

Audited Financial Statements of

School District No. 42 (Maple Ridge-Pitt Meadows)

And Independent Auditors' Report thereon

June 30, 2020

School District No. 42 (Maple Ridge-Pitt Meadows)

June 30, 2020

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School District No. 42 (Maple Ridge-Pitt Meadows)

MANAGEMENT REPORT

Version: 2222-1476-8494

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 42 (Maple Ridge-Pitt Meadows) 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. 42 (Maple Ridge-Pitt Meadows) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a quarterly basis and externally audited financial statements yearly.

The external auditors, 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. 42 (Maple Ridge-Pitt Meadows) 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. 42 (Maple Ridge-Pitt Meadows)

Original signed by Korleen Carreras	September 23, 2020
Signature of the Chairperson of the Board of Education	Date Signed
Original signed by Sylvia Russell	September 23, 2020
Signature of the Superintendent	Date Signed
Original signed by Flavia Coughlan	September 23, 2020
Signature of the Secretary Treasurer	Date Signed

Independent Auditor's Report

To the Board of Education of School District No. 42 (Maple Ridge - Pitt Meadows)

Opinion

We have audited the financial statements of School District No. 42 (Maple Ridge - Pitt Meadows) (the "School District") which comprise the statement of financial position as at June 30, 2020, and the statements of operations, changes in net debt, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the School District as at and for the year ended June 30, 2020, are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia (the "Act").

Basis for Opinion

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 to the financial statements which describes the basis of accounting. The financial statements are prepared in order for the School District to meet the reporting requirements of the Act referred to above. Our opinion is not modified in respect of this matter.

Other Matter - Supplementary Information

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the Financial Statements Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any for of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation of the financial statements in accordance with the Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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



concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the School District to cease to continue as a going concern.

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

Vancouver, British Columbia

September 23, 2020

School District No. 42 (Maple Ridge-Pitt Meadows)

Statement 1

Statement of Financial Position

As at June 30, 2020

	2020 Actual	2019 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	43,910,198	50,463,678
Accounts Receivable		
Due from Province - Ministry of Education	794,932	1,999,050
Due from Province - Other	410,453	66,000
Due from First Nations	72,093	
Other (Note 3)	924,243	4,378,752
Portfolio Investments (Note 4)	253,034	252,997
Total Financial Assets	46,364,953	57,160,477
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 5)	15,673,659	20,548,739
Unearned Revenue (Note 6)	2,944,396	5,228,791
Deferred Revenue (Note 7)	1,384,583	2,381,312
Deferred Capital Revenue (Note 8)	147,051,838	143,017,828
Employee Future Benefits (Note 9)	8,837,660	8,313,736
Total Liabilities	175,892,136	179,490,406
Net Debt	(129,527,183)	(122,329,929)
Non-Financial Assets		
Tangible Capital Assets (Note 11)	224,085,169	204,021,754
Prepaid Expenses	512,066	404,101
Total Non-Financial Assets	224,597,235	204,425,855
Accumulated Surplus (Deficit) (Note 17)	95,070,052	82,095,926

Approved by the Board

Original signed by Korleen Carreras

September 23, 2020

Signature of the Chairperson of the Board of Education

Date Signed

Original signed by Sylvia Russell

September 23, 2020

Signature of the Superintendent

Date Signed

Original signed by Flavia Coughlan

September 23, 2020

Signature of the Secretary Treasurer

Date Signed

School District No. 42 (Maple Ridge-Pitt Meadows)

Statement 2

Statement of Operations

Year Ended June 30, 2020

	2020 Budget (Note 14)	2020 Actual	2019 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	163,871,351	166,212,722	151,019,011
Other	331,200	333,850	397,657
Municipal Grants Spent on Sites	5,748,701	4,955,332	1,695,137
Federal Grants	235,638	173,402	279,042
Tuition (Note 6)	9,335,355	9,101,917	9,595,712
Other Revenue	5,900,736	4,861,462	5,822,136
Rentals and Leases (Note 6)	757,569	637,697	540,263
Investment Income	808,000	817,159	875,474
Gain (Loss) on Disposal of Tangible Capital Assets			(838,579)
Amortization of Deferred Capital Revenue (Note 8)	6,025,437	5,996,889	5,483,981
Total Revenue	193,013,987	193,090,430	174,869,834
Expenses (Note 18)			
Instruction	152,801,868	148,327,556	142,616,859
District Administration	6,293,426	5,899,563	5,586,758
Operations and Maintenance	27,016,941	25,527,674	24,296,382
Transportation and Housing	642,547	361,511	513,248
Total Expense	186,754,782	180,116,304	173,013,247
Surplus (Deficit) for the year	6,259,205	12,974,126	1,856,587
Accumulated Surplus (Deficit) from Operations, beginning of year		82,095,926	80,239,339
Accumulated Surplus (Deficit) from Operations, end of year		95,070,052	82,095,926

School District No. 42 (Maple Ridge-Pitt Meadows)

Statement 4

Statement of Changes in Net Debt

Year Ended June 30, 2020

	2020 Budget (Note 14) \$	2020 Actual \$	2019 Actual \$
Surplus (Deficit) for the year	<u>6,259,205</u>	<u>12,974,126</u>	<u>1,856,587</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(30,930,988)	(30,223,915)	(33,353,140)
Amortization of Tangible Capital Assets	10,168,280	10,160,500	9,521,618
Net carrying value of Tangible Capital Assets disposed of			2,198,796
Total Effect of change in Tangible Capital Assets	<u>(20,762,708)</u>	<u>(20,063,415)</u>	<u>(21,632,726)</u>
Acquisition of Prepaid Expenses		(724,067)	(418,138)
Use of Prepaid Expenses		616,102	416,307
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(107,965)</u>	<u>(1,831)</u>
(Increase) Decrease in Net Debt, before Net Remeasurement Gains (Losses)	<u>(14,503,503)</u>	(7,197,254)	(19,777,970)
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Debt		(7,197,254)	(19,777,970)
Net Debt, beginning of year		(122,329,929)	(102,551,959)
Net Debt, end of year		<u>(129,527,183)</u>	<u>(122,329,929)</u>

School District No. 42 (Maple Ridge-Pitt Meadows)

Statement 5

Statement of Cash Flows
Year Ended June 30, 2020

	2020 Actual	2019 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	12,974,126	1,856,587
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	4,242,081	(5,738,746)
Prepaid Expenses	(107,965)	(1,831)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(4,875,080)	2,739,346
Unearned Revenue	(2,284,395)	(243,174)
Deferred Revenue	(996,729)	(417,135)
Employee Future Benefits	523,924	237,526
Loss (Gain) on Disposal of Tangible Capital Assets		838,579
Amortization of Tangible Capital Assets	10,160,500	9,521,618
Amortization of Deferred Capital Revenue	(5,996,889)	(5,483,981)
Recognition of Deferred Capital Revenue Spent on Sites	(10,368,131)	(1,766,717)
Total Operating Transactions	3,271,442	1,542,072
Capital Transactions		
Tangible Capital Assets Purchased	(14,216,707)	(5,815,753)
Tangible Capital Assets -WIP Purchased	(16,007,208)	(27,537,387)
District Portion of Proceeds on Disposal		1,360,217
Total Capital Transactions	(30,223,915)	(31,992,923)
Financing Transactions		
Capital Revenue Received	20,399,030	25,989,498
Total Financing Transactions	20,399,030	25,989,498
Investing Transactions		
Investments in Portfolio Investments	(37)	(4,612)
Total Investing Transactions	(37)	(4,612)
Net Increase (Decrease) in Cash and Cash Equivalents	(6,553,480)	(4,465,965)
Cash and Cash Equivalents, beginning of year	50,463,678	54,929,643
Cash and Cash Equivalents, end of year	43,910,198	50,463,678
Cash and Cash Equivalents, end of year, is made up of:		
Cash	12,050,819	12,891,388
Cash Equivalents	31,859,379	37,572,290
	43,910,198	50,463,678
Supplementary Cash Flow Information (Note 21)		

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on April 12, 1946, 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. 42 (Maple Ridge – Pitt Meadows)", and operates as "School District No. 42 (Maple Ridge – Pitt Meadows)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the School District and is principally funded by the Province of British Columbia through the Ministry of Education. The School District is exempt from federal and provincial corporate income taxes.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the School District are as follow:

a) Basis of Accounting

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

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

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

b) 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.

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

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

b) Financial Instruments *(Continued)*

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, or items designated by management, 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.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Unless otherwise noted, it is management's opinion that the School District is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying value, unless otherwise noted.

All financial assets measured at amortized cost 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.

c) Cash and Cash Equivalents

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

d) Accounts Receivable

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

e) Portfolio Investments

The School District has investments in term deposits, equity instruments with no maturity and bonds, which have a maturity of greater than 3 months at the time of acquisition.

f) Unearned Revenue

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

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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(m).

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

h) Employee Future Benefits

i) Post-employment benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to 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, 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 estimated cost of borrowing.

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

The most recent valuation of the obligation was performed at March 31, 2020 and projected to June 30, 2020. 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.

ii) Pension Plans

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. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) 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.

j) Tangible Capital Assets

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 tangible 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 lives are as follows:

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

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Prepaid Expenses

Property taxes, software licenses, insurance policies, maintenance agreements and other payments paid in advance are included as prepaid expense. Prepaid expenses are stated at acquisition cost and are expensed over the periods expected to benefit from it.

l) Internally restricted reserves

The Board of Education is responsible for ensuring the School District is protected financially from extraordinary circumstances that would negatively impact school district operations and the education of students. To discharge this responsibility, the Board has established a contingency reserve from available operating surplus, which will be used to mitigate any negative impact such circumstances might cause.

By Board policy a contingency reserve of at least 1% and not exceeding 3% of budgeted operating expenditures shall be maintained (\$1,569,580 to \$4,708,738). The current balance of \$4,378,657 (\$3,768,657 local capital and \$610,000 operating) equates to 2.79% of budgeted operating expenditures.

m) Revenue Recognition

All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty, their estimation is impracticable, or collection is uncertain. 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 as revenue over the useful life of the related assets once spent.

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. All other revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues.

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

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

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned, or service being 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 included in the deferred revenue balance until spent.

n) Expenses

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, 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, expenses 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.

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

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

o) Liability for contaminated sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- An environmental standard exists;
- Contamination exceeds the environmental standard;
- The School District is directly responsible or accepts responsibility for the contamination;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

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

p) 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, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER RECEIVABLES

	June 30, 2020	June 30, 2019
Due from Federal Government	\$ 110,628	\$ 347,298
Due from the City of Maple Ridge	516,445	3,425,200
Trade Receivables	242,421	410,559
Tuition Receivable	18,326	101,709
Other Receivables	36,423	93,986
	\$ 924,243	\$ 4,378,752

NOTE 4 PORTFOLIO INVESTMENTS

	June 30, 2020	June 30, 2019
Cost and Amortized Cost		
Term deposits	\$ 100,000	\$ 100,000
	100,000	100,000
Fair Value		
Core bond fund	74,877	76,905
Canadian equity fund	38,732	37,428
U. S. equity fund	19,713	19,921
International equity fund	19,712	18,743
	153,034	152,997
Total Portfolio Investments	\$ 253,034	\$ 252,997

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 4 **PORTFOLIO INVESTMENTS** *(Continued)*

Term deposits held within the School District's portfolio investments are held with local banking institutions for a period not exceeding 1 year from the statement of financial position date and are earning average interest of 1.65% (2019: 2.5%).

NOTE 5 **ACCOUNTS PAYABLE AND ACCRUED LIABILITIES – OTHER**

	June 30, 2020	June 30, 2019
Trade payables	\$ 4,625,315	\$ 10,216,977
Salaries and benefits payable	8,720,632	8,251,422
Accrued vacation pay	1,692,911	1,521,865
Other	634,801	558,475
	\$ 15,673,659	\$ 20,548,739

NOTE 6 **UNEARNED REVENUE**

	June 30, 2020	June 30, 2019
Balance, beginning of year	\$ 5,228,791	\$ 5,471,965
Tuition fees received	6,817,897	9,405,212
Rental fees received	637,727	541,169
Partnership fees received	96,733	40,626
Tuition fees recognized as revenue	(9,101,917)	(9,595,712)
Rental fees recognized as revenue	(637,697)	(540,263)
Partnership fees recognized as revenue	(97,138)	(94,206)
Balance, end of year	\$ 2,944,396	\$ 5,228,791

NOTE 7 **DEFERRED REVENUE**

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

	June 30, 2020	June 30, 2019
Balance, beginning of year	\$ 2,381,312	\$ 2,798,447
Grants received:		
Provincial grants	14,593,385	14,230,408
Other grants and income	3,512,098	4,951,453
Investment income	38,405	54,974
Subtotal	18,143,888	19,236,835
Revenue recognized	(19,140,617)	(19,653,970)
Balance, end of year	\$ 1,384,583	\$ 2,381,312

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 8 DEFERRED CAPITAL REVENUE

Deferred capital revenue includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired.

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
<u>Deferred capital revenue subject to amortization</u>		
Balance, beginning of year	\$ 112,058,391	\$ 110,466,532
Transfers from deferred revenue – capital additions	34,958,264	7,075,840
Amortization of deferred capital revenue	(5,996,889)	(5,483,981)
Balance, end of year	<u>\$ 141,019,766</u>	<u>\$ 112,058,391</u>
 <u>Deferred capital revenue – Work in Progress</u>		
Work in Progress, beginning of year	\$ 21,967,507	\$ 1,923,161
Transfer in from deferred revenue – work in progress	14,397,278	27,120,186
Transfer to spent deferred capital	(34,958,264)	(7,075,840)
Balance, end of year	<u>\$ 1,406,521</u>	<u>\$ 21,967,507</u>
 <u>Deferred capital revenue – Unspent portion</u>		
Unspent Deferred Capital, beginning of year	\$ 8,991,930	\$ 11,889,335
Provincial Grants – Ministry of Education	17,961,008	23,768,702
Provincial Grants – Other	1,728,643	18,671
Other	143,750	431,250
Investment Income	135,829	334,431
Ministry of Education Restricted Proceeds on Disposal of Land	-	838,579
School Site Acquisition Fees	429,800	597,865
Transfer to Deferred Capital Revenue – Work in Progress	(14,397,278)	(27,120,186)
Site Purchases	(10,368,131)	(1,766,717)
Balance, end of year	<u>\$ 4,625,551</u>	<u>\$ 8,991,930</u>
 Total deferred capital revenue balance, end of year	<u>\$ 147,051,838</u>	<u>\$ 143,017,828</u>

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 9 EMPLOYEE FUTURE BENEFITS

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

	June 30, 2020	June 30, 2019
<i>Reconciliation of Accrued Benefit Obligation</i>		
Accrued Benefit Obligation – April 1	\$ 8,279,943	\$ 8,297,388
Service Cost	630,407	602,714
Interest Cost	211,400	235,378
Benefit Payments	(475,698)	(791,301)
Actuarial Gain	(281,976)	(64,236)
Accrued Benefit Obligation – March 31	<u>\$ 8,364,076</u>	<u>\$ 8,279,943</u>

Reconciliation of Funded Status at End of Fiscal Year

Accrued Benefit Obligation – March 31	\$ 8,364,076	\$ 8,279,943
Funded Status – Deficit	(8,364,076)	(8,279,943)
Employer Contributions After Measurement Date	113,948	178,017
Benefits Expense After Measurement Date	(214,863)	(210,452)
Unamortized Net Actuarial Gain	(372,669)	(1,358)
Accrued Benefit Liability – June 30	<u>\$ (8,837,660)</u>	<u>\$ (8,313,736)</u>

Reconciliation of Change in Accrued Benefit Liability

Accrued Benefit Liability – July 1	\$ 8,313,736	\$ 8,076,210
Net expense for Fiscal Year	935,554	935,047
Employer Contributions	(411,630)	(697,521)
Accrued Benefit Liability – June 30	<u>\$ 8,837,660</u>	<u>\$ 8,313,736</u>

Components of Net Benefit Expense

Service Cost	\$ 638,839	\$ 609,637
Interest Cost	207,379	229,383
Amortization of Net Actuarial Loss	89,336	96,027
Net Benefit Expense	<u>\$ 935,554</u>	<u>\$ 935,047</u>

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

	June 30, 2020	June 30, 2019
Discount Rate – April 1	2.50%	2.75%
Discount Rate – March 31	2.25%	2.50%
Long Term Salary Growth – April 1	2.5% + seniority	2.5% + seniority
Long Term Salary Growth – March 31	2.5% + seniority	2.5% + seniority
EARSL – March 31	9.6 years	9.6 years

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 10 DEBT

The School District has an approved line of credit of \$6.5 million with interest at the banks' prime rate plus 0.25%. The available borrowing consists of \$2.5 million of line of credit and \$4.0 million of additional funds for meeting current operating and debt service expenditures. As of June 30, 2020, the School District had \$nil borrowings (2019: \$nil) under these facilities.

NOTE 11 TANGIBLE CAPITAL ASSETS

June 30, 2020

Cost:	Balance at July 1, 2019	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2020
Sites	\$ 30,993,031	\$ 10,368,131	\$ -	\$ -	\$ 41,361,162
Buildings	279,801,121	608,914	-	38,880,605	319,290,640
Buildings – work in progress	25,062,925	15,402,469	-	(38,880,605)	1,584,789
Furniture & Equipment	12,329,023	2,339,315	(727,869)	-	13,940,469
Vehicles	1,320,276	49,640	-	-	1,369,916
Computer Software	1,774,992	29,959	(212,846)	-	1,592,105
Computer Hardware	8,093,742	1,425,487	(2,324,714)	-	7,194,515
Total	\$ 359,375,110	\$ 30,223,915	\$ (3,265,429)	\$ -	\$ 386,333,596

Accumulated Amortization:	Balance at July 1, 2019	Amortization	Disposals	Balance at June 30, 2020
Buildings	\$ 144,299,689	\$ 6,846,982	\$ -	\$ 151,146,671
Furniture & Equipment	5,101,727	1,313,475	(727,869)	5,687,333
Vehicles	448,398	134,510	-	582,908
Computer Software	1,008,517	336,709	(212,846)	1,132,380
Computer Hardware	4,495,025	1,528,824	(2,324,714)	3,699,135
Total	\$ 155,353,356	\$ 10,160,500	\$ (3,265,429)	\$ 162,248,427

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 11 TANGIBLE CAPITAL ASSETS *(Continued)*

June 30, 2019

Cost:	Balance at July 1, 2018	Additions	Disposals	Transfers (WIP)	Balance at June 30, 2019
Sites	\$ 31,425,110	\$ 1,766,717	\$ (2,198,796)	\$ -	\$ 30,993,031
Buildings	271,577,482	1,025,497	-	7,198,142	279,801,121
Buildings – work in progress	4,835,626	27,425,441	-	(7,198,142)	25,062,925
Furniture & Equipment	11,297,651	1,418,017	(386,645)	-	12,329,023
Vehicles	1,094,430	225,846	-	-	1,320,276
Computer Software	1,882,419	73,251	(180,678)	-	1,774,992
Computer Hardware	7,748,768	1,418,371	(1,073,397)	-	8,093,742
Total	\$ 329,861,486	\$ 33,353,140	\$ (3,839,516)	\$ -	\$ 359,375,110

Accumulated Amortization:	Balance at July 1, 2018	Amortization	Disposals	Balance at June 30, 2019
Buildings	\$ 138,030,131	\$ 6,269,558	\$ -	\$ 144,299,689
Furniture & Equipment	4,307,039	1,181,333	(386,645)	5,101,727
Vehicles	327,663	120,735	-	448,398
Computer Software	823,454	365,741	(180,678)	1,008,517
Computer Hardware	3,984,171	1,584,251	(1,073,397)	4,495,025
Total	\$ 147,472,458	\$ 9,521,618	\$ (1,640,720)	\$ 155,353,356

Net Book Value:	June 30, 2020	June 30, 2019
Sites	\$ 41,361,162	\$ 30,993,031
Buildings	168,143,969	135,501,432
Buildings – work in progress	1,584,789	25,062,925
Furniture & Equipment	8,253,136	7,227,296
Vehicles	787,008	871,878
Computer Software	459,725	766,475
Computer Hardware	3,495,380	3,598,717
Total	\$ 224,085,169	\$ 204,021,754

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 12 EMPLOYEE PENSION PLANS

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

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

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

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

The school district paid \$12,710,116 for employer contributions to the plans for the year ended June 30, 2020 (2019: \$12,750,840)

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

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

NOTE 13 RELATED PARTY TRANSACTIONS

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

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 14 BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board through the adoption of the amended annual budget on February 26, 2020. As the 2019/20 Amended Annual Budget is used for comparative purposes a reconciliation between the 2019/20 Annual and the 2019/20 Amended Annual Budgets is provided.

	Annual Budget	Amended Annual Budget	Change
Statement 2			
Revenues			
Provincial Grants			
Ministry of Education	\$ 160,955,348	\$ 163,871,351	\$ 2,916,003
Other	241,000	331,200	90,200
School Site Acquisition Fees Spent on Sites	3,545,814	5,748,701	2,202,887
Federal Grants	235,638	235,638	-
Tuition	9,491,180	9,335,355	(155,825)
Other Revenue	5,501,111	5,900,736	399,625
Rentals and Leases	670,258	757,569	87,311
Investment Income	833,050	808,000	(25,050)
Amortization of Deferred Capital Revenue	6,430,454	6,025,437	(405,017)
Total Revenue	187,903,853	193,013,987	5,110,134
Expenses			
Instruction	146,378,505	152,801,868	6,423,363
District Administration	5,853,054	6,293,426	440,372
Operations and Maintenance	26,619,064	27,016,941	397,877
Transportation and Housing	676,029	642,547	(33,482)
Total Expense	179,526,652	186,754,782	7,228,130
Net Revenue	8,377,201	6,259,205	(2,117,996)
Budgeted Allocation of Surplus	1,116,545	4,381,816	3,265,271
Budgeted Surplus for the year	\$ 9,493,746	\$ 10,641,021	\$ 1,147,275

Statement 4

Surplus for the year	\$ 8,377,201	\$ 6,259,205	\$ (2,117,996)
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(21,300,789)	(30,930,988)	(9,630,199)
Amortization of Tangible Capital Assets	10,507,817	10,168,280	(339,537)
Total Effect of change in Tangible Capital Assets	(10,792,972)	(20,762,708)	(9,969,736)
Decrease in Net Financial Debt	\$ (2,415,771)	\$ (14,503,503)	\$ (12,087,732)

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 15 CONTINGENCIES

In the normal course of business, lawsuits and claims have been brought against the School District. The School District defends against these lawsuits and claims. Management has made provisions for any unexpected liabilities and believes that the ultimate results of any pending legal proceeding will not have a material effect on the financial position of the School District.

NOTE 16 ASSET RETIREMENT OBLIGATION

Legal liabilities may exist for the removal or disposal of asbestos in schools that will undergo major renovations or demolition. The fair value of this liability for asbestos removal or disposal will be recognized in the period in which a reasonable estimate of fair value can be made. As at June 30, 2020, a liability is not reasonably determinable (2019: \$nil).

NOTE 17 ACCUMULATED SURPLUS

The operating fund accounts for the School District's operating grants and other operating revenues. Legislation requires that the School District present a balanced budget for the operating fund, whereby budgeted expenditures do not exceed the total of budgeted revenue plus any surplus in the operating fund carried forward from the previous year. The operating fund also contains a contingency reserve for unanticipated future operating expenditures.

	June 30, 2020	June 30, 2019
Operating Fund Accumulated Surplus		
Internally Restricted (appropriated) by the Board for:		
Targeted funding for aboriginal education	\$ 173,089	\$ 75,137
School budget balances	599,146	573,985
Personal professional development	273,157	220,301
Financial provisions	100,000	100,000
Funds required to complete projects in progress	260,323	364,125
Purchase order commitments	668,273	503,976
Support for school growth plans		
Literacy	25,296	-
Supporting all learners - mentorship	25,166	-
Safe and caring schools	54,100	17,696
Educational leadership - mentorship	14,873	-
Fine arts	50,400	60,000
Curriculum implementation	-	54,468
Social emotional learning	36,631	-
Secondary innovation	72,110	-
School teams	58,559	18,398
Leadership succession planning	271,025	488,346
Support for operational plans		
Business systems implementation and upgrades	56,705	43,037
Compliance support	20,000	-
IT infrastructure	200,000	-
Strategic Facilities Plan and Sustainability Plan	128,794	113,187
Learning services		
Instructional bank	200,000	-
Inclusion support consultation services	57,260	27,890
Learning services summer assessments	21,900	-

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

Facilities renovations and new classroom setup	220,470	459,350
Increased cost of salaries and benefits	250,000	56,400
Budgeted use of accumulated surplus		
Support for school growth plans	624,173	669,998
Support for operational plans	265,725	95,585
Learning services	25,000	350,962
International education	161,554	-
Budgeted use of contingency reserve	1,988,921	-
Operating Contingency Reserve	610,000	360,000
Total Operating Internally Restricted	7,512,650	4,652,841
Unrestricted	-	-
Total Operating Fund Accumulated Surplus	\$ 7,512,650	\$ 4,652,841
Capital Fund Accumulated Surplus		
Contingency reserve for local capital	2,408,439	2,394,927
District portion of proceeds on disposal of land	1,360,218	1,360,218
Subtotal contingency reserve for local capital	3,768,657	3,755,145
Budgeted use of local capital		
Information technology	65,000	65,000
Emergency preparedness	29,675	91,896
Energy management	608,969	1,373,861
Succession planning	-	30,000
New classroom space	391,712	670,636
New schools	710,272	1,107,220
Maple Ridge Secondary Annex	291,729	353,465
Childcare capital	32,500	-
	2,129,857	3,692,078
Invested in tangible capital assets	81,658,888	69,995,862
Total Capital Fund Accumulated Surplus	87,557,402	77,443,085
Total Accumulated Surplus	\$ 95,070,052	\$ 82,095,926

NOTE 18 EXPENSE BY OBJECT

	June 30, 2020	June 30, 2019
Salaries and benefits	\$ 152,884,881	\$ 144,351,565
Services and supplies	17,070,923	19,140,064
Amortization	10,160,500	9,521,618
	\$ 180,116,304	\$ 173,013,247

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 19 ECONOMIC DEPENDENCE

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

NOTE 20 RISK MANAGEMENT

The School District has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk. The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit risk:

Credit risk is the risk of financial loss 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 or local government and are considered low risk.

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 the Central Deposit Program with the Province and in recognized British Columbia institutions. The School District invests in various financial instruments including equity funds, bond funds certificates and term deposits to reduce the concentration of credit risk.

b) Market risk:

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk as they invest solely in the Province's Central Deposit Program, guaranteed investment certificates and term deposits that have a maturity date of no more than 1 year.

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

c) **Liquidity risk:**

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due. The School District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

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

NOTE 21 SUPPLEMENTARY CASH FLOW INFORMATION

	June 30, 2020	June 30, 2019
Interest recognized in the:		
Operating Fund	\$634,222	\$634,382
Special Purpose Fund	37,972	54,974
Local Capital Fund	144,965	186,118
MEd Restricted Capital Fund	40,158	67,008
Other Provincial Capital Fund	5,110	74,114
Land Capital Fund	90,561	193,309
Total interest income	\$ 952,988	\$ 1,209,905

NOTE 22 CONTRACTUAL OBLIGATIONS

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

	June 30, 2020	Thereafter
Ćəsəənelə Elementary	\$443,856	\$Nil
Minor capital projects (SEP, CNCP, BUS)	665,985	-
Annual Facility Grant projects	1,419,905	-
Other	395,005	-
Total capital commitments	\$2,924,751	\$Nil

SCHOOL DISTRICT No. 42 (Maple Ridge – Pitt Meadows)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 23 CONTRACTUAL RIGHTS

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The School District's contractual rights arise because of contracts entered into for lease agreements and future funding for capital projects. The following table summarizes the contractual rights of the School District for future assets:

	2020/21	2021/22	2022/23	Thereafter
For capital projects				
From the Ministry of Education	\$2,951,469	-	-	\$Nil
From the Ministry of Children and Family Development	343,454	-	-	-
Future lease revenue	374,101	-	-	-
Total contractual rights	\$ 3,669,024	-	-	\$Nil

NOTE 24 COMPARATIVE FIGURES

Certain figures in the prior year have been reclassified to conform to the current year presentation.

School District No. 42 (Maple Ridge-Pitt Meadows)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund

Year Ended June 30, 2020

	Operating Fund	Special Purpose Fund	Capital Fund	2020 Actual	2019 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	4,652,841		77,443,085	82,095,926	80,239,339
Changes for the year					
Surplus (Deficit) for the year	4,995,215	1,394,334	6,584,577	12,974,126	1,856,587
Interfund Transfers					
Tangible Capital Assets Purchased	(1,909,442)	(1,394,334)	3,303,776	-	
Local Capital	(225,964)		225,964	-	
Net Changes for the year	2,859,809	-	10,114,317	12,974,126	1,856,587
Accumulated Surplus (Deficit), end of year - Statement 2	7,512,650	-	87,557,402	95,070,052	82,095,926

School District No. 42 (Maple Ridge-Pitt Meadows)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2020

	2020 Budget (Note 14)	2020 Actual	2019 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	143,080,037	145,485,045	136,260,242
Other	331,200	333,850	397,657
Federal Grants	235,638	173,402	279,042
Tuition	9,335,355	9,101,917	9,595,712
Other Revenue	920,902	838,603	841,194
Rentals and Leases	757,569	637,697	540,263
Investment Income	661,200	634,222	634,382
Total Revenue	155,321,901	157,204,736	148,548,492
Expenses			
Instruction	133,458,897	130,819,339	124,141,569
District Administration	6,293,426	5,899,563	5,586,758
Operations and Maintenance	16,569,083	15,129,108	14,557,341
Transportation and Housing	636,542	361,511	513,248
Total Expense	156,957,948	152,209,521	144,798,916
Operating Surplus (Deficit) for the year	(1,636,047)	4,995,215	3,749,576
Budgeted Appropriation (Retirement) of Surplus (Deficit)	4,381,816		
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(2,560,852)	(1,909,442)	(2,529,206)
Local Capital	(184,917)	(225,964)	(921,624)
Total Net Transfers	(2,745,769)	(2,135,406)	(3,450,830)
Total Operating Surplus (Deficit), for the year	-	2,859,809	298,746
Operating Surplus (Deficit), beginning of year		4,652,841	4,354,095
Operating Surplus (Deficit), end of year		7,512,650	4,652,841
Operating Surplus (Deficit), end of year			
Internally Restricted		7,512,650	4,652,841
Total Operating Surplus (Deficit), end of year		7,512,650	4,652,841

School District No. 42 (Maple Ridge-Pitt Meadows)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2020

	2020 Budget (Note 14)	2020 Actual	2019 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	139,248,925	139,692,830	133,637,393
ISC/LEA Recovery	(420,173)	(382,256)	(420,172)
Other Ministry of Education Grants			
Pay Equity	1,874,965	1,874,965	1,874,966
Funding for Graduated Adults	119,325	244,003	117,401
Transportation Supplement	185,990	185,990	185,990
Economic Stability Dividend			166,977
Carbon Tax Grant	110,055	102,590	102,590
Employer Health Tax Grant	1,173,043	1,173,043	356,464
Strategic Priorities - Mental Health Grant			31,000
Support Staff Benefits Grant	224,907	224,907	190,440
Support Staff Wage Increase Funding	543,400	543,400	
Teachers' Labour Settlement Funding		1,723,354	
FSA Scoring	15,693	15,693	15,693
Miscellaneous	3,907	86,526	1,500
Total Provincial Grants - Ministry of Education	143,080,037	145,485,045	136,260,242
Provincial Grants - Other	331,200	333,850	397,657
Federal Grants	235,638	173,402	279,042
Tuition			
Summer School Fees	89,550	89,550	83,200
Continuing Education	674,410	797,052	672,070
International and Out of Province Students	8,571,395	8,215,315	8,840,442
Total Tuition	9,335,355	9,101,917	9,595,712
Other Revenues			
Funding from First Nations	420,173	382,256	420,173
Miscellaneous			
Revenue Generation	107,000	88,138	66,656
Partnership Programs	122,550	97,138	94,206
Transportation	6,500	6,111	9,860
Before and After School Programming	124,890	83,167	83,951
Miscellaneous	139,789	181,793	166,348
Total Other Revenue	920,902	838,603	841,194
Rentals and Leases	757,569	637,697	540,263
Investment Income	661,200	634,222	634,382
Total Operating Revenue	155,321,901	157,204,736	148,548,492

School District No. 42 (Maple Ridge-Pitt Meadows)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2020

	2020 Budget (Note 14)	2020 Actual	2019 Actual
	\$	\$	\$
Salaries			
Teachers	68,900,130	69,795,475	65,165,787
Principals and Vice Principals	7,541,948	7,482,771	7,189,477
Educational Assistants	15,498,141	15,478,581	13,538,905
Support Staff	12,337,455	12,079,773	11,318,671
Other Professionals	4,839,168	4,681,901	4,651,905
Substitutes	4,532,689	3,334,714	5,126,940
Total Salaries	113,649,531	112,853,215	106,991,685
Employee Benefits	27,082,150	27,077,687	24,521,293
Total Salaries and Benefits	140,731,681	139,930,902	131,512,978
Services and Supplies			
Services	6,459,754	5,406,447	5,555,957
Student Transportation	684,960	393,161	573,039
Professional Development and Travel	1,276,649	685,919	938,290
Rentals and Leases	2,000	366	535
Dues and Fees	137,482	110,788	145,645
Insurance	617,402	572,321	682,275
Supplies	4,522,495	3,059,890	2,878,479
Utilities	2,525,525	2,049,727	2,511,718
Total Services and Supplies	16,226,267	12,278,619	13,285,938
Total Operating Expense	156,957,948	152,209,521	144,798,916

School District No. 42 (Maple Ridge-Pitt Meadows)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object
Year Ended June 30, 2020

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	53,521,487	417,373	56,920	353,107		2,081,248	56,430,135
1.03 Career Programs	581,945	45,003	427,508			10,828	1,065,284
1.07 Library Services	1,150,298			5,413		13,306	1,169,017
1.08 Counselling	1,663,419					8,597	1,672,016
1.10 Special Education	8,386,165	1,078,870	14,285,281	1,515,379		666,483	25,932,178
1.30 English Language Learning	913,303	30,093				1,842	945,238
1.31 Indigenous Education	497,298	116,832	627,062	49,316	300	8,956	1,299,764
1.41 School Administration		5,400,208		2,476,865		142,678	8,019,751
1.60 Summer School	352,795	10,754	55,603	31,474		1,157	451,783
1.61 Continuing Education		23,033		93,419	325,008	2,545	444,005
1.62 International and Out of Province Students	2,707,981	224,631		471,768	292,580	91,438	3,788,398
1.64 Other			22,096	33,910	67,513		123,519
Total Function 1	69,774,691	7,346,797	15,474,470	5,030,651	685,401	3,029,078	101,341,088
4 District Administration							
4.11 Educational Administration				46,650	1,243,929	19,994	1,310,573
4.40 School District Governance					350,137		350,137
4.41 Business Administration		135,974	2,302	550,504	1,349,064	28,233	2,066,077
Total Function 4	-	135,974	2,302	597,154	2,943,130	48,227	3,726,787
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	20,784		1,809	239,645	731,525	38,290	1,032,053
5.50 Maintenance Operations				5,823,488	321,845	216,820	6,362,153
5.52 Maintenance of Grounds				388,835		2,299	391,134
5.56 Utilities							-
Total Function 5	20,784	-	1,809	6,451,968	1,053,370	257,409	7,785,340
7 Transportation and Housing							
7.70 Student Transportation							-
Total Function 7	-	-	-	-	-	-	-
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	69,795,475	7,482,771	15,478,581	12,079,773	4,681,901	3,334,714	112,853,215

School District No. 42 (Maple Ridge-Pitt Meadows)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2020

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2020 Actual	2020 Budget (Note 14)	2019 Actual
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	56,430,135	12,794,655	69,224,790	1,915,519	71,140,309	72,193,931	67,779,100
1.03 Career Programs	1,065,284	257,453	1,322,737	496,290	1,819,027	1,909,545	1,682,017
1.07 Library Services	1,169,017	270,521	1,439,538	173,745	1,613,283	1,618,047	1,468,837
1.08 Counselling	1,672,016	376,891	2,048,907	77,340	2,126,247	2,238,174	2,330,544
1.10 Special Education	25,932,178	6,477,862	32,410,040	327,412	32,737,452	33,160,092	30,024,608
1.30 English Language Learning	945,238	221,556	1,166,794	20,904	1,187,698	1,230,656	752,736
1.31 Indigenous Education	1,299,764	327,956	1,627,720	151,099	1,778,819	1,954,997	1,582,200
1.41 School Administration	8,019,751	2,284,903	10,304,654	207,126	10,511,780	10,770,296	10,072,659
1.60 Summer School	451,783	70,639	522,422	11,464	533,886	536,465	489,446
1.61 Continuing Education	444,005	72,813	516,818	181,612	698,430	791,535	728,865
1.62 International and Out of Province Students	3,788,398	857,986	4,646,384	1,839,427	6,485,811	6,745,213	7,090,583
1.64 Other	123,519	32,874	156,393	30,204	186,597	309,946	139,974
Total Function 1	101,341,088	24,046,109	125,387,197	5,432,142	130,819,339	133,458,897	124,141,569
4 District Administration							
4.11 Educational Administration	1,310,573	369,039	1,679,612	334,631	2,014,243	2,023,596	1,867,350
4.40 School District Governance	350,137	56,701	406,838	105,041	511,879	593,909	484,667
4.41 Business Administration	2,066,077	584,102	2,650,179	723,262	3,373,441	3,675,921	3,234,741
Total Function 4	3,726,787	1,009,842	4,736,629	1,162,934	5,899,563	6,293,426	5,586,758
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration	1,032,053	227,520	1,259,573	738,983	1,998,556	2,572,474	2,132,886
5.50 Maintenance Operations	6,362,153	1,696,856	8,059,009	1,902,715	9,961,724	10,223,820	8,795,963
5.52 Maintenance of Grounds	391,134	97,360	488,494	287,529	776,023	819,581	660,408
5.56 Utilities	-	-	-	2,392,805	2,392,805	2,953,208	2,968,084
Total Function 5	7,785,340	2,021,736	9,807,076	5,322,032	15,129,108	16,569,083	14,557,341
7 Transportation and Housing							
7.70 Student Transportation	-	-	-	361,511	361,511	636,542	513,248
Total Function 7	-	-	-	361,511	361,511	636,542	513,248
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	112,853,215	27,077,687	139,930,902	12,278,619	152,209,521	156,957,948	144,798,916

School District No. 42 (Maple Ridge-Pitt Meadows)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2020

	2020 Budget (Note 14)	2020 Actual	2019 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	15,378,515	15,314,878	14,687,189
Other Revenue	4,824,231	3,787,767	4,911,807
Investment Income		37,972	54,974
Total Revenue	<u>20,202,746</u>	<u>19,140,617</u>	<u>19,653,970</u>
Expenses			
Instruction	19,342,971	17,508,217	18,475,290
Operations and Maintenance	279,578	238,066	217,423
Transportation and Housing	6,005		
Total Expense	<u>19,628,554</u>	<u>17,746,283</u>	<u>18,692,713</u>
Special Purpose Surplus (Deficit) for the year	<u>574,192</u>	<u>1,394,334</u>	<u>961,257</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(574,192)	(1,394,334)	(961,257)
Total Net Transfers	<u>(574,192)</u>	<u>(1,394,334)</u>	<u>(961,257)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 42 (Maple Ridge-Pitt Meadows)

Schedule 3A (Unaudited)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2020

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	254,724	27,897	178,198	1,156,214	-	30,338	-	17,945	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education	517,500	517,202			265,021	51,450	265,407	553,063	815,336
Other			21,944	3,156,221					
Investment Income	7,343	427	1,319		1,271	218	586	858	
	524,843	517,629	23,263	3,156,221	266,292	51,668	265,993	553,921	815,336
Less: Allocated to Revenue	779,567	534,979	35,400	3,405,103	266,292	66,432	210,825	529,195	815,336
Recovered									
Deferred Revenue, end of year	-	10,547	166,061	907,332	-	15,574	55,168	42,671	-
Revenues									
Provincial Grants - Ministry of Education	772,224	534,552			265,021	66,214	210,239	528,337	815,336
Other Revenue			34,081	3,405,103					
Investment Income	7,343	427	1,319		1,271	218	586	858	
	779,567	534,979	35,400	3,405,103	266,292	66,432	210,825	529,195	815,336
Expenses									
Salaries									
Teachers						16,885	84,021	21,653	78,385
Principals and Vice Principals								29,059	191,249
Educational Assistants		443,692		27,628	191,632	1,020		324,833	
Support Staff	109,489			32,438	50				161,624
Other Professionals									73,536
Substitutes				7,375	2,206		12,446	6,315	132,310
	109,489	443,692	-	67,441	193,888	17,905	96,467	381,860	637,104
Employee Benefits	23,503	91,287		9,909	64,084	3,821	20,906	99,237	127,728
Services and Supplies	105,074		35,400	3,282,942	7,925	44,706	90,908	48,098	32,443
	238,066	534,979	35,400	3,360,292	265,897	66,432	208,281	529,195	797,275
Net Revenue (Expense) before Interfund Transfers	541,501	-	-	44,811	395	-	2,544	-	18,061
Interfund Transfers									
Tangible Capital Assets Purchased	(541,501)			(44,811)	(395)		(2,544)		(18,061)
	(541,501)	-	-	(44,811)	(395)	-	(2,544)	-	(18,061)
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 42 (Maple Ridge-Pitt Meadows)

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

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	First Nation Student Transportation	Mental Health in Schools	Changing Results for Young Children	Youth Education Support Fund	TOTAL
	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	548,854	-	-	-	167,142	2,381,312
Add: Restricted Grants							
Provincial Grants - Ministry of Education	10,146,491	1,976,464	6,005	26,500	1,800		15,142,239
Other						333,933	3,512,098
Investment Income		22,133	76	334	23	3,817	38,405
	10,146,491	1,998,597	6,081	26,834	1,823	337,750	18,692,742
Less: Allocated to Revenue	10,146,491	1,998,597	-	-	-	352,400	19,140,617
Recovered		548,854					548,854
Deferred Revenue, end of year	-	-	6,081	26,834	1,823	152,492	1,384,583
Revenues							
Provincial Grants - Ministry of Education	10,146,491	1,976,464					15,314,878
Other Revenue						348,583	3,787,767
Investment Income		22,133				3,817	37,972
	10,146,491	1,998,597	-	-	-	352,400	19,140,617
Expenses							
Salaries							
Teachers	8,232,450	272,151					8,705,545
Principals and Vice Principals							220,308
Educational Assistants							988,805
Support Staff							303,601
Other Professionals							73,536
Substitutes		66,323				358	227,333
	8,232,450	338,474	-	-	-	358	10,519,128
Employee Benefits	1,914,041	80,315				20	2,434,851
Services and Supplies		935,890				208,918	4,792,304
	10,146,491	1,354,679	-	-	-	209,296	17,746,283
Net Revenue (Expense) before Interfund Transfers	-	643,918	-	-	-	143,104	1,394,334
Interfund Transfers							
Tangible Capital Assets Purchased		(643,918)				(143,104)	(1,394,334)
	-	(643,918)	-	-	-	(143,104)	(1,394,334)
Net Revenue (Expense)	-	-	-	-	-	-	-

School District No. 42 (Maple Ridge-Pitt Meadows)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2020

	2020 Budget (Note 14)	2020 Actual			2019 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education	5,412,799	5,412,799		5,412,799	71,580
Municipal Grants Spent on Sites	5,748,701	4,955,332		4,955,332	1,695,137
Other Revenue	155,603		235,092	235,092	69,135
Investment Income	146,800		144,965	144,965	186,118
Gain (Loss) on Disposal of Tangible Capital Assets	-	-		-	(838,579)
Amortization of Deferred Capital Revenue	6,025,437	5,996,889		5,996,889	5,483,981
Total Revenue	<u>17,489,340</u>	<u>16,365,020</u>	<u>380,057</u>	<u>16,745,077</u>	<u>6,667,372</u>
Expenses					
Amortization of Tangible Capital Assets					
Operations and Maintenance	10,168,280	10,160,500		10,160,500	9,521,618
Total Expense	<u>10,168,280</u>	<u>10,160,500</u>	<u>-</u>	<u>10,160,500</u>	<u>9,521,618</u>
Capital Surplus (Deficit) for the year	<u>7,321,060</u>	<u>6,204,520</u>	<u>380,057</u>	<u>6,584,577</u>	<u>(2,854,246)</u>
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	3,135,044	3,303,776		3,303,776	3,490,463
Local Capital	184,917		225,964	225,964	921,624
Total Net Transfers	<u>3,319,961</u>	<u>3,303,776</u>	<u>225,964</u>	<u>3,529,740</u>	<u>4,412,087</u>
Other Adjustments to Fund Balances					
Tangible Capital Assets Purchased from Local Capital		544,800	(544,800)	-	
Tangible Capital Assets WIP Purchased from Local Capital		1,609,930	(1,609,930)	-	
Total Other Adjustments to Fund Balances		<u>2,154,730</u>	<u>(2,154,730)</u>	<u>-</u>	
Total Capital Surplus (Deficit) for the year	<u>10,641,021</u>	<u>11,663,026</u>	<u>(1,548,709)</u>	<u>10,114,317</u>	<u>1,557,841</u>
Capital Surplus (Deficit), beginning of year		<u>69,995,862</u>	<u>7,447,223</u>	<u>77,443,085</u>	<u>75,885,244</u>
Capital Surplus (Deficit), end of year		<u>81,658,888</u>	<u>5,898,514</u>	<u>87,557,402</u>	<u>77,443,085</u>

School District No. 42 (Maple Ridge-Pitt Meadows)

Schedule 4A (Unaudited)

Tangible Capital Assets
Year Ended June 30, 2020

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	30,993,031	279,801,121	12,329,023	1,320,276	1,774,992	8,093,742	334,312,185
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	5,412,799						5,412,799
Deferred Capital Revenue - Other	4,955,332						4,955,332
Operating Fund		72,465	735,423	49,640	11,898	1,040,016	1,909,442
Special Purpose Funds		536,449	477,792		18,061	362,032	1,394,334
Local Capital			521,361			23,439	544,800
Transferred from Work in Progress		38,880,605	604,739				39,485,344
	10,368,131	39,489,519	2,339,315	49,640	29,959	1,425,487	53,702,051
Decrease:							
Deemed Disposals			727,869		212,846	2,324,714	3,265,429
	-	-	727,869	-	212,846	2,324,714	3,265,429
Cost, end of year	41,361,162	319,290,640	13,940,469	1,369,916	1,592,105	7,194,515	384,748,807
Work in Progress, end of year		1,584,789					1,584,789
Cost and Work in Progress, end of year	41,361,162	320,875,429	13,940,469	1,369,916	1,592,105	7,194,515	386,333,596
Accumulated Amortization, beginning of year		144,299,689	5,101,727	448,398	1,008,517	4,495,025	155,353,356
Changes for the Year							
Increase: Amortization for the Year		6,846,982	1,313,475	134,510	336,709	1,528,824	10,160,500
Decrease:							
Deemed Disposals			727,869		212,846	2,324,714	3,265,429
			727,869	-	212,846	2,324,714	3,265,429
Accumulated Amortization, end of year		151,146,671	5,687,333	582,908	1,132,380	3,699,135	162,248,427
Tangible Capital Assets - Net	41,361,162	169,728,758	8,253,136	787,008	459,725	3,495,380	224,085,169

School District No. 42 (Maple Ridge-Pitt Meadows)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2020

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
Work in Progress, beginning of year	25,062,925				25,062,925
Changes for the Year					
Increase:					
Deferred Capital Revenue - Bylaw	11,742,735	568,881			12,311,616
Deferred Capital Revenue - Other	2,049,804	35,858			2,085,662
Local Capital	1,609,930				1,609,930
	15,402,469	604,739	-	-	16,007,208
Decrease:					
Transferred to Tangible Capital Assets	38,880,605	604,739			39,485,344
	38,880,605	604,739	-	-	39,485,344
Net Changes for the Year	(23,478,136)	-	-	-	(23,478,136)
Work in Progress, end of year	1,584,789	-	-	-	1,584,789

School District No. 42 (Maple Ridge-Pitt Meadows)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
Deferred Capital Revenue, beginning of year	111,240,027	728,668	89,696	112,058,391
Changes for the Year				
Increase:				
Transferred from Work in Progress	28,650,308	5,732,956	575,000	34,958,264
	28,650,308	5,732,956	575,000	34,958,264
Decrease:				
Amortization of Deferred Capital Revenue	5,821,544	108,357	66,988	5,996,889
	5,821,544	108,357	66,988	5,996,889
Net Changes for the Year	22,828,764	5,624,599	508,012	28,961,375
Deferred Capital Revenue, end of year	134,068,791	6,353,267	597,708	141,019,766
Work in Progress, beginning of year	17,745,213	3,791,044	431,250	21,967,507
Changes for the Year				
Increase				
Transferred from Deferred Revenue - Work in Progress	12,311,616	1,941,912	143,750	14,397,278
	12,311,616	1,941,912	143,750	14,397,278
Decrease				
Transferred to Deferred Capital Revenue	28,650,308	5,732,956	575,000	34,958,264
	28,650,308	5,732,956	575,000	34,958,264
Net Changes for the Year	(16,338,692)	(3,791,044)	(431,250)	(20,560,986)
Work in Progress, end of year	1,406,521	-	-	1,406,521
Total Deferred Capital Revenue, end of year	135,475,312	6,353,267	597,708	142,426,287

School District No. 42 (Maple Ridge-Pitt Meadows)

Schedule 4D (Unaudited)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2020

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year		1,499,597	1,743,632	5,748,701		8,991,930
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	17,961,008					17,961,008
Provincial Grants - Other			1,728,643			1,728,643
Other					143,750	143,750
Investment Income		40,158	5,110	90,561		135,829
Transfer project surplus to MEd Restricted (from) Bylaw	(236,593)	236,593				-
School Site Acquisition Fees				429,800		429,800
	17,724,415	276,751	1,733,753	520,361	143,750	20,399,030
Decrease:						
Transferred to DCR - Work in Progress	12,311,616		1,941,912		143,750	14,397,278
Transferred to Revenue - Site Purchases	5,412,799			4,955,332		10,368,131
	17,724,415	-	1,941,912	4,955,332	143,750	24,765,409
Net Changes for the Year	-	276,751	(208,159)	(4,434,971)	-	(4,366,379)
Balance, end of year	-	1,776,348	1,535,473	1,313,730	-	4,625,551