5,001,861	5,120,472
Other Revenue	8,692,565	10,172,963	9,464,898
Rentals and Leases	100,882	259,711	154,263
Investment Income	614,473	1,029,446	1,076,247
Income (Loss) from Investments in Government Business Enterprises	235,814	329,869	38,722
Amortization of Deferred Capital Revenue	4,462,300	4,099,435	4,030,897
Total Revenue	<u>237,550,505</u>	<u>238,078,334</u>	<u>217,140,059</u>
Expenses (Note 23)			
Instruction	191,900,521	189,566,888	172,391,047
District Administration	7,479,970	7,625,464	7,123,607
Operations and Maintenance	36,186,116	36,368,735	34,515,351
Transportation and Housing	6,885,580	6,909,637	6,134,593
Total Expense	<u>242,452,187</u>	<u>240,470,724</u>	<u>220,164,598</u>
Surplus (Deficit) for the year	<u>(4,901,682)</u>	<u>(2,392,390)</u>	<u>(3,024,539)</u>
Accumulated Surplus (Deficit) from Operations, beginning of year		28,383,755	31,408,294
Accumulated Surplus (Deficit) from Operations, end of year		<u><u>25,991,365</u></u>	<u>28,383,755</u>

School District No. 73 (Kamloops-Thompson)

Statement of Changes in Net Debt

Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Surplus (Deficit) for the year	(4,901,682)	(2,392,390)	(3,024,539)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(27,475,967)	(24,360,250)	(24,144,995)
Amortization of Tangible Capital Assets	7,020,012	6,735,026	6,625,598
Total Effect of change in Tangible Capital Assets	(20,455,955)	(17,625,224)	(17,519,397)
Acquisition of Prepaid Expenses		(35,217)	(54,138)
Acquisition of Supplies Inventory		(119,527)	(104,094)
Total Effect of change in Other Non-Financial Assets	-	(154,744)	(158,232)
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(25,357,637)</u>	(20,172,358)	(20,702,168)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(20,172,358)	(20,702,168)
Net Debt, beginning of year		(92,325,866)	(71,623,698)
Net Debt, end of year		<u>(112,498,224)</u>	<u>(92,325,866)</u>

School District No. 73 (Kamloops-Thompson)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2024

	2024 Actual	2023 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	(2,392,390)	(3,024,539)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(6,957,935)	(248,842)
Supplies Inventories	(119,527)	(104,094)
Prepaid Expenses	(35,217)	(54,138)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	3,863,315	2,103,670
Unearned Revenue	162,288	180,125
Deferred Revenue	127,983	332,524
Employee Future Benefits	300,333	227,502
Asset Retirement Obligations	(104,694)	(99,339)
Other Liabilities	115,789	47,041
Amortization of Tangible Capital Assets	6,735,026	6,625,598
Amortization of Deferred Capital Revenue	(4,099,435)	(4,030,897)
Recognition of Deferred Capital Revenue Spent on Sites		(275,000)
Capital Grants Spent on Building Maintenance/Roofing Projects	(3,446,463)	(3,004,000)
Total Operating Transactions	<u>(5,850,927)</u>	<u>(1,324,389)</u>
Capital Transactions		
Tangible Capital Assets Purchased	(4,830,535)	(7,658,715)
Tangible Capital Assets -WIP Purchased	(19,529,715)	(16,486,280)
Total Capital Transactions	<u>(24,360,250)</u>	<u>(24,144,995)</u>
Financing Transactions		
Capital Revenue Received	26,047,405	20,314,428
Total Financing Transactions	<u>26,047,405</u>	<u>20,314,428</u>
Investing Transactions		
Decrease (Increase) in Investments in Government Business Enterprises	(329,869)	(38,722)
Total Investing Transactions	<u>(329,869)</u>	<u>(38,722)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(4,493,641)	(5,193,678)
Cash and Cash Equivalents, beginning of year	<u>34,223,997</u>	<u>39,417,675</u>
Cash and Cash Equivalents, end of year	<u>29,730,356</u>	<u>34,223,997</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	29,730,356	34,223,997
	<u>29,730,356</u>	<u>34,223,997</u>

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 1 AUTHORITY AND PURPOSE

The School District operates under authority of the School Act of British Columbia as a corporation under the name of "The Board of Education of School District No. 73 (Kamloops-Thompson)", and operates as "School District No. 73 (Kamloops-Thompson)." 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 the schools in the District, and is principally funded by the Province of British Columbia through the Ministry of Education and Child Care. School District No. 73 (Kamloops-Thompson) is exempt from federal and provincial corporate income taxes.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards without not-for-profit provisions except in regard to the accounting for government transfers as set out in Notes 2(g) and 2(n).

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

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

- Year-ended June 30, 2024 increase in annual surplus by \$17,495,138 (June 30, 2023 - increase by \$16,862,748).
- June 30, 2024 - increase in accumulated surplus and decrease in deferred contributions by \$108,879,543 (2023 - \$90,378,036).

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

b) Basis of Consolidation

These financial statements reflect the assets, liabilities, revenue and expenses of this reporting entity, which is comprised of School District No. 73 (Kamloops-Thompson). The investment in the School District No. 73 Business Company, a government business enterprise, is accounted for using the modified equity method. Under the modified equity method of accounting, only the School District's investment in the business enterprise and the enterprise's net income and other changes in equity are recorded (or proportionate share in the business partnership). No adjustment is made for accounting policies of the enterprise that are different from those of the School District.

Inter-organizational transactions and balances are not eliminated, except for any profit or loss on the sale between entities of assets that remain within the reporting entity.

Condensed supplementary financial information relative to government business enterprises is disclosed in Note 6.

c) Cash and Cash Equivalents

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

d) Accounts Receivable

Accounts receivable are shown net of allowance for doubtful accounts.

e) Portfolio Investments

The School District has investments in the BC Interior Community Foundation (BCICF). Portfolio investments in equity instruments that are quoted in an active market are recorded at fair value and the associated transaction costs are expensed upon initial recognition. The change in the fair value is recognized in the Statement of Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are realized on disposal. Upon disposal, any accumulated remeasurement gains or losses associated with the portfolio investments are reclassified to the Statement of Operations. As there are no remeasurement gains or losses to report, the statement of remeasurement gains and losses has not been prepared.

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations. In the case of an item in the fair value category, a reversal of any net remeasurement gains recognized in previous reporting periods up to the amount of the write-down is reported in the Statement of Remeasurement Gains and Losses. The loss is not reversed if there is a subsequent increase in value.

Detailed information regarding portfolio investments is disclosed in Note 5.

f) 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.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

g) Deferred Revenue and Deferred Capital Revenue

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

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

h) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan.

The excess of cumulative unrecognized actuarial gains (losses) over 10 percent of the accrued benefit obligation is amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan. The EARSL for employees of the School District is 10.5 years.

The most recent valuation of the obligation was performed at March 31, 2022 and projected to March 31, 2025. The next valuation will be performed at March 31, 2025 for use at June 30, 2025. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

j) Asset Retirement Obligations

Liabilities are recognized when, as at the financial reporting date:

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

The liability for the removal of asbestos and other hazardous material in several of the buildings owned by the School District has been initially recognized using the modified retroactive method. The liability has been measured at current cost as the timing and amounts of future cash flows cannot be estimated. The resulting costs have been capitalized into the carrying amount of tangible capital assets and are being amortized on the same basis as the related tangible capital asset (see Note 2)). Assumptions used in the calculations are reviewed annually.

j) Tangible Capital Assets

The following criteria apply:

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

Buildings	40 years
Furniture & equipment	10 years
Vehicles	10 years
Computer software	5 years
Computer hardware	5 years

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

k) Prepaid Expenses

Prepaid expenses consist of prepaid insurance, prepaid photocopier usage, prepaid capital expenditures and other miscellaneous prepaid expenses.

l) Supplies Inventory

Inventory includes fuel and stock or raw materials on hand and is recorded at the lower of cost and net realizable value.

m) Funds and Reserves

Certain amounts, as approved by the Board, are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 13 - Internally Restricted Surplus and Note 22 – Interfund Transfers).

n) Revenue Recognition

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

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

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

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

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

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

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

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

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

o) Expenditures

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

Categories of Salaries

- Principals, 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.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

p) Liability for Contaminated Sites

The School District is required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the environmental standard, the School District has responsibility for remediation, future economic benefits will be given up and a reasonable estimate can be made. The School District has no such sites as of June 30, 2024.

q) 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.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

r) 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, and other liabilities.

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

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

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.

s) 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 asset retirement obligations, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

t) Asset Retirement Obligations

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. 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.

Note 3 ACCOUNTS RECEIVABLE - OTHER

	2024	2023
Other	\$3,541,242	\$1,755,488
Allowance for Doubful Accounts	(14,234)	(14,234)
	\$3,527,008	\$1,741,254

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 4 TANGIBLE CAPITAL ASSETS

Cost	Balance at July 1, 2023	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2024
Sites	\$11,380,862	\$-	\$-	\$-	\$11,380,862
Buildings	208,557,453	8,283,173	-	14,390,881	231,231,507
Furniture & Equipment	15,578,427	884,979	1,178,598	-	15,284,808
Vehicles	11,373,407	148,334	1,266,177	-	10,255,564
Software	350,224	20,981	82,540	-	288,665
Computer Hardware	3,446,755	631,902	310,308	-	3,768,349
Total	\$250,687,128	\$9,969,369	\$2,837,623	\$14,390,881	\$272,209,755

Amortization	Balance at July 1, 2023	Additions	Disposals	Balance at June 30, 2024
Sites	\$-	\$-	\$-	\$-
Buildings	115,361,450	3,325,016	-	118,686,466
Furniture & Equipment	8,155,149	1,543,162	1,178,598	8,519,713
Vehicles	5,891,708	1,081,449	1,266,177	5,706,980
Software	201,834	63,889	82,540	183,183
Computer Hardware	1,672,043	721,510	310,308	2,083,245
Total	\$131,282,184	\$6,735,026	\$2,837,623	\$135,179,587

Cost	Balance at July 1, 2022	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2023
Sites	\$11,105,862	\$275,000	\$-	\$-	\$11,380,862
Buildings	187,450,331	5,908,377	-	15,198,745	208,557,453
Furniture & Equipment	15,281,921	1,076,338	779,832	-	15,578,427
Vehicles	11,637,891	1,075,247	1,339,731	-	11,373,407
Software	486,993	2,195	138,964	-	350,224
Computer Hardware	3,190,259	609,093	352,597	-	3,446,755
Total	\$229,153,257	\$8,946,250	\$2,611,124	\$15,198,745	\$250,687,128

Amortization	Balance at July 1, 2022	Additions	Disposals	Balance at June 30, 2023
Buildings	112,176,857	3,184,593	-	115,361,450
Furniture & Equipment	7,391,964	1,543,017	779,832	8,155,149
Vehicles	6,080,874	1,150,565	1,339,731	5,891,708
Software	257,076	83,722	138,964	201,834
Computer Hardware	1,360,939	663,701	352,597	1,672,043
Total	\$127,267,710	\$6,625,598	\$2,611,124	\$131,282,184

	June 30, 2024	June 30, 2023
Sites	\$11,380,862	\$11,380,862
Buildings	112,545,041	93,196,003
Furniture & Equipment	6,765,095	7,423,278
Vehicles	4,548,584	5,481,699
Software	105,482	148,390
Computer Hardware	1,685,104	1,774,712
Total	\$137,030,168	\$119,404,944

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 5 **PORTFOLIO INVESTMENTS**

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
BC Interior Community Foundation	<u>\$27,139</u>	<u>\$27,139</u>

The District has invested scholarship and bursary funds as an endowment with the BC Interior Community Foundation. The portfolio investment represents funds used to service on-going awards. (Note 21 - Endowment Funds).

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 6 INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES

Summary of the financial statements of School District No. 73 Business Company, for the year ended June 30, 2024, is as follows:

Balance Sheet	June 30, 2024	June 30, 2023
Current Assets		
Cash	2,797,718	2,467,727
Accounts receivable	112,668	115,098
Prepaid expenses	3,415	-
Due from Virtual School Society	2,000	2,000
	<u>2,915,801</u>	<u>2,584,825</u>
Equipment	12,226	18,368
Total assets	<u>2,928,027</u>	<u>2,603,193</u>
Current Liabilities		
Accounts payable	58,911	70,525
Deferred revenue	245,730	253,845
Due to Shareholder	60,545	45,851
	<u>365,186</u>	<u>370,221</u>
Shareholder's Equity		
Share capital	1	1
Contributed surplus	370,101	370,101
Retained earnings	2,192,739	1,862,870
	<u>2,562,841</u>	<u>2,232,972</u>
Total Liabilities and Shareholder's Equity	<u>2,928,027</u>	<u>2,603,193</u>

Statement of Operations	June 30, 2024	June 30, 2023
Revenue	1,054,169	640,063
Expenses	699,870	601,341
Income (loss) from Operations	<u>354,299</u>	<u>38,722</u>
Retained earnings, beginning of the year	<u>1,862,870</u>	<u>1,824,148</u>
Net Income for Year	354,299	38,722
Dividends	(24,430)	-
	<u>329,869</u>	<u>38,722</u>
Retained earnings, end of the year	<u>2,192,739</u>	<u>1,862,870</u>

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 6 INVESTMENTS IN GOVERNMENT BUSINESS ENTERPRISES (Continued)

The School District No. 73 Business Company (SD73BC) was incorporated on February 14, 2006. The initial focus for the company was the sale of online educational programming to out of country, non-resident students. On August 1, 2013, SD73BC acquired the LearnNowBC (LNBC) contract from the Virtual School Society (VSS).

SD73BC operated LNBC between August 2013 and June 30, 2016 when under Ministry of Education and Child Care direction, SD73BC wound up LNBC. School District No. 73 provides management and operation expertise to SD73BC and for those services, they charge SD73BC a management fee of 5% of gross revenues. The online educational programming division is referred to as Global Education and it continues to grow annually.

During the year ended June 30, 2024, the School District charged SD73BC a management fee of \$101,041 (2023 - \$32,003) in respect of administrative support provided to SD73BC.

Note 7 ACCOUNTS PAYABLE - OTHER

	<u>2024</u>	<u>2023</u>
Trade payables	\$8,131,391	\$4,223,961
Salary and benefits payable	9,260,610	9,615,026
Accrued vacations payable	2,839,543	2,653,251
Due to SD73BC	1,968,495	1,842,366
	<u>\$22,200,039</u>	<u>\$18,334,604</u>

Note 8 UNEARNED REVENUE

	<u>2024</u>	<u>2023</u>
Balance, beginning of the year	\$3,740,004	\$3,559,879
Changes for the year		
Increase:		
Tuition fees	5,164,149	5,300,597
Decrease:		
Tuition fees	5,001,861	5,120,472
Net change for the year	<u>162,288</u>	<u>180,125</u>
Balance, end of the year	<u>\$3,902,292</u>	<u>\$3,740,004</u>

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 9 DEFFERED REVENUE

Deferred revenue includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contribution 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.

Note 10 DEFFERED 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 Contribution 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.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 11 EMPLOYEE FUTURE BENEFITS

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

	June 30, 2024	July 01, 2023
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation - April 1	5,201,400	5,073,082
Service Cost	427,254	443,944
Interest Cost	218,432	173,197
Benefit Payments - April 1 to March 31 - VESTED	(239,289)	(341,919)
Benefit Payments - April 1 to March 31 - NON-VESTED	(75,818)	(84,864)
Actuarial (Gain) Loss	(129,633)	(62,040)
Accrued Benefit Obligation - March 31	5,402,346	5,201,400
Change in Plan Assets		
Employer Contributions - April 1 to March 31	315,107	426,783
Benefit Payments - April 1 to March 31	(315,107)	(426,783)
	-	-
Reconciliation of Funded Status as End of Fiscal Year		
Accrued Benefit Obligation - March 31	(5,402,346)	(5,201,400)
Funded Status - Surplus (Deficit)	(5,402,346)	(5,201,400)
Employer Contributions After Measurement Date - April 1 to June 30 - Vested	48,062	85,570
Benefit Expense After Measurement Date - April 1 to June 30	(164,467)	(161,422)
Unamortized Net Actuarial (Gain)/Loss	(914,810)	(855,976)
Accrued Benefit (Liability) Asset - June 30	(6,433,561)	(6,133,228)
Components of Net Benefit Expense		
Service Cost - July 1 to March 31	320,441	332,958
Service Cost - April 1 to June 30	104,724	106,814
Interest Cost - July 1 to March 31	163,824	129,898
Interest Cost - April 1 to June 30	59,743	54,608
Amortization of Net Actuarial (Gain)/Loss	(70,800)	28,421
Net Benefit Expense (Income)	577,932	652,699
Reconciliation of Change in Accrued Benefit Liability (Asset)		
Accrued Benefit Liability (Asset) - July 1	6,133,228	5,905,726
Net Expense for Fiscal Year	577,932	652,699
Employer Contributions - July 1 to March 31	(229,537)	(339,627)
Employer Contributions - April 1 to June 30	(48,062)	(85,570)
Accrued Benefit Liability (Asset) - June 30	6,433,561	6,133,228

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 11 EMPLOYEE FUTURE BENEFITS (Continued)

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

Assumptions:	2024	2023
Discount Rate - April 1	3.25%	2.50%
Discount Rate - March 31	4.00%	3.25%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	3.50% + seniority	2.50% + seniority
EARSL - March 31	10.5	10.5

Note 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 Board of Trustees for these plans representing plan members and employers and are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits are based on a formula. As at December 31, 2023, the Teachers' Pension Plan has about 51,000 active members and approximately 42,000 retired members. As of December 31, 2023, the Municipal Pension Plan has about 256,000 active members, including 31,000 from school districts.

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

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2020, indicated a \$1,584 million surplus for basic pension benefits on a going concern basis.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The School District No. 73 (Kamloops-Thompson) paid \$16,781,315 (2023 - \$ 15,265,346) for employer contributions to these plans in the year ended June 30, 2024.

The next valuation for the Teachers' Pension Plan will be as at December 31, 2023. The next valuation for the Municipal Pension Plan will be as at December 31, 2024, with results available in 2025.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 12 EMPLOYEE PENSION PLANS (Continued)

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 records accrued liabilities and accrued assets for each plan in aggregate, resulting in no consistent and reliable basis for allocating obligation, assets and costs to individual employers participating in the plans.

Note 13 OPERATING FUND BALANCE, END OF YEAR

	Balance at July 1, 2023	Increases	Decreases	Balance at June 30, 2024
Internally Restricted Future School Years				
Strategic Plan Refresh	16,600	-	(16,600)	-
Capital Planning and Community Engagement	66,500	-	-	66,500
Department Carry Forward	409,214	-	(207,738)	201,476
School Supply Carry Forward	1,435,429	65,511	-	1,500,940
CUPE3500 - Job Evaluation	131,728	158,149	-	289,877
Local Capital	-	-	(1,274,139)	(1,274,139)
Operating Deficit	-	-	(363,643)	(363,643)
	2,059,471	223,660	(1,862,120)	421,011
Internally Restricted - Funds with Constraints				
SD73BC Management Fee	485,872	-	-	485,872
Aboriginal Education	901,281	-	(387,529)	513,752
AFG Other	63,794	-	(32,171)	31,623
	1,450,947	-	(419,700)	1,031,247
Total Operating Reserve Balances	3,510,418	223,660	(2,281,820)	1,452,258

The School District has operating reserve funds separated into two categories: Internally restricted funds and unrestricted funds. Internally Restricted funds are held in reserve for future expenditures based on specific criteria. In early September and once the operating surplus/deficit has been determined, the Secretary-Treasurer, convenes a meeting of the District's Audit Committee to review the operating surplus/deficit as well as the various restricted and unrestricted reserves to ensure the School District optimizes the reserve balances in support of District operations. The audit committee also makes a recommendation with respect to any transfers to Local Capital.

The Audit Committee is composed of the Board Chair, Vice Chair, Chair of the Finance and Planning Committee, Superintendent, Secretary-Treasurer, Director of Finance and a member at large from the community with a financial background. Based on that review, the Secretary-Treasurer will bring forward the Audit Committee recommendations to the Board of Education for consideration and approval. At a Public Board meeting, the Board of Education will also have an opportunity to discuss the recommendations with the District's external auditors who attend and provide a detailed review of the audited financial statements for the year just completed.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 13 OPERATING FUND BALANCE (Continued)

Strategic Plan Refresh: The BC Ministry of Education and Child Care require school boards to have multi-year district strategic plans. The District Strategic Plan 2022-2027 has been rewritten under the leadership of the Superintendent and was approved by the Board of Education on June 27, 2022. The balance was fully expended as of June 30, 2024.

Capital Planning and Community Engagement: The Capital Planning and Community Engagement Reserve, are funds set aside for the Board of Education to make important school capital planning decisions over the next 10 years that will impact how students, staff, families, and neighbourhoods interact with their schools; and the Board of Education will review how best to engage with communities, build relationships, and leverage discussions with respect to the outcomes of the Long-range Facilities Plan. Capital Planning and Engagement, formerly called the Future of Schools Project, while started in the 2021-2022 school year is directly related to the multi-year District Strategic Plan process to meet requirements of the Ministry of Education and Child Care and to ensure synergy between financial, capital, facilities and learning plans.

Department Carry Forward: The Department Carry Forward balances are an accumulation of operating under-expenditures the Board allows departments to carry forward for expenditures in future years. This annual practice eliminates staff spending to the full extent of the budget by June 30th thereby allowing educators and managers to improve the planning and expenditure of funds as they manage longer term projects. One such project is for Indigenous Focused Grad requirements - funding was received from the BC School Superintendents' Association (BCSSA) for specific professional development opportunities. Other projects included within this reserve include the Career Development (Trades and Transitions) programs and other small amounts relating to student athletics.

School Supply Carry Forward: School principals are allocated annual operating budget dollars to operate their schools. Elementary school budgets cover school learning resources and replacement items and staffing funds. Allowing schools to carry-forward unspent school budgets assist schools in spending their budget dollars wisely by eliminating the need to spend budget surpluses before year end based on a "use it, or lose it," mentality. During the 2023-2024 school year, schools increased their school supply carry forward by \$65,511.

CUPE 3500 Job Evaluation: During the year, the District received the second year of funding from BCPSEA within the per student funding allocation for the purpose of reviewing Support Staff job description evaluations. As of June 30, the evaluation process is still in progress and the funds have not been used for their intended purpose.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 13 OPERATING FUND BALANCE (Continued)

Local Capital and Operating Deficit: Under Board Policy 6 - Financial Planning and Reporting, required by the Ministry of Education and Child Care and passed in March 2023, each quarter beginning with the quarter ending December 31, a financial forecast is to be prepared for the Operating Fund to estimate financial results to the end of the year. This forecast enables the Board to make decisions in the latter half of the school year based on the estimated financial results. During 2023-2024, the financial forecast presented to the Board in May 2024 indicated a surplus of \$3,373,913 in the Operating Fund. The Board made financial decisions based on this forecast to continue spending based on the 2023-2024 Amended Annual Budget, with the understanding that the forecasted surplus would provide the District financial resources to absorb overages in salaries, benefits, supplies and services.

Due to an error in the financial projection process, the surplus that was presented to the Board in May 2024 did not materialize, which left the District with an Operating Fund deficit of \$784,021 and a deficit of \$1,274,139 in the Local Capital Fund. Once the deficit was shared with the Board, a decision was made to rectify it using internally restricted reserves. Due to the costs associated with consistent enrolment growth, the District's existing reserves within the Operating Fund and Local Capital Fund had already been significantly depleted. For example, \$5,684,398 has been spent in the last five years on portable costs alone to accommodate student enrolment growth. As such, the District has decided to carry the Local Capital Fund deficit and the portion of the Operating Fund deficit not associated with an existing reserve, as a negative amount within the internally restricted reserves. During the 2024-2025 school year, District staff will bring forward a plan to the Board for approval to repay those line items within one to three years.

SD73 Business Company Management Fee: In 2017-2018, the School District created a reserve to isolate and manage the funds received from the School District Business Company (SD73BC) in support of student learning. The School District is the 100% owner of SD73BC. The day-to-day management of the SD73BC relies on expertise shared by the senior administration from the School District and for this expertise and their efforts, the SD73BC pays 5% of gross revenues to the School District as a management fee. The School District collected these fees between 2017 - 2020, subsequent fees have been reported in the District's Special Purpose Fund.

Aboriginal Education: The Aboriginal Education Reserve is an accumulation of targeted Aboriginal Education funding carried forward if not used in the year it is provided. The School District requires approval from the Minister of Education and Child Care to carry these funds forward each year.

Annual Facility Grant Other: The Annual Facility Grant (AFG) Other reserve is an accumulation of BC Hydro and Fortis BC rebates received in support of the School District installing energy efficient equipment upgrades within its facilities. These funds are used for consulting services on future energy upgrades in the District to further our energy savings and sustainability.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 14 SPECIAL PURPOSE FUND BALANCE, END OF THE YEAR

	Balance at July 1, 2023	Increases	Decreases	Balance at June 30, 2024
Ministry of Education and Child Care	1,575,119	22,396,038	(22,632,433)	1,338,724
School Generated Funds	3,227,268	5,595,228	(5,015,717)	3,806,779
Other Special Purpose Funds	1,801,957	687,172	(902,305)	1,586,824
	6,604,344	28,678,438	(28,550,455)	6,732,327

Special Purpose Fund balances represent funding for specific programs. The majority of funding is from the Ministry of Education and Child Care for programs such as the Annual Facility Grant, Classroom Enhancement Fund, Support Staff Learning Improvement Fund, Community Link, Early Learning programs, Student and Family Affordability Fund, Official Languages in Education Protocol (OLEP) French, Special Education Technology (SET) BC, Mental Health in Schools, the First Nation Student Transportation Grant and the Feeding Futures Grant. Revenues match expenditures for the specific program. Unspent funds are carried forward and utilized for the intended purpose in the subsequent year(s). Other Special Purpose funds include School Generated Funds, Scholarships, Vancouver Foundation, and Contributor Restricted funds.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 15 LOCAL CAPITAL FUND BALANCE, END OF THE YEAR

	Balance at July 1, 2023	Increases	Decreases	Balance at June 30, 2024
Local Capital Reserve	\$846,923	1,285,689	(2,132,612)	\$-

The Local Capital Fund reserve represents a portion of accumulated operating surplus designated to fund the purchase of Tangible Capital Assets (TCA). The balance in Local Capital is increased through a decision recommended by the Audit Committee and approved by the Board of Education to transfer Operating Fund surplus into Local Capital, interest income or by sale of district owned land and property.

Funds may not be transferred from the Unrestricted Reserve Fund to Local Capital reserve if doing so would cause or increase a negative Unrestricted Reserve. Local Capital Reserves may be transferred back to Unrestricted Operating Reserve through special approval from the Board of Education.

Note 16 OTHER PROVINCIAL CAPITAL FUND BALANCE, END OF YEAR

	Balance at July 1, 2023	Increases	Decreases	Balance at June 30, 2024
Other Provincial Capital Reserve	\$165,867	3,513,066	(2,643,936)	\$1,034,997

Other Provincial Capital is a capital reserve fund representing grants and contributions received for specific programs from provincial Ministries. This fund includes funding from the Ministry of Jobs, Tourism and Skills Training (JTST), the Ministry of Children and Family Development (MCFD), the Ministry of Education and Child Care (MECC) and Skilled Trades BC (STBC) (previously the Industry Trades Authority (ITA)).

Ministry of Jobs, Tourism and Skills Training (JTST) and Skilled Trades BC combined efforts to create a joint venture called Youth Trades Capital Equipment Program (YTCEP) which enables schools to purchase trades training equipment needed to support the delivery of one of the STBC's Youth Trades Programs. JTST requested the Ministry of Education and Child Care assist by acting as the administrator of the YTCEP. Upon approval, funds were provided to school districts directly by STBC.

Ministry of Children and Family Development has provided a capital fund to increase childcare spaces at a District owned facility. This joint venture will allow the operator to increase their spaces. During the year the District received \$10,475 (2023 - \$120,308).

Ministry of Education and Child Care has provided a capital fund to build new childcare spaces at two District owned properties. These buildings will then be used to increase childcare spaces for the community. During the year the District received \$3,502,591 (2023 - \$219,905).

The City of Kamloops has provided capital funds towards increasing the capacity of the Parkcrest Elementary gym during the school's rebuilding. During the year the District received \$876,319 (2023 - \$1,164,530).

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 17 RELATED PARTY TRANSACTIONS

The School District, as a Government Reporting Entity, is related 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 generally considered to be in the normal course of operations and are recorded at the exchange amount.

Note 18 BUDGET FIGURES

Budget figures used in these financial statements were approved by the Board through the adoption of an amended annual budget on February 26, 2024. As PSAB requires the original budget to be presented, a reconciliation from the original to amended is below.

	Original	Adjustments	Amended
Revenues			
Provincial Grants	\$210,190,667	\$8,058,364	\$218,249,031
Other Grants	55,440	-	55,440
Tuition	5,140,000	-	5,140,000
Other Revenue	9,324,584	(632,019)	8,692,565
Rental and Lease	50,000	50,882	100,882
Investment Income	450,500	163,973	614,473
Income from Government Business Enterprise	150,000	85,814	235,814
Amortization of Deferred Capital Revenue	4,408,928	53,372	4,462,300
	<u>229,770,119</u>	<u>7,780,386</u>	<u>237,550,505</u>
Expenses			
Instruction	182,631,551	9,268,970	191,900,521
District Administration	6,490,889	989,081	7,479,970
Operation and Maintenance	36,536,967	(350,851)	36,186,116
Transportation and Housing	6,547,148	338,432	6,885,580
	<u>232,206,555</u>	<u>10,245,632</u>	<u>242,452,187</u>
Net Revenue (Expenses)	<u>(2,436,436)</u>	<u>2,465,246</u>	<u>(4,901,682)</u>
Budget allocation (retirement) of surplus	<u>2,083,632</u>	<u>506,652</u>	<u>2,590,284</u>
Budgeted deficit for the year	<u>\$(352,804)</u>	<u>\$2,971,898</u>	<u>\$(2,311,398)</u>

Note 19 CONTINGENCIES

The nature of the School District's activities is such that there is usually litigation pending or in progress at any time. With respect to claims at June 30, 2024, management believes the School District has valid defences and appropriate insurance coverage is in place. In the event any claims are successful, management believes that such claims are not expected to have a material effect on the School District's financial position.

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 20 ECONOMIC DEPENDENCE

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

Note 21 ENDOWMENT FUNDS

On December 31, 2010 with approval from the original donors, the School District transferred \$173,757 of the Scholarship/Bursary funds to the BC Interior Community Foundation (BCICF) for investment. \$140,125 of the scholarship funds were endowment funds and \$33,632 of the funds were considered "Flow Thru" funds, which are utilized to service on-going awards. The Foundation invests all contributions to the Fund in accordance with the investment policy as established by the Foundation Board, and any provisions of legislation which regulates the activities of the Foundation. Income from the Fund shall be returned annually to the School District for distribution to the scholarship awardees. Disbursements will be at 5.00% of the endowment and this practise shall be reviewed with the Foundation at the end of the 10th year taking into account the actual and expected investment yields.

	July 1, 2023	Additions	Disposals	June 30, 2024
Endowments Held By:				
BCICF	\$ 140,125	\$ 6,786	\$ (6,786)	\$ 140,125
School District	10,000	230	(230)	10,000
Total Endowments	\$ 150,125	\$ 7,016	\$ (7,016)	\$ 150,125

Note 22 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds are reported on Schedule 2 – Schedule of Operations. For the year ended June 30, 2024 - \$- was transferred from the Operating Fund to the Capital Fund (2023 - \$2,054,400).

Note 23 EXPENSE BY OBJECT

Expenses by object are the combined salaries, benefits, services, supplies and amortization expenses in the Operating, Special Purpose and Capital Funds.

	June 30, 2024	June 30, 2023 (restated - Note 27)
Expense:		
Salaries and Benefits	\$197,254,966	\$179,965,640
Services and Supplies	36,480,747	33,573,360
Amortization	6,735,026	6,625,598
	\$240,470,739	\$220,164,598

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 24 RISK MANAGEMENT

a) General Risk Management

The School District's principal source of capital funding is received from the Province of British Columbia through the Ministry of Education and Child care. The School District defines capital to be fund balances.

School District No. 73 (Kamloops-Thompson) objectives when managing capital are:

- To safeguard the School District's ability to carry on as a going concern, so the School District can continue to provide its students and stakeholders with the following:
 - The best possible learning environment based on the School District's Annual Facility Grant (AFG) plus additional funding, when available, from the local capital reserve.
 - To ensure capital projects are implemented for the benefit of the students and staff and to make certain the Board mitigates any potential liability from safety concerns.

The management of the School District establishes an annual list of capital needs utilizing AFG funds which is presented to the Board for review and approval. AFG projects are prioritized to address the most pressing needs of the School District's Facility plan.

A separate report is prepared based on the equipment needs of the District (ie: information technology, maintenance vehicles, classroom equipment, and other non-AFG projects). This report is presented to the Board on an annual basis with funding from the Local Capital Reserve. The Local Capital Reserve is funded from operating surpluses, when available.

The Board ensures there is adequate cash flow to complete the capital projects based on the priority list above. The Board manages the capital project structure and makes adjustments to it in light of changes in economic conditions and the availability of cash flows from operations.

b) Credit Risk

Credit risk is the risk of financial loss to an institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held consisting of cash, amounts receivable and investments.

The School District is exposed to credit risk in the event of non-performance by a borrower. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

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

School District No. 73 (Kamloops-Thompson)

Notes to the Financial Statements

June 30, 2024

Note 24 RISK MANAGEMENT (Continued)

c) Market Risk

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in guaranteed investment certificates that have a maturity date of no more than five years. A 1% change in interest rates would cause interest income to increase or decrease by \$297,304.

d) 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.

Note 25 CREDIT FACILITY

The School District holds a demand credit facility up to a maximum of \$5,000,000. When borrowed upon, the facility bears interest at prime rate less 0.750% per annum and is unsecured. As at June 30, 2024 and June 30, 2023, the facility was unused.

Note 26 ASSET RETIREMENT OBLIGATION

Legal liabilities exist for the removal and disposal of asbestos and other environmentally hazardous materials within some district owned buildings that will undergo major renovations or demolition in the future. A reasonable estimate of the fair value of the obligation has been recognized using the modified retroactive approach as at July 1, 2022. The obligation has been measured at current cost as the timing of future cash flows cannot be reasonably determined. These costs have been capitalized as part of the assets' carrying value and are amortized over the assets' estimated useful lives.

	<u>2024</u>	<u>2023</u>
Balance, beginning of the year	<u>\$8,270,391</u>	<u>\$8,369,730</u>
Changes for the year		
Settlements during the year	<u>(104,694)</u>	<u>(99,339)</u>
Balance, end of the year	<u>\$8,165,697</u>	<u>\$8,270,391</u>

School District No. 73 (Kamloops-Thompson)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
 Year Ended June 30, 2024

	Operating Fund	Special Purpose Fund	Capital Fund	2024 Actual	2023 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	3,510,418	2,383,097	22,490,240	28,383,755	31,408,294
Changes for the year					
Surplus (Deficit) for the year	(98,218)	329,869	(2,624,041)	(2,392,390)	(3,024,539)
Interfund Transfers					
Tangible Capital Assets Purchased	(633,065)		633,065	-	
Local Capital	(1,274,139)		1,274,139	-	
Other	(52,738)		52,738	-	
Net Changes for the year	(2,058,160)	329,869	(664,099)	(2,392,390)	(3,024,539)
Accumulated Surplus (Deficit), end of year - Statement 2	1,452,258	2,712,966	21,826,141	25,991,365	28,383,755

School District No. 73 (Kamloops-Thompson)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	191,369,973	190,853,430	175,064,689
Other	55,440	252,723	248,194
Tuition	5,140,000	5,001,861	5,120,472
Other Revenue	3,368,791	4,254,941	3,719,783
Rentals and Leases	100,882	259,711	154,263
Investment Income	600,000	1,017,896	1,018,000
Total Revenue	<u>200,635,086</u>	<u>201,640,562</u>	<u>185,325,401</u>
Expenses			
Instruction	164,463,655	162,001,351	149,123,118
District Administration	6,695,401	6,777,941	6,397,803
Operations and Maintenance	25,473,968	26,187,246	24,885,753
Transportation and Housing	6,592,346	6,772,242	5,994,666
Total Expense	<u>203,225,370</u>	<u>201,738,780</u>	<u>186,401,340</u>
Operating Surplus (Deficit) for the year	<u>(2,590,284)</u>	<u>(98,218)</u>	<u>(1,075,939)</u>
Budgeted Appropriation (Retirement) of Surplus (Deficit)	<u>2,590,284</u>		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased		(633,065)	
Local Capital		(1,274,139)	(1,990,107)
Other		(52,738)	(60,293)
Total Net Transfers	<u>-</u>	<u>(1,959,942)</u>	<u>(2,050,400)</u>
Total Operating Surplus (Deficit), for the year	<u>-</u>	<u>(2,058,160)</u>	<u>(3,126,339)</u>
Operating Surplus (Deficit), beginning of year		3,510,418	6,636,757
Operating Surplus (Deficit), end of year		<u>1,452,258</u>	<u>3,510,418</u>
Operating Surplus (Deficit), end of year			
Internally Restricted		1,452,258	3,510,418
Total Operating Surplus (Deficit), end of year		<u>1,452,258</u>	<u>3,510,418</u>

School District No. 73 (Kamloops-Thompson)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education and Child Care			
Operating Grant, Ministry of Education and Child Care	189,034,475	188,928,580	169,439,366
ISC/LEA Recovery	(2,686,998)	(3,145,290)	(2,686,998)
Other Ministry of Education and Child Care Grants			
Pay Equity	575,959	575,959	575,959
Funding for Graduated Adults	105,000	113,207	76,707
Student Transportation Fund	666,817	666,817	666,817
Support Staff Benefits Grant	190,000	194,272	194,272
FSA Scorer Grant	17,994	17,944	17,944
Child Care Funding	66,380	74,217	
Early Learning Framework (ELF) Implementation			2,293
Labour Settlement Funding	3,170,346	3,170,346	6,562,809
Next Generation Network - Self Provisioned Rebate	215,000	226,222	215,520
BCPSEA Hiring Incentives	15,000	16,156	
Anti-Racism Action Plan Funding		15,000	
Total Provincial Grants - Ministry of Education and Child Care	191,369,973	190,853,430	175,064,689
Provincial Grants - Other	55,440	252,723	248,194
Tuition			
International and Out of Province Students	5,140,000	5,001,861	5,120,472
Total Tuition	5,140,000	5,001,861	5,120,472
Other Revenues			
Funding from First Nations	2,686,998	3,145,290	2,686,998
Miscellaneous			
Career Development Program	188,750	81,043	143,417
Course Fees		41,610	29,350
Student Paid Meals		148,980	129,054
Miscellaneous	493,043	779,213	730,964
Parent Paid Child Care		58,805	
Total Other Revenue	3,368,791	4,254,941	3,719,783
Rentals and Leases	100,882	259,711	154,263
Investment Income	600,000	1,017,896	1,018,000
Total Operating Revenue	200,635,086	201,640,562	185,325,401

School District No. 73 (Kamloops-Thompson)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Salaries			
Teachers	82,723,217	83,067,781	76,724,300
Principals and Vice Principals	12,866,806	12,284,728	11,381,490
Educational Assistants	10,957,411	11,307,589	10,346,210
Support Staff	22,698,909	22,905,030	20,998,882
Other Professionals	5,728,487	5,449,629	5,091,019
Substitutes	8,297,149	10,606,103	8,468,642
Total Salaries	143,271,979	145,620,860	133,010,543
Employee Benefits	32,235,905	32,387,745	30,633,923
Total Salaries and Benefits	175,507,884	178,008,605	163,644,466
Services and Supplies			
Services	5,693,140	4,510,799	4,730,221
Student Transportation	493,814	484,740	363,836
Professional Development and Travel	2,085,875	1,716,719	1,486,061
Dues and Fees	122,436	122,380	99,921
Insurance	579,019	619,443	617,371
Supplies	15,117,340	12,887,043	11,833,920
Utilities	3,625,862	3,389,051	3,625,544
Total Services and Supplies	27,717,486	23,730,175	22,756,874
Total Operating Expense	203,225,370	201,738,780	186,401,340

School District No. 73 (Kamloops-Thompson)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2024

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	65,678,659	2,007,961		1,542,539		7,506,878	76,736,037
1.03 Career Programs	324,541	154,458				40,467	519,466
1.07 Library Services	2,065,260	154,458		1,443,465		315,293	3,978,476
1.08 Counselling	1,966,915			618,628		256,439	2,841,982
1.10 Special Education	8,605,250	463,376	9,542,774	103,105		1,328,847	20,043,352
1.20 Early Learning and Child Care			142,243				142,243
1.30 English Language Learning	295,037					33,508	328,545
1.31 Indigenous Education	1,165,179	225,268	1,622,572	27,867	980,986	105,729	4,127,601
1.41 School Administration		8,495,221		1,237,255		264,588	9,997,064
1.60 Summer School	110,970						110,970
1.61 Continuing Education	491,728	308,917		103,105		68,572	972,322
1.62 International and Out of Province Students	1,134,920	166,152		47,580	150,599	5,574	1,504,825
1.64 Other	1,229,322	308,917		154,657		155,095	1,847,991
Total Function 1	83,067,781	12,284,728	11,307,589	5,278,201	1,131,585	10,080,990	123,150,874
4 District Administration							
4.11 Educational Administration				353,443	1,197,570		1,551,013
4.40 School District Governance					256,321		256,321
4.41 Business Administration				945,978	1,628,201		2,574,179
Total Function 4	-	-	-	1,299,421	3,082,092	-	4,381,513
5 Operations and Maintenance							
5.20 Early Learning and Child Care							-
5.41 Operations and Maintenance Administration				82,187	665,436		747,623
5.50 Maintenance Operations				11,719,190	341,478	329,199	12,389,867
5.52 Maintenance of Grounds				1,252,354		15,449	1,267,803
5.56 Utilities							-
Total Function 5	-	-	-	13,053,731	1,006,914	344,648	14,405,293
7 Transportation and Housing							
7.41 Transportation and Housing Administration				143,489	229,038		372,527
7.70 Student Transportation				3,130,188		180,465	3,310,653
Total Function 7	-	-	-	3,273,677	229,038	180,465	3,683,180
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	83,067,781	12,284,728	11,307,589	22,905,030	5,449,629	10,606,103	145,620,860

School District No. 73 (Kamloops-Thompson)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2024

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2024 Actual	2024 Budget	2023 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	76,736,037	17,262,907	93,998,944	4,848,124	98,847,068	99,637,169	89,191,181
1.03 Career Programs	519,466	111,663	631,129		631,129	634,409	598,226
1.07 Library Services	3,978,476	891,713	4,870,189	553,067	5,423,256	5,330,112	4,951,780
1.08 Counselling	2,841,982	642,261	3,484,243		3,484,243	3,405,852	3,342,328
1.10 Special Education	20,043,352	4,532,385	24,575,737	1,334,910	25,910,647	26,176,007	24,683,919
1.20 Early Learning and Child Care	142,243	29,961	172,204	8,765	180,969		
1.30 English Language Learning	328,545	74,419	402,964		402,964	392,454	392,597
1.31 Indigenous Education	4,127,601	929,415	5,057,016	614,413	5,671,429	6,185,181	5,389,347
1.41 School Administration	9,997,064	1,931,380	11,928,444	530,496	12,458,940	13,260,382	11,921,463
1.60 Summer School	110,970	35,950	146,920		146,920	120,875	170,335
1.61 Continuing Education	972,322	207,991	1,180,313	793,170	1,973,483	2,036,532	1,687,766
1.62 International and Out of Province Students	1,504,825	152,825	1,657,650	2,795,231	4,452,881	4,860,000	4,637,450
1.64 Other	1,847,991	406,218	2,254,209	163,213	2,417,422	2,424,682	2,156,726
Total Function 1	123,150,874	27,209,088	150,359,962	11,641,389	162,001,351	164,463,655	149,123,118
4 District Administration							
4.11 Educational Administration	1,551,013	269,063	1,820,076	360,504	2,180,580	2,267,418	2,263,424
4.40 School District Governance	256,321	24,666	280,987	148,445	429,432	496,559	380,768
4.41 Business Administration	2,574,179	618,814	3,192,993	974,936	4,167,929	3,931,424	3,753,611
Total Function 4	4,381,513	912,543	5,294,056	1,483,885	6,777,941	6,695,401	6,397,803
5 Operations and Maintenance							
5.20 Early Learning and Child Care	-	-	-	21,344	21,344		
5.41 Operations and Maintenance Administration	747,623	156,080	903,703	565,061	1,468,764	1,714,461	1,371,871
5.50 Maintenance Operations	12,389,867	2,991,637	15,381,504	3,717,907	19,099,411	17,906,521	17,899,638
5.52 Maintenance of Grounds	1,267,803	304,236	1,572,039	660,472	2,232,511	2,234,124	1,987,880
5.56 Utilities	-	-	-	3,365,216	3,365,216	3,618,862	3,626,364
Total Function 5	14,405,293	3,451,953	17,857,246	8,330,000	26,187,246	25,473,968	24,885,753
7 Transportation and Housing							
7.41 Transportation and Housing Administration	372,527	82,156	454,683	118,344	573,027	649,530	549,783
7.70 Student Transportation	3,310,653	732,005	4,042,658	2,156,557	6,199,215	5,942,816	5,444,883
Total Function 7	3,683,180	814,161	4,497,341	2,274,901	6,772,242	6,592,346	5,994,666
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	145,620,860	32,387,745	178,008,605	23,730,175	201,738,780	203,225,370	186,401,340

School District No. 73 (Kamloops-Thompson)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2024

	2024 Budget	2024 Actual	2023 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education and Child Care	23,186,922	22,632,433	18,662,677
Other Revenue	5,323,774	5,918,022	5,745,115
Investment Income	3,973		
Income (Loss) from Investments in Government Business Enterprises	235,814	329,869	38,722
Total Revenue	28,750,483	28,880,324	24,446,514
Expenses			
Instruction	27,436,866	27,565,537	23,267,929
District Administration	784,569	847,523	725,804
Transportation and Housing	293,234	137,395	139,927
Total Expense	28,514,669	28,550,455	24,133,660
Special Purpose Surplus (Deficit) for the year	235,814	329,869	312,854
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased			(235,086)
Other			(39,046)
Total Net Transfers	-	-	(274,132)
Total Special Purpose Surplus (Deficit) for the year	235,814	329,869	38,722
Special Purpose Surplus (Deficit), beginning of year		2,383,097	2,344,375
Special Purpose Surplus (Deficit), end of year		2,712,966	2,383,097
Special Purpose Surplus (Deficit), end of year			
Related Entities		2,562,841	2,232,972
Endowment Contributions		150,125	150,125
Total Special Purpose Surplus (Deficit), end of year		2,712,966	2,383,097

School District No. 73 (Kamloops-Thompson)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2024

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	Special Education Technology	School Generated Funds	Related Entities	Strong Start	Ready, Set, Learn	OLEP
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	82,585		115,306		3,227,268				
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	764,938	701,026		147,136			224,000	85,750	196,408
Other			16,332		5,595,228				
Investment Income			2,967						
	764,938	701,026	19,299	147,136	5,595,228	-	224,000	85,750	196,408
Less: Allocated to Revenue	847,523	701,026	13,103	147,136	5,015,717		224,000	57,541	196,408
Deferred Revenue, end of year	-	-	121,502	-	3,806,779	-	-	28,209	-
Revenues									
Provincial Grants - Ministry of Education and Child Care	847,523	701,026		147,136			224,000	57,541	196,408
Other Revenue			13,103		5,015,717				
Income (Loss) from Investments in Government Business Enterprises						329,869			
	847,523	701,026	13,103	147,136	5,015,717	329,869	224,000	57,541	196,408
Expenses									
Salaries									
Teachers				111,820					61,948
Principals and Vice Principals									
Educational Assistants		546,806					153,255		
Support Staff									
Other Professionals									
Substitutes								17,448	26,145
	-	546,806	-	111,820	-	-	153,255	17,448	88,093
Employee Benefits		154,220		24,417			51,730		17,490
Services and Supplies	847,523		13,103	10,899	5,015,717		19,015	40,093	90,825
	847,523	701,026	13,103	147,136	5,015,717	-	224,000	57,541	196,408
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	329,869	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	329,869	-	-	-

School District No. 73 (Kamloops-Thompson)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2024

	CommunityLINK	Classroom Enhancement Fund - Overhead	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Seamless Day Kindergarten	Student & Family Affordability
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	263,917			13,525	188,458	123,842	3,768		896,012
Add: Restricted Grants									
Provincial Grants - Ministry of Education and Child Care	1,678,997	507,486	14,876,383	214,898	104,786	51,000	6,750	55,400	336,000
Other									
Investment Income									
	1,678,997	507,486	14,876,383	214,898	104,786	51,000	6,750	55,400	336,000
Less: Allocated to Revenue	1,909,616	507,486	14,876,383	228,423	137,395	134,573	8,837	55,400	736,936
Deferred Revenue, end of year	33,298	-	-	-	155,849	40,269	1,681	-	495,076
Revenues									
Provincial Grants - Ministry of Education and Child Care	1,909,616	507,486	14,876,383	228,423	137,395	134,573	8,837	55,400	736,936
Other Revenue									
Income (Loss) from Investments in Government Business Enterprises									
	1,909,616	507,486	14,876,383	228,423	137,395	134,573	8,837	55,400	736,936
Expenses									
Salaries									
Teachers	1,326,758		11,860,565						
Principals and Vice Principals									
Educational Assistants									
Support Staff								45,745	
Other Professionals									
Substitutes	6,984	424,695		227,012		12,558	4,125		
	1,333,742	424,695	11,860,565	227,012	-	12,558	4,125	45,745	-
Employee Benefits	325,228	82,791	3,015,818					9,289	
Services and Supplies	250,646			1,411	137,395	122,015	4,712	366	736,936
	1,909,616	507,486	14,876,383	228,423	137,395	134,573	8,837	55,400	736,936
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 73 (Kamloops-Thompson)

Changes in Special Purpose Funds and Expense by Object
Year Ended June 30, 2024

	JUST B4	SEY2KT (Early Years to Kindergarten)	ECL (Early Care & Learning)	Feeding Futures Fund	Health Career Grants	Contributor Restricted	Copper Sunsetting	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year		1,807				1,687,856		6,604,344
Add: Restricted Grants								
Provincial Grants - Ministry of Education and Child Care	25,000	19,000	175,000	1,926,080	100,000		200,000	22,396,038
Other						667,873		6,279,433
Investment Income								2,967
	25,000	19,000	175,000	1,926,080	100,000	667,873	200,000	28,678,438
Less: Allocated to Revenue	25,000	20,807	175,000	1,585,384	57,559	889,202	-	28,550,455
Deferred Revenue, end of year	-	-	-	340,696	42,441	1,466,527	200,000	6,732,327
Revenues								
Provincial Grants - Ministry of Education and Child Care	25,000	20,807	175,000	1,585,384	57,559			22,632,433
Other Revenue						889,202		5,918,022
Income (Loss) from Investments in Government Business Enterprises								329,869
	25,000	20,807	175,000	1,585,384	57,559	889,202	-	28,880,324
Expenses								
Salaries								
Teachers					45,170	102,032		13,508,293
Principals and Vice Principals	17,929		157,000	112,000				286,929
Educational Assistants				33,065				733,126
Support Staff						60,249		105,994
Other Professionals				67,683				67,683
Substitutes		4,651		12,505		21,515		757,638
	17,929	4,651	157,000	225,253	45,170	183,796	-	15,459,663
Employee Benefits	7,071		18,000	53,533	12,049	15,062		3,786,698
Services and Supplies		16,156		1,306,598	340	690,344		9,304,094
	25,000	20,807	175,000	1,585,384	57,559	889,202	-	28,550,455
Net Revenue (Expense) before Interfund Transfers	-	-	-	-	-	-	-	329,869
Interfund Transfers	-	-	-	-	-	-	-	-
Net Revenue (Expense)	-	-	-	-	-	-	-	329,869

School District No. 73 (Kamloops-Thompson)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2024

	2024 Budget	2024 Actual			2023 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education and Child Care	3,692,136	3,446,463		3,446,463	3,279,000
Investment Income	10,500		11,550	11,550	58,247
Amortization of Deferred Capital Revenue	4,462,300	4,099,435		4,099,435	4,030,897
Total Revenue	8,164,936	7,545,898	11,550	7,557,448	7,368,144
Expenses					
Operations and Maintenance	3,692,136	3,446,463		3,446,463	3,004,000
Amortization of Tangible Capital Assets					
Operations and Maintenance	7,020,012	6,735,026		6,735,026	6,625,598
Total Expense	10,712,148	10,181,489	-	10,181,489	9,629,598
Capital Surplus (Deficit) for the year	(2,547,212)	(2,635,591)	11,550	(2,624,041)	(2,261,454)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased		633,065		633,065	235,086
Local Capital			1,274,139	1,274,139	1,990,107
Settlement of Asset Retirement Obligation		52,738		52,738	99,339
Total Net Transfers	-	685,803	1,274,139	1,959,942	2,324,532
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		2,132,612	(2,132,612)	-	
Total Other Adjustments to Fund Balances		2,132,612	(2,132,612)	-	
Total Capital Surplus (Deficit) for the year	(2,547,212)	182,824	(846,923)	(664,099)	63,078
Capital Surplus (Deficit), beginning of year		21,643,317	846,923	22,490,240	22,427,162
Capital Surplus (Deficit), end of year		21,826,141	-	21,826,141	22,490,240

School District No. 73 (Kamloops-Thompson)

Tangible Capital Assets
Year Ended June 30, 2024

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	11,380,862	189,930,829	15,578,427	11,373,407	350,224	3,446,755	232,060,504
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		1,622,039	166,437				1,788,476
Deferred Capital Revenue - Other		149,668	126,714				276,382
Operating Fund			357,010		9,861	266,194	633,065
Local Capital		1,372,632	234,818	148,334	11,120	365,708	2,132,612
Transferred from Work in Progress		5,138,834					5,138,834
	-	8,283,173	884,979	148,334	20,981	631,902	9,969,369
Decrease:							
Deemed Disposals			1,178,598	1,266,177	82,540	310,308	2,837,623
	-	-	1,178,598	1,266,177	82,540	310,308	2,837,623
Cost, end of year	11,380,862	198,214,002	15,284,808	10,255,564	288,665	3,768,349	239,192,250
Work in Progress, end of year		33,017,505					33,017,505
Cost and Work in Progress, end of year	11,380,862	231,231,507	15,284,808	10,255,564	288,665	3,768,349	272,209,755
Accumulated Amortization, beginning of year		115,361,450	8,155,149	5,891,708	201,834	1,672,043	131,282,184
Changes for the Year							
Increase: Amortization for the Year		3,325,016	1,543,162	1,081,449	63,889	721,510	6,735,026
Decrease:							
Deemed Disposals			1,178,598	1,266,177	82,540	310,308	2,837,623
		-	1,178,598	1,266,177	82,540	310,308	2,837,623
Accumulated Amortization, end of year		118,686,466	8,519,713	5,706,980	183,183	2,083,245	135,179,587
Tangible Capital Assets - Net	11,380,862	112,545,041	6,765,095	4,548,584	105,482	1,685,104	137,030,168

School District No. 73 (Kamloops-Thompson)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2024

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	18,626,624				18,626,624
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	16,141,901				16,141,901
Deferred Capital Revenue - Other	3,387,814				3,387,814
	<u>19,529,715</u>	-	-	-	<u>19,529,715</u>
Decrease:					
Transferred to Tangible Capital Assets	5,138,834				5,138,834
	<u>5,138,834</u>	-	-	-	<u>5,138,834</u>
Net Changes for the Year	<u>14,390,881</u>	-	-	-	<u>14,390,881</u>
Work in Progress, end of year	<u><u>33,017,505</u></u>	-	-	-	<u><u>33,017,505</u></u>

School District No. 73 (Kamloops-Thompson)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2024

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	66,500,643	3,247,283	1,553,514	71,301,440
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,788,476	271,634	4,748	2,064,858
Transferred from Work in Progress		5,138,834		5,138,834
	1,788,476	5,410,468	4,748	7,203,692
Decrease:				
Amortization of Deferred Capital Revenue	3,781,849	255,853	61,733	4,099,435
	3,781,849	255,853	61,733	4,099,435
Net Changes for the Year	(1,993,373)	5,154,615	(56,985)	3,104,257
Deferred Capital Revenue, end of year	64,507,270	8,401,898	1,496,529	74,405,697
Work in Progress, beginning of year	14,534,755	2,627,339	1,164,530	18,326,624
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	16,141,901	2,511,495	876,319	19,529,715
	16,141,901	2,511,495	876,319	19,529,715
Decrease				
Transferred to Deferred Capital Revenue		5,138,834		5,138,834
	-	5,138,834	-	5,138,834
Net Changes for the Year	16,141,901	(2,627,339)	876,319	14,390,881
Work in Progress, end of year	30,676,656	-	2,040,849	32,717,505
Total Deferred Capital Revenue, end of year	95,183,926	8,401,898	3,537,378	107,123,202

School District No. 73 (Kamloops-Thompson)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue
Year Ended June 30, 2024

	Bylaw Capital	MECC Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	159,857	136,084	165,867	219,014	69,150	749,972
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education and Child Care	21,498,900		3,513,066			25,011,966
Other				130,895	887,323	1,018,218
Investment Income		3,109		12,618	1,494	17,221
	<u>21,498,900</u>	<u>3,109</u>	<u>3,513,066</u>	<u>143,513</u>	<u>888,817</u>	<u>26,047,405</u>
Decrease:						
Transferred to DCR - Capital Additions	1,788,476	139,193	132,441		4,748	2,064,858
Transferred to DCR - Work in Progress	16,141,901		2,511,495		876,319	19,529,715
Transferred to Revenue - Settlement of Asset Retirement Obligation	51,956					51,956
Annual Facilities Grant Spent on Non-Capital Items	3,394,507					3,394,507
	<u>21,376,840</u>	<u>139,193</u>	<u>2,643,936</u>	<u>-</u>	<u>881,067</u>	<u>25,041,036</u>
Net Changes for the Year	<u>122,060</u>	<u>(136,084)</u>	<u>869,130</u>	<u>143,513</u>	<u>7,750</u>	<u>1,006,369</u>
Balance, end of year	<u>281,917</u>	<u>-</u>	<u>1,034,997</u>	<u>362,527</u>	<u>76,900</u>	<u>1,756,341</u>