



# ANNUAL REPORT

## 2019



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MISSION PUBLIC SCHOOLS  
SCHOOL DISTRICT No. 75  
[www.mpsd.ca](http://www.mpsd.ca)

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## Message from the Board Chair



On behalf of the Board of Education, I would like to acknowledge that Mission Public Schools operates on the shared, un-ceded, ancestral lands of the Stó:lō people. We recognize our co-governance relationships with First Nations, Metis and Inuit Peoples and we seek to further enhance those relationships from a place of honour, respect, and gratitude. We are pleased to report that in March 2019 we concluded the Tripartite Agreement between First Nations Education Steering Committee (FNESC)/British Columbia/Canada, signing agreements with Quo:ltl'el, Leq'á:mel, Matheqwi and Sq'e`wlets First Nations.

With the municipal election in October 2018, we saw four returning trustees and welcomed one new trustee. We are fortunate in Mission to have trustees that are deeply connected to the community and so engaged in what's happening in Mission Public Schools.

The Board has been working on a new Strategic Plan which includes the overarching themes of Honouring Culture and Territory, Student Centered Learning, Quality Teaching and Leadership, Effective Learning Environments and Future Orientation. Implementing the Strategic Plan to improve student achievement will be the cornerstone of our mandate.

Inclusion, valuing people for who they are, diversity and safe spaces for all are priorities for the Board. The Board of Education is fully supportive of SOGI 123 and values human rights for all students and employees. In May we unveiled a Rainbow Inclusion Walkway at the School Board Office. The walkway was met with overwhelming support from the community and students sincerely appreciated the gesture of acceptance and support. The Board looks forward to continuing the conversation around Inclusion and what that looks like for our District.

We have maintained positive working relationships with our MLA's and other levels of government. The Board has met with the new Mayor and Council throughout the year and we continue to work together to support children and youth and our community. We persist in our advocacy to the Minister of Education with regards to needing a replacement for Mission Senior Secondary, as well as other School District needs that relate to growth and capacity issues.

There is a lot of great work being accomplished by great people here in Mission Public Schools. As a Board we are extremely proud of the work that our employees are doing and being recognized for around the province. I'd like to take this opportunity to thank all our staff members for their contribution to student achievement this year. Teachers, support staff, administrators, staff at the Board Office; every single one of you makes a difference in the lives of our students; and for that we are grateful. We truly couldn't do it without you. On behalf of the Board, Thank-you. Ka'was Hoy.

Tracy Loffler, Board Chair

## Message from the Superintendent



*'If enough grains of sand are dropped into one side of a pair of scales they will, in the end, tip it against a lump of lead'*

— HM Queen Elizabeth II, Christmas Day, 1975

The 2018-19 year was full of great successes and significant challenges. I think we are all pleased with the effectiveness of many of the programs and initiatives we are running, and we are beginning to see them bear fruit, such as improved literacy and math results in the primary years thanks to Joyful Literacy and our ongoing work on mathematics. I have delighted in seeing Kindergarten students' sight words explode from 2 to 18 from September to the end of October, for example. I have every confidence that the years ahead will show even greater improvements. We are also on the cusp of full implementation of the revised curriculum, and staff have modern tools to support their efforts.

We are all aware of significant work that still needs to be done. Our six-year completion rates, especially for Indigenous students, are not where they should be. We have ongoing challenges with some of our physical spaces, our ability to staff to adequate levels, and implementing all of the ideas staff have and the vision of the Board. Staff and the Board are aware of and candid with these issues and moving forward through them.

The 2019/20 year sees us joining the Equity Scan, to help move us in a good direction. The Board of Education spent the 2018-19 school year developing a new Strategic Plan, of which I am happy to report the focus is truly on students – keeping the important things the important things. Further, changes in senior district staffing bring new eyes to help form this new vision.

I am pleased -and excited- with the overall progress of teachers, principals, and district staff to achieving our goals. As noted, the Board is focused on keeping the important things the important things. This isn't just in the realm of student achievement, either; they understand that for a student to be a success, we must support the whole student. This means things like mental health, new pedagogy, and inclusion of all students in the work of the District. Together, the grains of sand can overcome the challenges and obstructions to our students' success.

Angus Wilson, Superintendent of Schools



## 2018 – 2022 Board of Education



Back Row (L-R) Trustee Julia Renkema, Trustee Tracy Loffler, Trustee Shelley Carter  
Front Row (L-R) Trustee Randy Cairns, Trustee Rick McKamey

### Vision, Mission

The Mission Public School District is guided by the Vision and Mission as well as the Board's Strategic Plan.

#### Our Vision

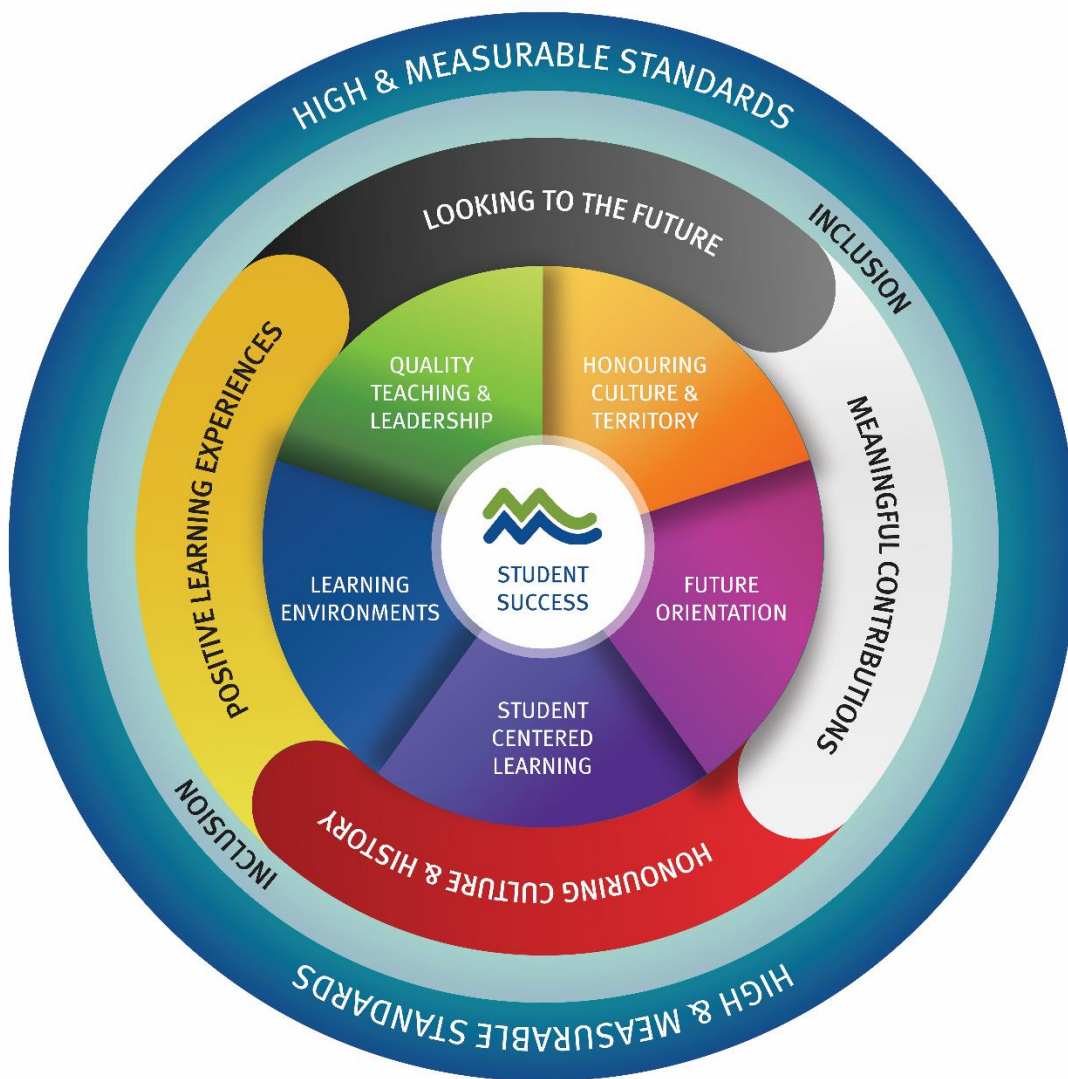
Mission Public School students are educated global citizens who embrace diversity and are prepared for the future.

#### Our Mission

Mission Public School District is committed to a safe, equitable and inclusive educational system for ALL students. Mission students benefit from our diverse community, skilled staff, natural environment, and local history. We are dedicated to honouring student voice and empowering our students to reach their potential.

## Strategic Plan

In the fall of 2018, the Board of Education initiated the process of creating a strategic plan for 2019-2022. The plan identifies five strategic priorities that are aligned with the Ministry's vision for student success. Each priority outlines goals, strategies, and measures which sets direction for the organization and provides guidelines for evaluation. As shown in the infographic below, the priorities are encompassed by the four themes for success referenced in the Aboriginal Education Enhancement Agreement. All the priorities and themes of success are surrounded by an emphasis on inclusive education with an overall objective to help every student succeed on their journey.

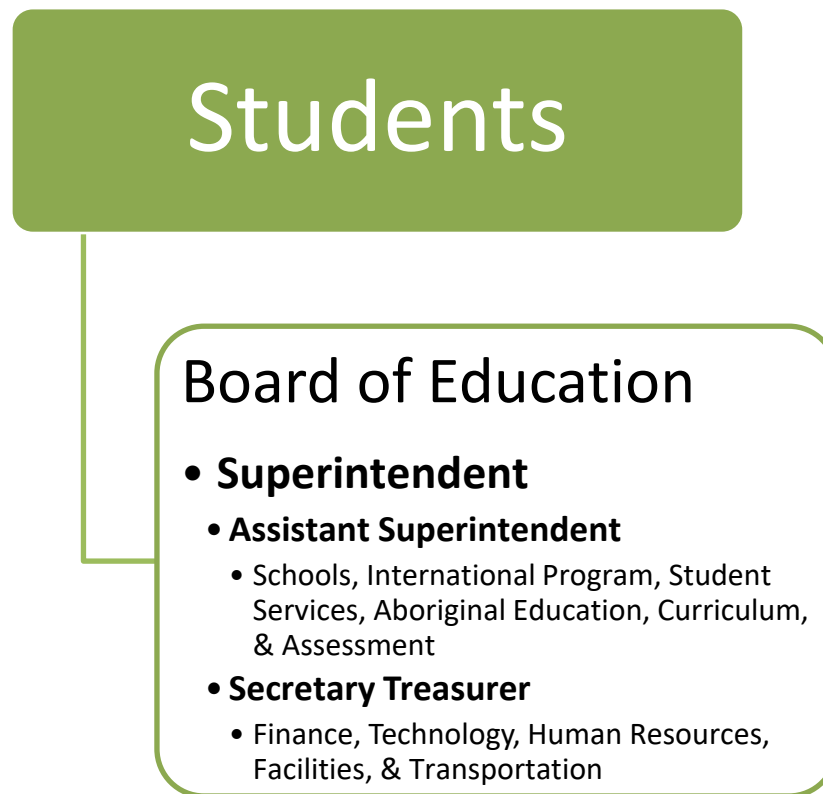


## Operations

The Mission Public School District, No 75 (MPSD), is located in the Fraser Valley on the traditional Stó:lō Territory, serving the District of Mission and a part of the Regional District of the Fraser Valley. There are four First Nation Bands within the boundaries of the School District: Leq:a'mel, Sq'èwlets, Kwantlen, and Matsqui First Nations. The School District is located north of the Fraser River, approximately one-hour east of Vancouver British Columbia.

## Organizational Structure

With student learning at the forefront of decision making, the Board of Education appoints a Superintendent to lead the organization. The Superintendent is responsible for the overall management and program delivery and achieving the vision of the Board along with delivering the services as mandated by the Province of British Columbia.



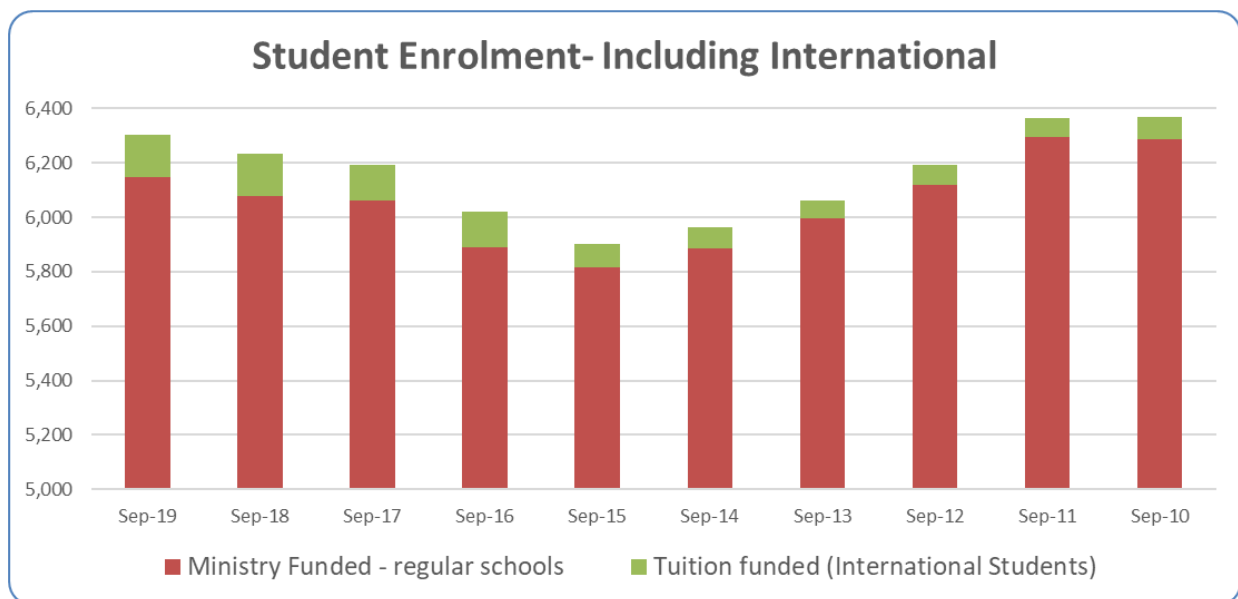
## Schools and Programs

The School District provides public education to approximately 6,300 full time equivalent (FTE) students in thirteen elementary schools, two middle schools, one secondary school, an alternate school, a trades college, and through distributed learning. In addition to regular K-12 education services, Mission Public Schools also provides a French Immersion program, an arts-based K-6 school, a traditional K-6 school, and outdoor education programs. The secondary school is structured to offer education for grades 10 to 12, allowing students to select from an extremely broad selection of courses for the most personalised education possible. Further, Mission Public Schools is exploring expansion of Riverside College, a unique grade 12 / post secondary institute that focuses on career paths in areas of trades, esthetics, business, and community support workers. A significant development during the 2018-19 year was the renovation of Stave Falls Elementary for a September 2019 re-opening.

As noted further below, we are very excited about the expansion of Halq’emeylem language classes at the middle school level, with a plan to expand the classes into upper grades in the years to come.

## Student Enrolment

After years of declining enrolment, the student population in Mission Public Schools is growing. The District of Mission is experiencing growth in development and in-migration from other communities in the lower mainland, bringing more school aged children to the community. In addition, the international program continues to grow, with approximately 150 full-time students. The School District experienced a modest decline of international students near the end of 2018, which warrants monitoring.





## Employees

With growing student enrolment and changes to the class size and composition language in the Mission Public Schools, the number of employees needed to serve the public education system has increased. The following table summarizes the number of employees reported annually to the Ministry of Education, and the percentage of the total workforce.

<b>Mission Public School District</b>							
<b>Employees - Based on the September Report (1530)</b>							
	September	2019	<b>2018</b>	2017	2016	2015	2014
<b><u>Total Employees</u></b>							
Instruction		550.033	<b>550.281</b>	547.802	522.459	501.106	490.297
Class Room Enhancement*		54.000	<b>54.000</b>				
District Administration		27.971	<b>25.071</b>	23.857	23.857	21.000	22.000
Operations and Maintenance		69.538	<b>70.463</b>	65.339	58.000	58.200	51.100
Transportation		15.494	<b>14.013</b>	13.082	12.116	11.044	10.475
		<u>717.036</u>	<b><u>713.828</u></b>	<u>650.080</u>	<u>616.432</u>	<u>591.350</u>	<u>573.872</u>
<b><u>% of workforce</u></b>							
Instruction		84.24%	<b>84.65%</b>	84.27%	84.76%	84.74%	85.44%
District Administration		3.90%	<b>3.51%</b>	3.67%	3.87%	3.55%	3.83%
Operations and Maintenance		9.70%	<b>9.87%</b>	10.05%	9.41%	9.84%	8.90%
Transportation		2.16%	<b>1.96%</b>	2.01%	1.97%	1.87%	1.83%
		<u>100.00%</u>	<b><u>100.00%</u></b>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

\* In 2017, language regarding class size and composition was restored, requiring additional teaching staff. An additional 54 teachers were hired for the 2017/2018 Year, and again for the 2019/2020 year. These additional teachers are recorded in a special purpose fund which is not accounted for on the 1530 report.

NOTE: A small portion of other FTE are included in other Special Purpose Funds, such as Learning Improvement Funds for Education Assistants and French Coordination that are not included in the 1530 report, or in the above table. This information will be gathered and summarized in future reports.

## 2018/2019 Highlights

Mission Public Schools strives to serve the students while considering the goals and objectives of the Board of Education's strategic plan. The operational highlights include the work that meets the Boards' goals and are cited below.

### Strategic Results

Working to support the goals of the Board, the following summarizes a few of the activities and efforts related to the goals of the strategic plan.

#### FRAMEWORK FOR ENHANCING STUDENT LEARNING

Mission Public Schools began the work of developing a new strategic plan in 2018-19, and a primary goal was aligning it with the new Framework for Enhancing Student Learning. This meant both ensuring a system wide focus on student success and building capacity within our system to ensure everyone has the skills and tools to support student learning. The fundamental pillars of School District's new strategic plan therefore mirror the lens the Ministry of Education puts on student learning. As with the new FESL, Mission will pay particular attention to, and collect evidence on, students with diverse needs, ELL students, and Indigenous students.

#### HUMAN RESOURCES TO SUPPORT STUDENT LEARNING

During 2018-19, to recruit enough teachers to cover the new requirements as well as ensure quality staff in all positions, the HR department was effectively doubled. Further, several additional Continuing Contract TTOC positions were created for all schools in the district. Despite this, there were still significant shortages, requiring Principals and non enrolling teachers to cover classes. The District continued to work on addressing this issue, and by the end of the year the number of shortages had decreased significantly. A further area of success was in implementation of a new Health & Safety program across the District.

#### PLAN FOR TECHNOLOGY TODAY AND TOMORROW

In 2017, Mission Public Schools implemented a technology plan. This plan has seen all teachers receive new laptops, as well as a standardisation and rationalisation of IT in schools. The network has been upgraded and supported more extensively with additional IT staff. While a few areas still require technology upgrades, as of the summer of 2019, the refresh was effectively complete, and work moved on to upgrading software systems.

#### COMMUNICATION AND ENGAGEMENT

Mission Public Schools continues to utilise the 'Committee of the Whole' structure, meaning virtually all Board meetings and discussions occur in public, allowing for greater transparency and direct connection with the public. Ongoing work is done to improve the district's website, social media, and application-based information sharing.

### ECONOMIC SUSTAINABILITY

After a few years with operating surpluses, the District was in an operating deficit position this year. This shift is due to a variety of reasons and will require closer scrutiny of financial activities and budgets in the next few years. This will undoubtedly require more detailed budgeting and analysis in the coming months.

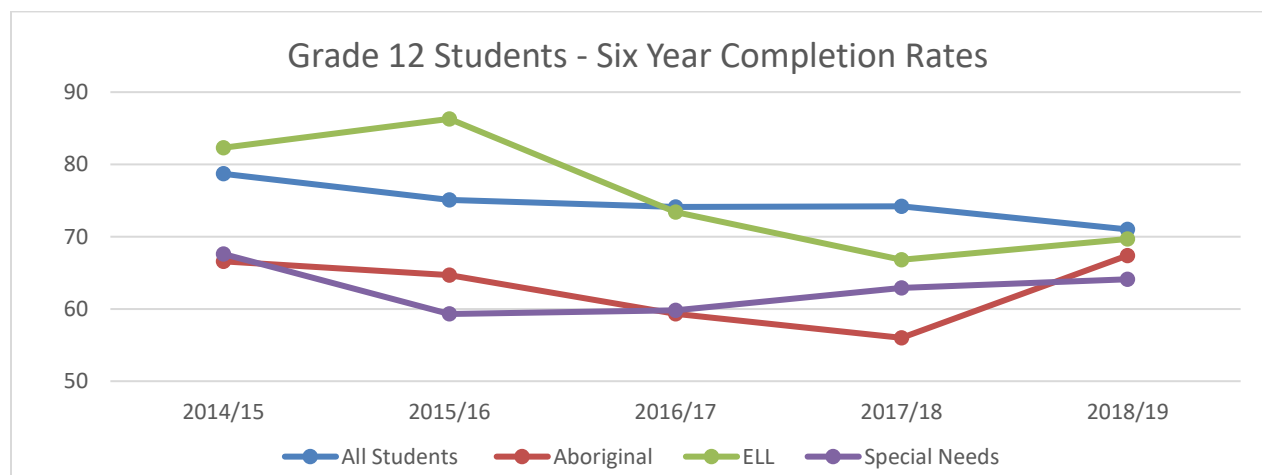
### GOVERNANCE

As noted under communication and engagement, the use of the Committee of the Whole structure has provided greater opportunity for open and transparent decision making by the Board. The continued participation of educational partners will ensure an effective governance structure for Mission Public Schools.

## Student Success

Mission Public Schools performs in the average range for British Columbia. Two areas of significant concern are the overall six-year completion rate, which has continued to decline, and the relatively low engagement in post secondary education. However, the exciting and focused work of our curriculum team in partnership with our teachers in implementation of the new curriculum, notable revisions in mathematics, new career preparation materials, Indigenous education resources and the like all show promise at improving the outcomes of our students. Significant results are being seen, with Indigenous completion rates increasing 12% from the previous year; ELL and Special Needs results have also improved.

When Mission reconfigured its secondary programming into one large senior secondary, one of the reasons was to support elective choice and allow the offering of specialist courses. This has been resulting in significant success for students; For example, AP Calculus 12 students were 1 to 2 standard deviations above the Canadian and Global average – this is a Mean Score of 3.85, compared to 3.67 nationally and 2.97 internationally.



Notably, a relatively smaller number of Mission students attend post secondary compared to other Lower Mainland/Fraser Valley districts. SD 37 (Delta), for example, sends 76% of graduates – 62% of the original cohort- to post secondary; in SD 34 (Abbotsford) it is 65% and 54% respectively. Assets like Riverside College may support improvements in this statistic. A promising result for Mission is an increase in six-year completion rates for students with diverse needs (Up 2%) and for Indigenous students (up 12% to 68%). However, our overall six-year completion rate is low, at just 71% for 2018-19.

Progress to B.C.  
Public Post-Secondary  
After K-12 by Fall 2016

**263**

53% of graduates  
39% of original student group

### INDIGENOUS EDUCATION

The 2018-19 school year saw continued growth in Halq'emeylem work in the district, now in its second year at the middle school level. During the year a plan to monitor all students was developed and expanded for implementation in the 2019/20 school year. An interesting aspect of this project was learning the story that each student has to tell.

The Indigenous Education department was recognised at the provincial level this year in a series of videos and other accomplishments. Mission staff were, for example, featured in an international presentation, and perhaps most notably, our Principal of Ab Ed was seconded to the Ministry at the end of the school year to support the province's Equity Scan. It is notable that Mission is participating in the Equity Scan for the 2019 school year.

### Respect – The Buffalo



2018-19 was the fourth year in a seven-year cycle of Sacred Teachings. This year was the theme of respect, represented by the buffalo (or bison). The artwork was created by local Squamish artist Peter Gong. The buffalo is depicted on the prairie, surrounded by a medicine wheel. The medicine wheel has Coast Salish and form line design representing west coast First Nations cultures.

The Buffalo teaches us respect. Respect is the condition of being honoured and encourages living harmoniously with a sense of balance.

Since time immemorial, Indigenous peoples have sustained their lives through the Buffalo in terms of food, clothing, shelter, utensils and tools. They believe themselves to be true caretakers of the great herds and have developed a sustainable relationship with the Buffalo resulting in a relationship that was a true expression of reciprocal respect.

### **Truth and Reconciliation**

Mission Public School District resides on territory that housed St. Mary's residential school, which operated until 1985, being the last functioning residential school in British Columbia. Since the unveiling of the residential school curriculum website, *Thalit Sqwelqwel Stories of Truth*, [www.greatspiritland.com](http://www.greatspiritland.com), over 17,000 views from over 40 countries have been established, reaching to all corners of the globe.

Once again in the fall 2018, we hosted the Orange Shirt Day March for Reconciliation, where over 1000 SD75 students, staff, Indigenous Elders and community members gathered to commemorate Orange Shirt Day. Kwantlen Elder Cheryl Gabriel shared her message of reconciliation to the crowd.

### **Goals for Indigenous Student Education – 2019-2020**

FSA results indicate that Indigenous students perform below non-Indigenous students in reading, writing and math, and that there is a gap in the six-year graduation rate. The positive news in the June 2019 data showing a 12% increase in completions is encouraging. However, much work still needs to be done to ensure parity.

Considering the Board's goals with respect to supporting Indigenous students, the following additional goals are set to provide additional supports:

1. Embarking on the Equity Scan through Indigenous Education, Ministry of Education to help strengthen student results.
2. Collaborate with education leaders and partners, develop a 3 to 5-year implementation plan for the new curriculum that includes:
  - a. Full implementation of the Aboriginal Enhancement Agreement by 2019
  - b. Respecting and implementing the First Peoples' Principles of Learning
  - c. A sense of belonging and ensuring successful transition for Aboriginal students



## STUDENT SERVICES

Equity lies at the heart of public education. The School District works to ensure equitable access to programming, learning supports, and other resources. In 2018-19 Student Services developed a guide for parents to assist in understanding the education system and how to navigate it. In addition to providing formulae to adjust supports for schools and students in an equitable manner, the Student Services department has been studying the potential impacts of changes to funding and how to best serve the students in our care.

Student Services include support and consultation for students in the areas of Counselling and Youth Care Workers, Psychology, Speech and Language, Occupational and Physical Therapy, Blind and Visually Impaired, Deaf and Hard of Hearing, Children and Youth in Care, Learning Specialist and Learning Specialist Alternate Teachers, Inclusive Support Teachers, Inclusive Mentor Teachers, Educational Assistants and Crisis Response Flight Team.

The number of students who meet the Ministry of Education criteria for a designation is growing each year. In 2018-19 there were 743 students who received a ministry designation, which was up from 710 the previous year. Of the 743 students, 417 were designations considered low incidence which was up from 387 low incidence the previous year. All students with a designation have an Individual Education Plan (IEP) that is written by teachers in consultation with family and reviewed annually.

### 2018-19 Highlights

- The Children and Youth in Care Advocate has been working effectively with families, school staff with Fraser Valley Aboriginal Children and Family Services Society, Ministry of Children and Family Development and Metis Family Services. [Click here to view a video that was created to document the work.](#)
- With a focus on Trauma Informed Practice, professional training for all staff was provided at various workshops led by Dr. Chuck Geddes from the Complex Trauma Resource Team
- Training in the Teen Mental Health curriculum occurred with our middle school staff. Thirty staff were trained as go to educators to implement the mental health curriculum to students for the following school year.
- In collaboration with Child and Youth Mental Health, a CYMH clinician was available to students on campus.
- The District Inclusive Mentor Teacher began Student Cooperation Training Program offered by Provincial Outreach Program for Autism Spectrum Disorders.
- A School District team between Windebank Elementary School and Ecole Heritage Park Middle School explored transition from elementary to middle school and was awarded a CARS action research grant (Collaborative Action Research Studies: A vehicle for improving and sharing instructional practice) from POPFASD. POPFASD is the Provincial Outreach Program for Fetal Alcohol Spectrum Disorder.
- A district team of inclusive trained educators engaged in FIRST training (FASD informed resource support teacher training), also offered through POPFASD.

- MPSD hosted a Transition Fair in February at Ecole Mission Secondary School for parents, youth and staff. Connecting community members and educating youth, parents and staff on the programs available for post-secondary and employment, and adult living.
- A cross district and cross ministry, Transition Advisory Committee was formed and met throughout the year, linking all the community partners supporting students and families.
- Students in grade 12 and 13 completed their Pathways to Employment training at Riverside College, through a collaboration of Douglas College, Riverside College, MSS, Fraserview Learning Center and Summit Learning Center, as well as, Student Services and Siwal Si'wes.
- Teachers continue to explore and pilot the Competency Based IEP. A slow thoughtful movement to this new IEP will continue over the next several years.
- Universal Speech and Language Screening continued in Kindergarten this year. Speech and Language FTE increased to 4.8 FTE from 3.6 FTE.
- A district wide Hydrotherapy program was created in partnership with the Mission Leisure Center.
- Learning Specialist Teachers continue to engage in training in the on-line version of the Kauffman Educational Test of Achievement (KTEA).
- Our Critical Incident Response Team continue to learn together and support schools in need.

#### REDESIGNED CURRICULUM

BC's redesigned curriculum supports a depth of learning and active engagement of learners in order to prepare students for our globalized and rapidly changing world. While maintaining a focus on important literacy and numeracy skills, the curriculum also emphasizes the development of core competencies that support the intellectual, personal, and social skills necessary for success in life. For more information about the redesigned curriculum, visit <https://curriculum.gov.bc.ca/>.

In 2018-19 the School District Curriculum team continued to provide a variety of supports for teachers and principals in implementing the redesigned curriculum. K-9 curriculum implementation has been in progress since 2016, grade 10 implementation (including the new Career Education program) began in 2018-19, and by July 2019 all grade 11 and 12 courses were finalized for implementation in 2019-20.

Some curriculum highlights for 2018-19 include:

- Seven elementary schools continued in their second year of professional learning and implementation of Joyful Literacy in K and Grade 1 classrooms. Assessments highlight significant growth in literacy development in these young learners.
- Educators had a variety of options at the October Curriculum Implementation Day to further develop their understanding of the redesigned curriculum, including:
  - Inquiry-based learning (K-9)
  - Self-assessment of Core Competencies (K-12)
  - Indigenous teachings (K-12)
  - myBlueprint (All About Me, K-6 and education planner, 7-12)
  - JUMP Math (K-6)
  - Self-regulation and social emotional learning (K-6)

- Teaching for critical thinking (7-12)
- Implementing the redesigned curriculum in secondary math and science (10-12)
- Joyful Literacy (K-2)
- Project-based learning (K-12)
- Competency-based IEPs
- French immersion (K-12)
- A variety of ongoing options were also available to educators throughout the year, including:
  - Core French learning series
  - UBC Massive Open Online Course: Reconciliation Through Indigenous Education, with touchback sessions facilitated by district staff
  - Indigenous teachings
  - First Peoples Principles of Learning as a Framework for Transformation and Equity
  - Competency Based IEPs series
  - Outdoor education series
  - Building Thinking Classrooms
  - JUMP Math
  - Inquiry-based learning
  - Meaningful and quality assessment series

## Financial Statement Discussion and Analysis - 2019

The following information is based on financial information found in the financial statements. This additional information should be read in conjunction with the audited consolidated financial statements and accompanying notes for Mission Public School District, No. 75.

### Financial Position

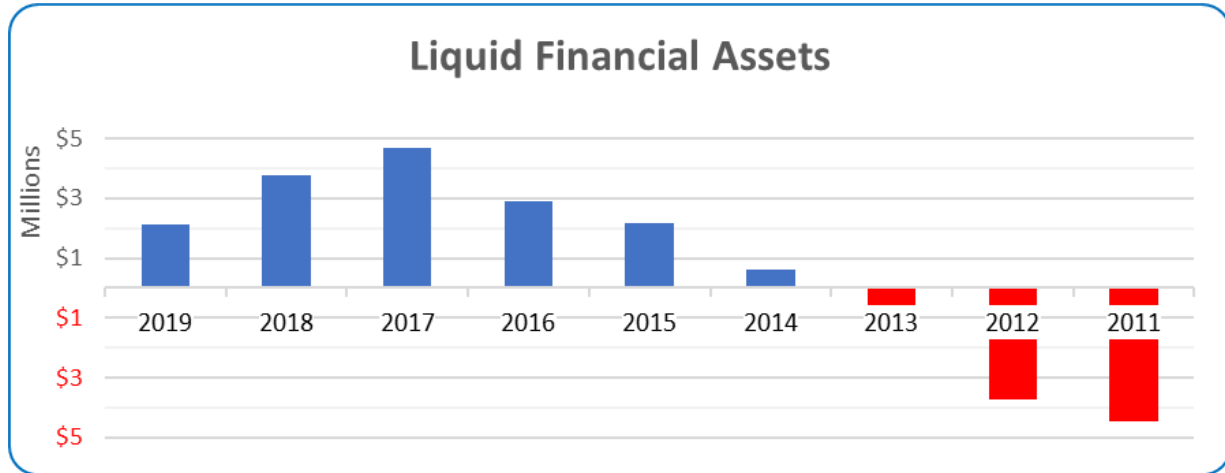
#### FINANCIAL ASSETS

The first statement in the Financial Statements – Statement 1, the Statement of Financial Position, provides an accounting report on the financial position of the School District at the end of the accounting period. This statement is often referred to as the balance sheet, which is a familiar term used in business accounting.

The statement of financial position shows that the School District has an accumulated financial surplus. This surplus is comprised of investment in capital assets and investment in financial assets. The net financial assets are in a deficit position due to the recording of deferred revenue for capital assets as a liability. Separating the financial assets from the capital assets shows that liquid financial assets are available to meet the School District’s financial obligations. Liquid financial assets are comprised of cash and cash equivalents, accounts receivable, less accounts payable, short-term liabilities, and short-term deferred revenue. The School District’s liquid financial assets declined from \$3.76 million (5.10% of revenue) to \$2.13 million (2.82% of revenue). The reduction of liquid assets should be monitored to ensure financial resources are available to cover financial liabilities.

<b>Mission Public School District</b>					
<b>Statement of Financial Position - Analysis</b>					
	2019	2018	2017	2016	2015
Financial Assets	\$ 12,579,828	\$ 14,717,102	\$ 15,018,287	\$ 12,033,333	\$ 9,720,619
Liabilities					
General	10,698,518	11,212,130	10,427,178	9,232,928	7,741,030
Deferred Capital	53,510,984	53,727,585	53,342,952	52,783,158	53,124,338
Net Financial Assets	\$ (51,629,674)	\$ (50,222,613)	\$ (48,751,843)	\$ (49,982,753)	\$ (51,144,749)
Non-Financial Assets					
Prepays	249,762	252,336	79,203	126,052	191,236
Tangible Capital Assets	80,199,488	80,838,474	79,824,185	79,272,054	79,224,955
Accumulated Surplus	\$ 28,819,576	\$ 30,868,197	\$ 31,151,545	\$ 29,415,353	\$ 28,271,442
<hr/>					
<b>Accumulated Surplus</b>	2019	2018	2017	2016	2015
Financial Asset Surplus	2,131,072	3,757,308	4,670,312	2,926,457	2,170,825
Capital Asset Surplus	26,688,504	27,110,889	26,481,233	26,488,896	26,100,617
	\$ 28,819,576	\$ 30,868,197	\$ 31,151,545	\$ 29,415,353	\$ 28,271,442

The above table reconciles the financial and capital elements of the statement of financial position for the past five years. The capital component of the assets has remained relatively stable with some new investment in assets. The ratio of Capital Assets to deferred Capital Revenue is consistently around 66%.

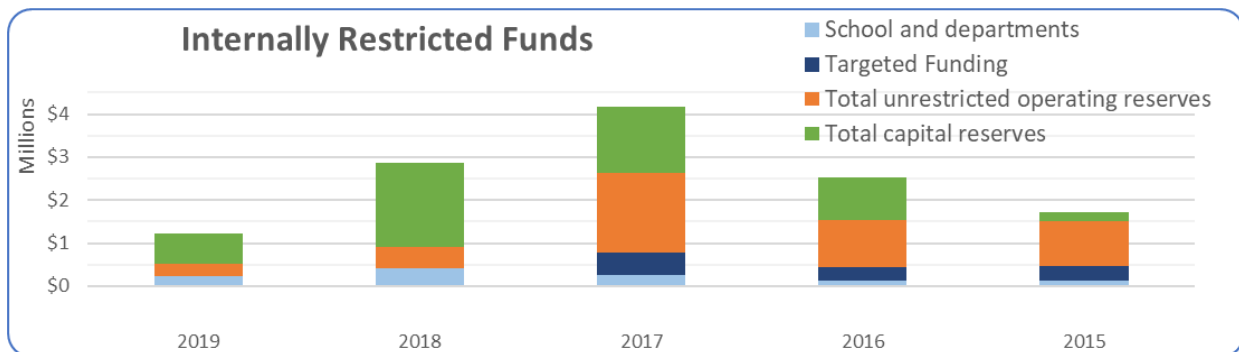


The School District has been in a positive liquid financial asset position since 2014, although it has declined over the past two years.

#### ACCUMULATED SURPLUS

The School District maintains three types of reserve funds generated from an annual operating surplus. These funds are reserved and restricted for specific purposes, unrestricted, or restricted for local capital. The School District generally budgets the use of the unrestricted reserve in the following year. The School District has drawn on the reserve funds for the past two years, which has reduced the reserves and eliminated the unrestricted reserve in 2019.

The School District’s policy is to hold a minimum of 1% of the operating revenues in a contingency reserve, with a target of 2% and a maximum of 5%. When the contingency target of 2% is met, the policy allows for the transfer of surplus funds to a restricted operating reserve or to local capital. As of June 30, 2019, there are no funds in the unrestricted reserve, and only 0.37% of operating revenue held as a contingency. The capital reserve also decreased.





The total 2019 unrestricted reserve, restricted reserves, and the capital reserve balance is \$1,234,545 (0.7% of operating revenues). This is a significant decline from the 2018 balance of \$2,863,688. With less than 1% of operating revenue held in reserve, the School District is at risk of a deficit in future years, and spending must be tightly controlled.

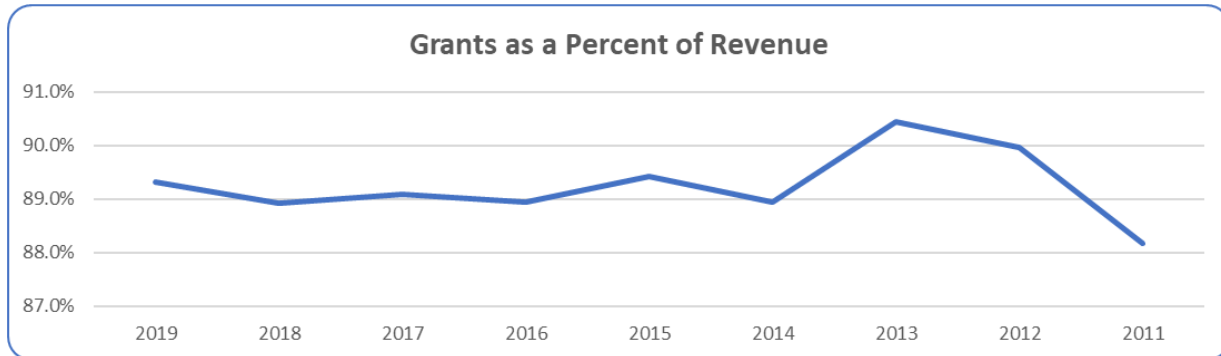
The following table provides the details on the reserves for the past five years.

<b>Mission Public School District Accumulated Reserves - Analysis</b>					
	2019	2018	2017	2016	2015
<b>Accumulated Operating Reserves</b>					
<b>Internally Restricted Operating Reserves</b>					
Aboriginal targeted	\$0	\$0	\$50,288	\$16,247	\$69,495
Employee benefit plans	0	0	282,910	282,910	282,910
Student learning grant	0	0	191,309	0	0
Targeted Funding	0	0	524,507	299,157	352,405
School and departments	236,653	403,559	258,566	136,456	119,595
<b>Total restricted operating reserves</b>	<b>236,653</b>	<b>403,559</b>	<b>524,507</b>	<b>299,157</b>	<b>352,405</b>
<b>Unrestricted Operating Reserve</b>					
Held as contingency (1% op rev)	\$269,503	\$510,812	\$600,073	\$568,676	\$535,583
Balance unrestricted (Deficit)	0	0	1,246,133	522,119	499,666
<b>Total unrestricted operating reserves</b>	<b>269,503</b>	<b>510,812</b>	<b>1,846,206</b>	<b>1,090,795</b>	<b>1,035,249</b>
<b>Total operating reserve funds</b>	<b>506,156</b>	<b>914,371</b>	<b>2,370,713</b>	<b>1,389,952</b>	<b>1,387,654</b>
<b>Capital Reserves</b>					
Local capital – allocated to projects	\$536,528	\$1,557,242	\$1,063,930	\$797,000	\$0
Local capital – unallocated	191,861	392,075	471,290	215,000	215,000
<b>Total capital reserves</b>	<b>728,389</b>	<b>1,949,317</b>	<b>1,535,220</b>	<b>1,012,000</b>	<b>215,000</b>
<b>Total operating and capital reserves</b>	<b>\$1,234,545</b>	<b>\$2,863,688</b>	<b>\$3,905,933</b>	<b>\$2,401,952</b>	<b>\$1,602,654</b>
<i>Reserve funds available for expenditures in addition to annual revenues</i>					

## Financial Operations

### REVENUES

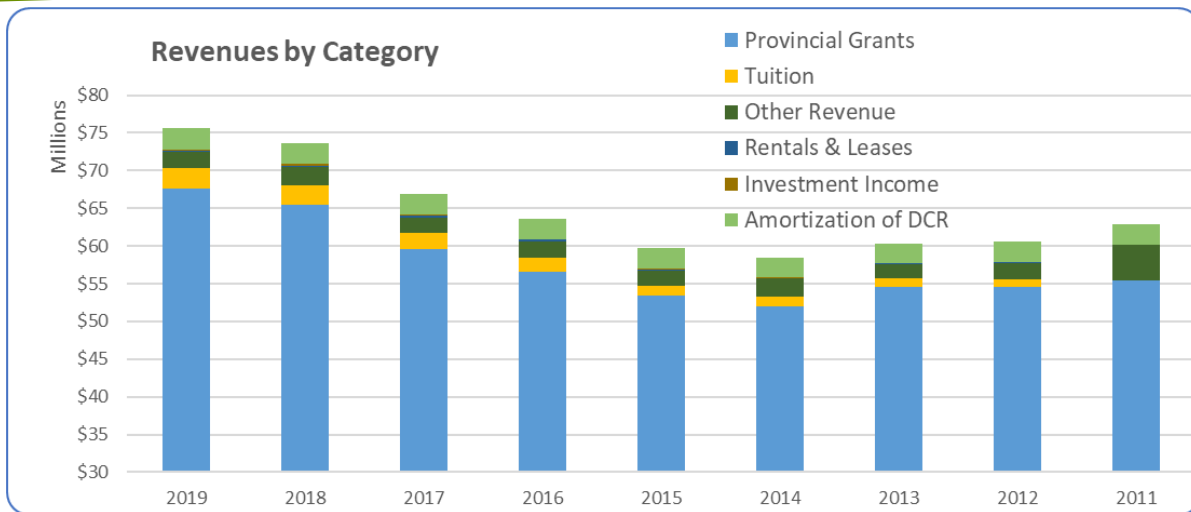
Most of the School District's revenue comes from Provincial Grants (89.3% in 2019, 88.9% in 2018). This is a significant risk to the School District, as there is a limited ability to generate other funding sources. Grant revenue increased by approximately \$2.0 million (3.16%) due to increased student enrolment and some inflationary adjustments to the base rates.



There has been a steady growth in tuition revenue due to a steady increase in international student enrolment. Tuition revenue represents 3.58% of total revenues (2018 – 3.4%). Other revenues, rental revenues, and investment earnings decreased by approximately \$300,000 to \$2.5 million (2018 \$2.8 million). Other revenue, rent, and investments represents 3.32% of total revenues (2018 – 3.83%). These revenues are decreasing primarily due to fewer funds available to earn investment revenue, and fewer organizations renting space due to more classrooms being opened in schools.

Total revenues increased by over 2.7% in 2019 (10% in 2018) and exceeded the budget projection by \$1.278 million. Notable changes to the revenue are:

400K	AFG non-capital revenue (capital revenue not amortized – booked as immediate revenue and expense on Schedule 4)
240K	International tuition
100K	Remedy
150K	Employer health tax
70K	ITA – Riverside Trades Training Grants



## EXPENSES

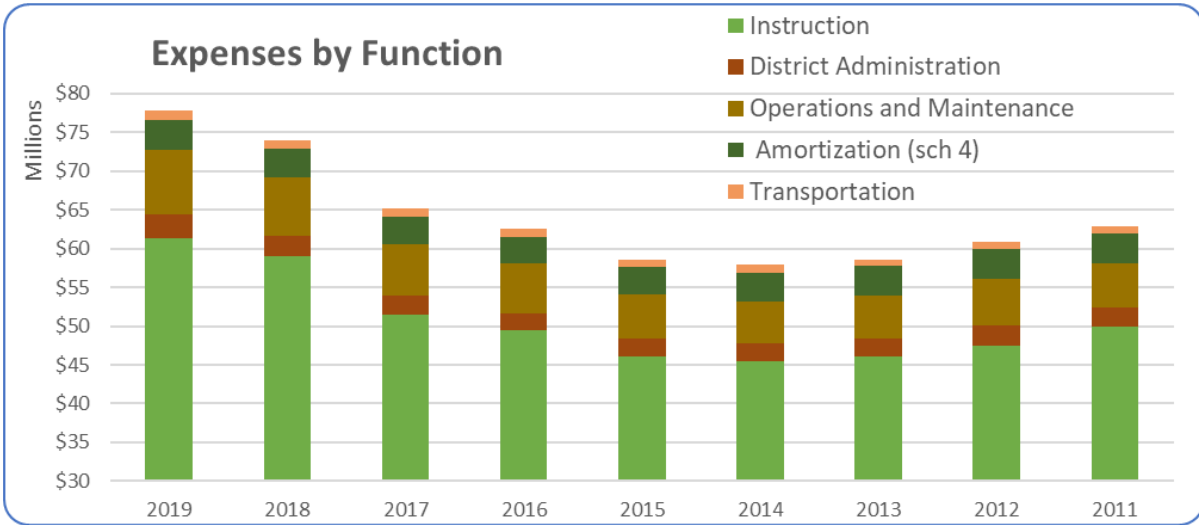
In 2019, total expenses increased 5.08% over 2018. The increase was primarily due to increased enrolment. Instruction represents 78.98% of total expenses in 2019, down from 79.72% in 2018. Instruction costs increased by \$2.4 million to \$61.385 million in 2019 (7.5 million increase to \$58.964 million in 2018). This increase is primarily due to the increased classrooms for increased enrolment and increases to the average teacher salary. The salary and benefit component of costs are expected to increase substantially as employee tenure increases. Funding from the Ministry currently considers average teacher salary, and the annual grant rate per student is adjusted as the average teacher salary cost changes.

The amended budget preparation in January 2019 process identified an issue with the substitute employee budget. The substitute salary costs were tracking significantly higher than originally anticipated. The budget was amended to manage the projected \$1 million overage in substitute costs. The final cost of substitute salaries (schedule 2C) shows the total operating fund substitute cost of \$3.27 million (amended budget \$3.20 million, preliminary budget \$2.1M). The total amended budget for substitutes including special purpose funds was \$3.34 million (the preliminary budget was \$2.245 million).

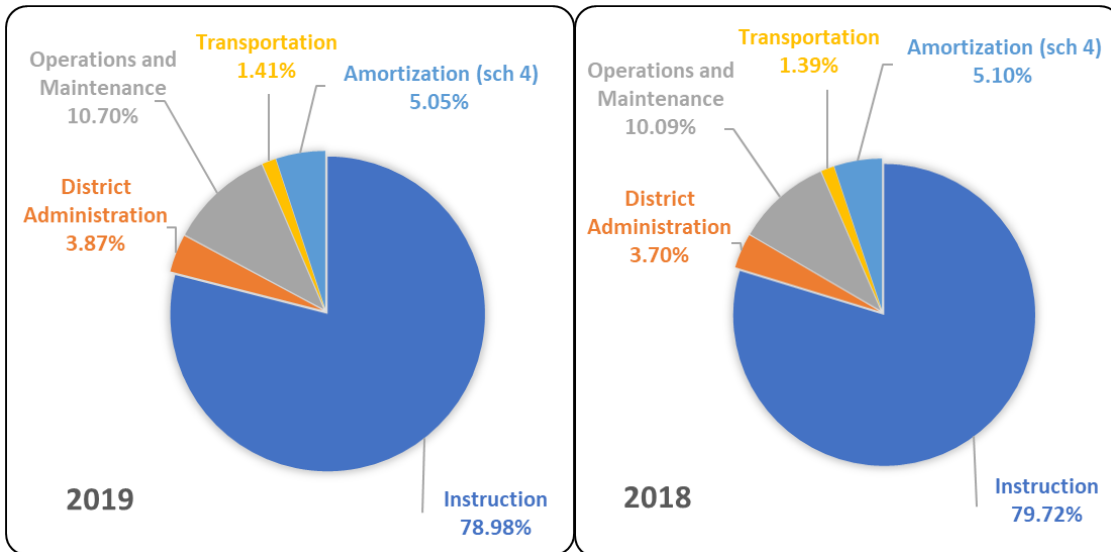
The total expenses for 2019 were \$77.7 million, \$.898 million over the amended budget, which was offset by increased revenues that were not budgeted for as well.

## Expenses by Function

As is expected, the majority of expenses are related to instruction. Instruction costs were 78.98% of total expenses in 2019 (79.72% in 2018).



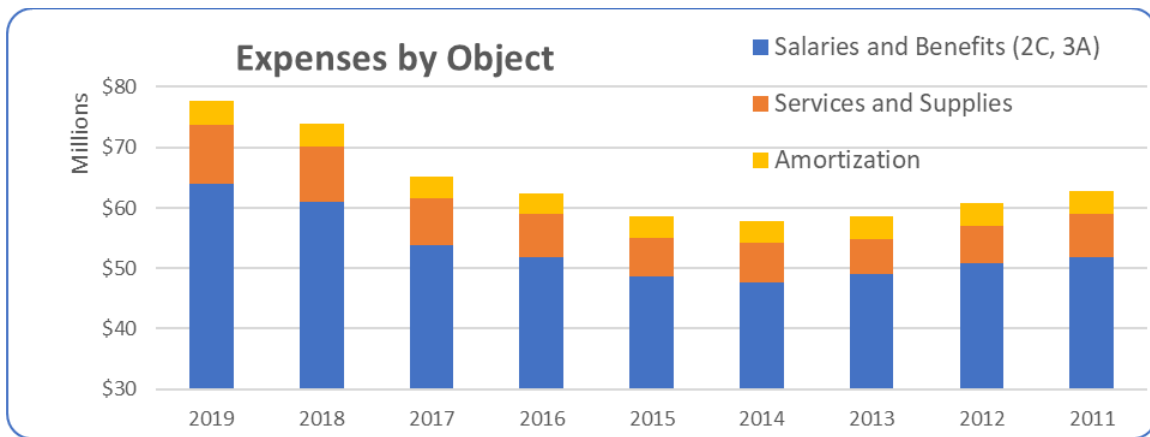
### Expenses by Function – percentage of total expenses including amortization



### Expenses by Object – percentage of total expenses including amortization

Salaries and benefits increased by \$3 M to \$63.9 million (2018 - \$60.9 million). The change to the salary and benefit cost is due to the increase in the number of employees, as well as an increase in base salaries and length of service increases. The percent of expenses in 2019 related to salaries and benefits is 82.3%, which is consistent with 2018's 82.41%.

Service and supply expenses increased by \$590,661 to \$9.8 M (12.65% of expenses in 2019) from \$9.2 M (12.49% of expenses in 2018). The increase in services and supplies is related to the restored language, increased enrolment, and the increased information and technology services and supplies. The instruction, administration, and operations and maintenance expense categories all exceeded their budget allotments. The cost over runs were covered by increased revenues.



### OPERATING DEFICIT

The School District ended the 2019 year with an operating deficit of \$990,000, compared to an operating surplus of \$665,000 in the previous year. The deficit was managed by drawing funds back from reserves. The amended budget had projected drawing \$1.36M back from reserves, the final total draw from reserves was \$1.0M (\$600,000 from local capital, and \$408,215 from other reserves).

The draw from surplus in 2019 is significantly different than the draw from surplus in 2018. The 2018 draw was for specific capital projects. The 2019 draw covered operating costs. Consistently drawing from reserves to cover operating costs is not sustainable. The School District will need to maintain tight control over spending next year to ensure an operating deficit does not occur in 2020.

Mission Public School District					
Surplus Analysis					
	2019	2018	2017	2016	2015
Revenues - excludes amortized deferred revenue	\$ 72,809,014	\$ 70,857,059	\$ 64,126,295	\$ 60,923,411	\$ 57,009,786
Expenses - excludes capital amortization	73,799,125	70,192,830	61,507,868	59,002,141	54,976,047
<b>Operating/Special purpose surplus (deficit)</b>	<b>\$ (990,111)</b>	<b>\$ 664,229</b>	<b>\$ 2,618,427</b>	<b>\$ 1,921,270</b>	<b>\$ 2,033,739</b>
<b>Op. surplus as % of operating revenue</b>	<b>-1.36%</b>	<b>0.94%</b>	<b>4.08%</b>	<b>3.15%</b>	<b>3.57%</b>
Interfund transfers (capital)	\$ (581,896)	\$ 2,379,137	\$ 1,515,556	\$ 1,902,111	\$ 1,357,789
<b>% of revenue</b>	<b>-0.80%</b>	<b>3.36%</b>	<b>2.36%</b>	<b>3.12%</b>	<b>2.38%</b>
<b>Surplus (deficit) after interfund</b>	<b>(\$408,215)</b>	<b>(\$1,714,908)</b>	<b>\$1,102,871</b>	<b>\$19,159</b>	<b>\$675,950</b>
<b>Transfer (to) / from reserves</b>	<b>408,215</b>	<b>1,714,908</b>	<b>(1,102,871)</b>	<b>(19,159)</b>	<b>(675,950)</b>
	-	-	-	-	-



Audited Financial Statements

# School District No 75 (Mission)

June 30, 2019

# School District No. 75 (Mission)

June 30, 2019

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# School District No. 75 (Mission)

## MANAGEMENT REPORT

Version: 7983-7237-5255

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 75 (Mission) 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. 75 (Mission) (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, KMPG 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. 75 (Mission) 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. 75 (Mission)

Original signed by T. Loffler	Sept. 17, 2019
Signature of the Chairperson of the Board of Education	Date Signed
Original signed by A. Wilson	Sept. 17, 2019
Signature of the Superintendent	Date Signed
Original signed by C. Becker	Sept. 17, 2019
Signature of the Secretary Treasurer	Date Signed



KPMG LLP  
32575 Simon Avenue  
Abbotsford BC V2T 4W6  
Canada  
Telephone (604) 854-2200  
Fax (604) 853-2756

## INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 75 (Mission), and  
To the Minister of Education, Province of British Columbia

### ***Opinion***

We have audited the financial statements of School District No. 75 (Mission) (the Entity), which comprise:

- the statement of financial position as at June 30, 2019
  - the statement of operations for the year then ended
  - the statement of changes in net financial assets (debt) for the year then ended
  - the statement of cash flows for the year then ended
  - and notes to the financial statements, including a summary of significant accounting policies
- (Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements of the Entity as at and for the year ended June 30, 2019 are prepared, in all material respects, in accordance with the financial reporting provisions of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

### ***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 “Auditors’ Responsibilities for the Audit of the Financial Statements” section of our auditors’ report.

We are independent of the Entity 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 – Financial Reporting Framework**

We draw attention to note 2 to the financial statements which describes the applicable financial reporting framework and the significant differences between the financial reporting framework and Canadian public sector accounting standards.

Our opinion is not modified in respect of this matter.

### **Other Information**

Management is responsible for the other information. Other information comprises:

- Unaudited Schedules 1-4 attached to the audited financial statements

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the unaudited schedules documents as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

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

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of Section 23.1 of the Budget and 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

### **Auditors' 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 auditors' 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 the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- 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.

Chartered Professional Accountants

Abbotsford, Canada  
September 17, 2019



# School District No. 75 (Mission)

## Statement of Financial Position

As at June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	11,751,465	14,149,921
Accounts Receivable		
Due from Province - Ministry of Education	227,148	168,610
Due from Province - Other	1,449	20,925
Due from LEA Funding	76,191	
Other (Note 3)	523,575	377,646
<b>Total Financial Assets</b>	<b>12,579,828</b>	<b>14,717,102</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	7,366,825	7,840,748
Unearned Revenue (Note 5)	1,372,359	1,592,199
Deferred Revenue (Note 6)	1,031,293	868,763
Deferred Capital Revenue (Note 7)	53,510,984	53,727,585
Employee Future Benefits (Note 8)	928,041	910,420
<b>Total Liabilities</b>	<b>64,209,502</b>	<b>64,939,715</b>
<b>Net Financial Assets (Debt)</b>	<b>(51,629,674)</b>	<b>(50,222,613)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 11)	80,199,488	80,838,474
Prepaid Expenses	249,762	252,336
<b>Total Non-Financial Assets</b>	<b>80,449,250</b>	<b>81,090,810</b>
<b>Accumulated Surplus (Deficit) (Note 20)</b>	<b>28,819,576</b>	<b>30,868,197</b>

Contractual Obligations (Note 15)

Contractual Rights (Note 16)

Contingent Liabilities (Note 17)

Approved by the Board

Original signed by T. Loffler	Sept. 17, 2019
Signature of the Chairperson of the Board of Education	Date Signed
Original signed by A. Wilson	Sept. 17, 2019
Signature of the Superintendent	Date Signed
Original signed by C. Becker	Sept. 17, 2019
Signature of the Secretary Treasurer	Date Signed

# School District No. 75 (Mission)

Statement of Operations  
Year Ended June 30, 2019

	2019 Budget (Note 18)	2019 Actual	2018 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	66,456,283	<b>67,253,660</b>	65,111,823
Other	261,034	<b>333,723</b>	407,150
Tuition	2,432,000	<b>2,707,297</b>	2,517,026
Other Revenue	2,060,532	<b>2,153,100</b>	2,418,990
Rentals and Leases	150,000	<b>179,020</b>	200,241
Investment Income	145,000	<b>182,214</b>	201,829
Amortization of Deferred Capital Revenue	2,893,787	<b>2,867,953</b>	2,827,868
<b>Total Revenue</b>	<u>74,398,636</u>	<u><b>75,676,967</b></u>	<u>73,684,927</u>
<b>Expenses (Note 19)</b>			
Instruction	60,994,807	<b>61,385,979</b>	58,964,118
District Administration	2,883,384	<b>3,004,309</b>	2,737,272
Operations and Maintenance	11,817,216	<b>12,241,179</b>	11,075,866
Transportation and Housing	1,131,982	<b>1,094,121</b>	1,191,019
<b>Total Expense</b>	<u>76,827,389</u>	<u><b>77,725,588</b></u>	<u>73,968,275</u>
<b>Surplus (Deficit) for the year</b>	<u>(2,428,753)</u>	<u><b>(2,048,621)</b></u>	<u>(283,348)</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>30,868,197</b>	31,151,545
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><u><b>28,819,576</b></u></u>	<u>30,868,197</u>

# School District No. 75 (Mission)

## Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2019

	2019 Budget (Note 18)	2019 Actual	2018 Actual
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	<u>(2,428,753)</u>	<u>(2,048,621)</u>	<u>(283,348)</u>
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(3,601,054)	(3,287,477)	(4,789,734)
Amortization of Tangible Capital Assets	3,953,977	3,926,463	3,775,445
<b>Total Effect of change in Tangible Capital Assets</b>	<u>352,923</u>	<u>638,986</u>	<u>(1,014,289)</u>
Acquisition of Prepaid Expenses	(200,000)	(249,762)	(252,336)
Use of Prepaid Expenses	252,336	252,336	79,203
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>52,336</u>	<u>2,574</u>	<u>(173,133)</u>
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	<u>(2,023,494)</u>	<u>(1,407,061)</u>	<u>(1,470,770)</u>
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		<u>(1,407,061)</u>	<u>(1,470,770)</u>
<b>Net Financial Assets (Debt), beginning of year</b>		<u>(50,222,613)</u>	<u>(48,751,843)</u>
<b>Net Financial Assets (Debt), end of year</b>		<u>(51,629,674)</u>	<u>(50,222,613)</u>

# School District No. 75 (Mission)

Statement of Cash Flows  
Year Ended June 30, 2019

	2019 Actual	2018 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	(2,048,621)	(283,348)
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(261,182)	502,276
Prepaid Expenses	2,574	(173,133)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(473,923)	1,157,079
Unearned Revenue	(219,840)	16,338
Deferred Revenue	162,530	(441,524)
Employee Future Benefits	17,621	53,059
Amortization of Tangible Capital Assets	3,926,463	3,775,445
Amortization of Deferred Capital Revenue	(2,867,953)	(2,827,868)
Bylaw Capital Spent on Non-Capital Items	(426,598)	
<b>Total Operating Transactions</b>	<u>(2,188,929)</u>	<u>1,778,324</u>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(1,956,411)	(4,229,984)
Tangible Capital Assets -WIP Purchased	(1,331,066)	(559,750)
<b>Total Capital Transactions</b>	<u>(3,287,477)</u>	<u>(4,789,734)</u>
<b>Financing Transactions</b>		
Capital Revenue Received	3,077,950	3,212,501
<b>Total Financing Transactions</b>	<u>3,077,950</u>	<u>3,212,501</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>(2,398,456)</u>	201,091
<b>Cash and Cash Equivalents, beginning of year</b>	<u>14,149,921</u>	13,948,830
<b>Cash and Cash Equivalents, end of year</b>	<u>11,751,465</u>	<u>14,149,921</u>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	<u>11,751,465</u>	14,149,921
	<u>11,751,465</u>	<u>14,149,921</u>

## School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2019

---

### 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. 75 (Mission)", and operates as "School District No. 75 (Mission)." A board of education ("Board") elected for a four-year term governs the School District. The School District provides educational programs to students enrolled in schools in the District, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No. 75 (Mission) is exempt from federal and provincial corporate income taxes.

### 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 follows:

#### 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(e) and 2(l).

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 2(e) and 2(l), Section 23.1 of the *Budget Transparency and Accountability Act of the Province of British Columbia*, 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) Cash and cash equivalents

Cash and cash equivalents include cash deposits in the bank and deposits in the Provincial Ministry of Finance 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 generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short term cash commitments rather than for investing.

#### c) Accounts receivable

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

#### d) 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. 75 (Mission)

Notes to the Financial Statements

June 30, 2019

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### 2. Summary of significant accounting policies (continued)

e) 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(l).

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.

f) 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 (EARSLS) of active employees covered under the plan.

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

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.

g) Liability for contaminated sites

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



**School District No. 75 (Mission)**

Notes to the Financial Statements

June 30, 2019

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**2. Summary of significant accounting policies (continued)**

g) Liability for contaminated sites (continued)

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

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

h) 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 indicate 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. 75 (Mission)**

Notes to the Financial Statements

June 30, 2019

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**2. Summary of significant accounting policies (continued)**

i) Capital leases

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

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

j) Prepaid expenses

Various instructional supplies, subscriptions, technology contracts, employee benefit payments and contracted services are included as a prepaid expense and stated at acquisition cost and are charged to expense during the period expected to benefit from it.

k) Funds and reserves

Certain amounts, as approved by the Board, are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see note 13 – Interfund transfers and note 20 – Accumulated surplus).

l) Revenue recognition

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

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

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

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year related expenses are incurred,
- Contributions restricted for site acquisitions are recorded as revenue when the sites are purchased, and
- Contributions restricted for tangible capital 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.

## School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2019

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### 2. Summary of significant accounting policies (continued)

#### l) Revenue recognition (continued)

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.

Revenue related to fees or services received in advance of the fee being earned or the service 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.

#### m) 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, 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.

#### n) 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, accounts payable and accrued liabilities, and other liabilities.

**School District No. 75 (Mission)**

Notes to the Financial Statements

June 30, 2019

**2. Summary of significant accounting policies (continued)**

## n) Financial instruments (continued)

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 re-measurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of re-measurement gains and losses and recognized in the statement of operations. During the year presented, there are no unrealized gains or losses, and as a result, no statement of re-measurement gains and losses has been presented. 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.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

## o) Measurement uncertainty

Preparation of financial statements in accordance with the basis of accounting described in note 2(a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

**3. Accounts receivable – other**

	2019	2018
Due from Federal Government	\$ 75,236	\$ 83,809
Benefit plans surplus	284,775	193,319
Other	163,564	100,518
<b>Total accounts receivable - other</b>	<b>\$ 523,575</b>	<b>\$ 377,646</b>

**4. Accounts payable and accrued liabilities – other**

	2019	2018
Trade payables	\$ 1,925,739	\$ 2,391,359
Salaries and benefits payable	4,797,391	4,883,443
Accrued vacation pay	643,695	565,946
<b>Total accounts payable and accrued liabilities – other</b>	<b>\$ 7,366,825</b>	<b>\$ 7,840,748</b>

**School District No. 75 (Mission)**

Notes to the Financial Statements

June 30, 2019

<b>5. Unearned revenue</b>	2019	2018
Balance, beginning of year	\$ 1,592,199	\$ 1,575,861
Changes for the year:		
Increase:		
Tuition fees collected	1,364,959	1,584,099
Transportation fees	7,400	8,100
	<u>1,372,359</u>	<u>1,592,199</u>
Decrease:		
Tuition fees recognized as revenue	1,584,099	1,569,211
Transportation fees recognized as revenue	8,100	6,650
	<u>1,592,199</u>	<u>1,575,861</u>
Net change for the year	(219,840)	16,338
<b>Balance, end of year</b>	<b>\$ 1,372,359</b>	<b>\$ 1,592,199</b>
	2019	2018
<b>Unearned revenue comprised of:</b>		
Tuition Fees	1,364,959	1,584,099
Transportation Fees	7,400	8,100
	<u>\$ 1,372,359</u>	<u>\$ 1,592,199</u>

**6. Deferred revenue**

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

	2019	2018
Balance, beginning of year	\$ 868,763	\$ 1,310,287
Changes for the year:		
Increase:		
Provincial grants – Ministry of Education	6,832,189	6,525,023
Provincial grants – Other Ministry	30,920	-
Other revenue	1,907,622	1,854,942
	<u>8,770,731</u>	<u>8,379,965</u>
Decrease:		
Allocated to revenue	(8,608,201)	(8,821,489)
Net change for the year	162,530	(441,524)
<b>Balance, end of year</b>	<b>\$ 1,031,293</b>	<b>\$ 868,763</b>
	2019	2018
<b>Deferred revenue comprised of:</b>		
Provincial grants – Ministry of Education	\$ -	\$ 24,356
Provincial grants – other	27,981	-
School generated funds	875,091	705,481
Other revenue	128,221	138,926
	<u>\$ 1,031,293</u>	<u>\$ 868,763</u>

**School District No. 75 (Mission)**

Notes to the Financial Statements

June 30, 2019

**7. Deferred capital revenue**

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

	2019	2018
<b>Deferred capital revenue subject to amortization</b>		
Balance, beginning of year	\$ 52,559,332	\$ 52,205,161
Increases:		
Capital additions	1,376,295	3,182,039
Decreases:		
Amortization	(2,867,953)	(2,827,868)
Net change for the year	(1,491,658)	354,171
Balance, end of year	\$ 51,067,674	\$ 52,559,332
<b>Deferred capital revenue not subject to amortization</b>		
Balance, beginning of year	93,968	451,313
Increases:		
Transfer from unspent - work in progress additions	1,331,066	93,968
Decreases:		
Transfer to deferred capital revenue	(58,916)	(451,313)
Net change for the year	1,272,150	93,968
Balance, end of year	1,366,118	93,968
Total deferred capital revenue, end of year	\$ 52,433,792	\$ 52,653,300
<b>Unspent deferred capital revenue</b>		
Balance, beginning of year	\$ 1,074,285	\$ 686,478
Increases:		
Provincial grants – Ministry of Education	2,650,814	3,037,653
Provincial grants – Other	170,359	55,250
Other	256,777	119,598
Decreases:		
Transfer to deferred capital revenue subject to amortization	(1,317,379)	(2,730,726)
Transfer to deferred capital revenue - work in progress	(1,331,066)	(93,968)
Bylaw capital spent on non-capital items	(426,598)	-
Net change for the year	2,907	387,807
Balance, end of year	\$ 1,077,192	\$ 1,074,285
<b>Total deferred capital revenue, end of year</b>	<b>\$ 53,510,984</b>	<b>\$ 53,727,585</b>



**School District No. 75 (Mission)**

Notes to the Financial Statements

June 30, 2019

**8. 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.

	2019	2018
<b>Assumptions</b>		
Discount Rate - April 1	2.75%	2.75%
Discount Rate - March 31	2.50%	2.75%
Long Term Salary Growth - April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth - March 31	2.50% + seniority	2.50% + seniority
EARSL - March 31	10.0	9.1
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$ 1,039,402	\$ 1,023,821
Service Cost	90,331	81,584
Interest Cost	29,492	29,002
Benefit Payments	(132,105)	(74,750)
Actuarial (Gain) Loss	47,657	(20,255)
Accrued Benefit Obligation – March 31	<u>\$ 1,074,777</u>	<u>\$ 1,039,402</u>
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation - March 31	\$ 1,074,777	\$ 1,039,402
Market Value of Plan Assets - March 31	0	0
Funded Status - Surplus (Deficit)	(1,074,777)	(1,039,402)
Employer Contributions After Measurement Date	48,200	44,980
Benefits Expense After Measurement Date	(31,347)	(29,956)
Unamortized Net Actuarial (Gain) Loss	129,883	113,958
Accrued Benefit Asset (Liability) - June 30	<u>\$ (928,041)</u>	<u>\$ (910,420)</u>
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability (Asset) - July 1	\$ 910,420	\$ 857,361
Net Expense for Fiscal Year	152,946	146,853
Employer Contributions	(135,325)	(93,794)
Accrued Benefit Liability (Asset) - June 30	<u>\$ 928,041</u>	<u>\$ 910,420</u>
<b>Components of Net Benefit Expense</b>		
Service Cost	\$ 92,315	\$ 83,771
Interest Cost	28,899	29,124
Amortization of Net Actuarial (Gain)/Loss	31,732	33,958
Net Benefit Expense (Income)	<u>\$ 152,946</u>	<u>\$ 146,853</u>

**School District No. 75 (Mission)**

Notes to the Financial Statements

June 30, 2019

**9. Debt**

The School District has an approved line of credit of \$1.0 million with interest at the bank's prime rate minus 0.25%. As of June 30, 2019, the School District had \$ nil borrowings (2018: \$ nil) under this line of credit.

**10. Capital lease obligations**

The School District has an approved revolving term lease of \$750,000. As of June 30, 2019, the School District had \$ nil borrowings (2018: \$ nil) under this lease.

**11. Tangible capital assets**

	2019	2018
<b>Net book value:</b>		
Sites	\$ 10,512,959	\$ 10,512,959
Buildings	64,884,285	66,521,178
Buildings – work in progress	1,455,655	559,750
Furniture & equipment	1,313,590	1,203,760
Vehicles	1,261,838	987,299
Computer software	58,614	114,643
Computer hardware	712,547	938,885
<b>Total net book value, tangible capital assets</b>	<b>\$ 80,199,488</b>	<b>\$ 80,838,474</b>

	Balance at July 1, 2018	Additions	Disposals	Balance at June 30, 2019
<b>Cost:</b>				
Sites	\$ 10,512,959	\$ -	\$ -	\$ 10,512,959
Buildings	139,306,682	1,584,130	-	140,890,812
Furniture & equipment	2,284,593	348,609	(140,183)	2,493,019
Vehicles	1,577,972	444,396	(203,204)	1,819,164
Computer software	342,054	14,437	-	356,491
Computer hardware	1,131,689	-	-	1,131,689
Work in progress	559,750	1,331,066	(435,161)	1,455,655
<b>Total cost</b>	<b>155,715,699</b>	<b>3,722,638</b>	<b>(778,548)</b>	<b>158,659,789</b>
<b>Accumulated amortization:</b>				
Sites	-	-	-	-
Buildings	72,785,504	3,221,023	-	76,006,527
Furniture & equipment	1,080,833	238,779	(140,183)	1,179,429
Vehicles	590,673	169,857	(203,204)	557,326
Computer software	227,411	70,466	-	297,877
Computer hardware	192,804	226,338	-	419,142
<b>Total amortization</b>	<b>74,877,225</b>	<b>3,926,463</b>	<b>(343,387)</b>	<b>78,460,301</b>
<b>Total net book value</b>	<b>\$ 80,838,474</b>	<b>\$ (203,825)</b>	<b>\$ (435,161)</b>	<b>\$ 80,199,488</b>

**School District No. 75 (Mission)**

Notes to the Financial Statements

June 30, 2019

**11. Tangible capital assets (continued)**

<b>Cost:</b>	Balance at July 1, 2017	Additions	Disposals	Balance at June 30, 2018
Sites	\$ 10,512,959	\$ -	\$ -	\$ 10,512,959
Buildings	136,149,868	3,156,814	-	139,306,682
Furniture & equipment	2,172,570	261,261	(149,238)	2,284,593
Vehicles	1,631,828	328,887	(382,743)	1,577,972
Computer software	344,675	19,021	(21,642)	342,054
Computer hardware	414,830	915,314	(198,455)	1,131,689
Work in progress	451,313	559,750	(451,313)	559,750
<b>Total cost</b>	<b>151,678,043</b>	<b>5,241,047</b>	<b>(1,203,391)</b>	<b>155,715,699</b>
<b>Accumulated amortization:</b>				
Sites	-	-	-	-
Buildings	69,616,832	3,168,672	-	72,785,504
Furniture & equipment	1,007,113	222,958	(149,238)	1,080,833
Vehicles	812,926	160,490	(382,743)	590,673
Computer software	180,379	68,674	(21,642)	227,411
Computer hardware	236,608	154,651	(198,455)	192,804
<b>Total amortization</b>	<b>71,853,858</b>	<b>3,775,445</b>	<b>(752,078)</b>	<b>74,877,225</b>
<b>Total net book value</b>	<b>\$ 79,824,185</b>	<b>\$ 1,465,602</b>	<b>\$ (451,313)</b>	<b>\$ 80,838,474</b>

## School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2019

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### 12. Employee pension plans

The School District and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan (jointly trustee pension plans). The boards of trustees for these plans, representing plan members and employers, are responsible for administering the pension plans, including investing assets and administering benefits. The plans are multi-employer defined benefit pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2017 the Teachers' Pension Plan has about 46,000 active members and approximately 38,000 retired members. As at December 31, 2017, the Municipal Pension Plan has about 197,000 active members, including approximately 24,000 from school districts.

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

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rate remained unchanged.

The Mission School district paid \$5,492,669 for employer contributions to the plans for the year ended June 30, 2019 (2018: \$5,734,389).

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, 2018, with results available in 2019.

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.

## School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2019

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### 13. Interfund transfers

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2019, were as follows:

	2019	2018
Assets purchased by School Generated Funds for Capital	\$ 16,604	\$ -
Assets purchased by Operating for Capital	1,500	25,581
Appropriation from Local Capital Reserve to Operating	600,000	-
Local Capital Allocation from Operating to Capital	-	2,350,556

### 14. Related party transactions

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

### 15. Contractual Obligations

The School District has entered into a number of multiple-year contracts for the delivery of services. 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.

	2020	2021	2022	2023
Computer equipment leases	\$ 251,240	\$ 251,240	\$ 129,064	\$ 10,449
Dust collector system upgrade - MSS	252,871	262,482	-	-
	<u>\$ 504,111</u>	<u>\$ 513,722</u>	<u>\$ 129,064</u>	<u>\$ 10,449</u>

### 16. 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 an operating cost sharing agreement entered into with the University of the Fraser Valley. The following table summarizes the contractual rights of the School District for future assets:

	2020	2021
Operating use agreement – Heritage Park	<u>\$ 145,181</u>	<u>\$ 73,309</u>

### 17. Contingent Liabilities

Each year the School District is involved with a number of legal actions and arbitrations. Although the outcomes of these matters are not determinable at this time, management believes they will not have a material adverse effect on the School District's financial position or results of operations.

**School District No. 75 (Mission)**

Notes to the Financial Statements

June 30, 2019

**18. Budget figures**

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 26, 2019. The Board adopted a preliminary annual budget on September 18, 2018. The amended budget is used for comparison purposes as it is based on actual student enrolment. The following is a reconciliation of the two budgets:

<b>Statement 2</b>	2019 Amended	2019 Preliminary	Budget change
<b>Revenue</b>			
Provincial Grants			
Ministry of Education	\$ 66,456,283	\$ 66,501,705	\$ (45,422)
Other	261,034	281,034	(20,000)
Tuition	2,432,000	2,376,500	55,500
Other Revenue	2,060,532	2,015,000	45,532
Rentals and Leases	150,000	137,000	13,000
Investment Income	145,000	145,000	-
Amortization of Deferred Capital Revenue	2,893,787	2,798,435	95,352
<b>Total Revenue</b>	<b>74,398,636</b>	<b>74,254,674</b>	<b>143,962</b>
<b>Expense</b>			
Instruction	60,994,807	59,687,683	1,307,124
District administration	2,883,384	2,712,933	170,451
Operations and maintenance	11,817,216	11,392,083	425,133
Transportation and housing	1,131,982	1,067,461	64,521
<b>Total expense</b>	<b>76,827,389</b>	<b>74,860,160</b>	<b>1,967,229</b>
<b>Net revenue (expense)</b>	<b>(2,428,753)</b>	<b>(605,486)</b>	<b>(1,823,267)</b>
<b>Budgeted Allocation (Retirement) of Surplus (Deficit)</b>	<b>768,563</b>	<b>263,945</b>	<b>504,618</b>
<b>Budgeted surplus (deficit) for the year</b>	<b>\$ (1,660,190)</b>	<b>\$ (341,541)</b>	<b>\$ (1,318,649)</b>
<b>Statement 4</b>			
<b>Surplus (deficit) for the year</b>	<b>\$ (2,428,753)</b>	<b>\$ (605,486)</b>	<b>\$ (1,823,267)</b>
<b>Effect of change in tangible capital assets</b>			
Acquisition of tangible capital assets			
From operating and special purpose funds		(895,000)	895,000
From Local capital	(800,000)	(850,000)	50,000
From deferred capital revenue	(2,801,054)	(2,496,998)	(304,056)
<b>Total acquisition of tangible capital assets</b>	<b>(3,601,054)</b>	<b>(4,241,998)</b>	<b>640,944</b>
Amortization of tangible capital assets	3,953,977	4,034,976	(80,999)
<b>Total effect of change in tangible capital assets</b>	<b>352,923</b>	<b>(207,022)</b>	<b>559,945</b>
Acquisitions of prepaid expenses	(200,000)	(200,000)	-
Use of prepaid expenses	252,336	200,000	52,336
	52,336	-	52,336
<b>(Increase) decrease in net financial assets (debt)</b>	<b>\$ (2,023,494)</b>	<b>\$ (812,508)</b>	<b>\$ (1,210,986)</b>



## School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2019

### 19. Expense by object

	2019	2018
Salaries and benefits	\$ 63,970,423	\$ 60,954,789
Services and supplies	9,828,702	9,238,041
Amortization	3,926,463	3,775,445
<b>Total expense by object</b>	<b>\$ 77,725,588</b>	<b>\$ 73,968,275</b>

### 20. Accumulated surplus

	2019	2018
Restricted (appropriated) operating surplus for:		
Schools and departments	\$ 236,653	\$ 403,559
Total restricted (appropriated) operating surplus	236,653	403,559
Unrestricted operating surplus	269,503	510,812
Total operating surplus available for future operations	506,156	914,371
Restricted local capital reserve available for capital projects	728,389	1,949,317
Invested in tangible capital assets	27,585,031	28,004,509
Total capital surplus	28,313,420	29,953,826
<b>Total accumulated surplus</b>	<b>\$ 28,819,576</b>	<b>\$ 30,868,197</b>

### 21. 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.

### 22. Risk management

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

#### a) Credit risk:

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

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

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

## School District No. 75 (Mission)

Notes to the Financial Statements

June 30, 2019

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### 22. Risk management (continued)

b) Market risk:

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District would be exposed to interest rate risk through investments. It is management's opinion that the School District is not exposed to significant interest rate risk as their current holdings are limited to cash deposits.

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.

# School District No. 75 (Mission)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2019

	Operating Fund	Special Purpose Fund	Capital Fund	2019 Actual	2018 Actual
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	914,371		29,953,826	<b>30,868,197</b>	31,151,545
<b>Changes for the year</b>					
Surplus (Deficit) for the year	(1,006,715)	16,604	(1,058,510)	<b>(2,048,621)</b>	(283,348)
Interfund Transfers					
Tangible Capital Assets Purchased	(1,500)	(16,604)	18,104	-	
Local Capital	600,000		(600,000)	-	
<b>Net Changes for the year</b>	<b>(408,215)</b>	-	<b>(1,640,406)</b>	<b>(2,048,621)</b>	<b>(283,348)</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>506,156</b>	-	<b>28,313,420</b>	<b>28,819,576</b>	30,868,197

# School District No. 75 (Mission)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2019

	2019 Budget (Note 18) \$	2019 Actual \$	2018 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	59,690,040	<b>59,970,517</b>	58,308,097
Other	261,034	<b>330,784</b>	357,150
Tuition	2,432,000	<b>2,707,297</b>	2,517,026
Other Revenue	390,532	<b>404,383</b>	451,227
Rentals and Leases	150,000	<b>179,020</b>	200,241
Investment Income	145,000	<b>182,214</b>	201,829
<b>Total Revenue</b>	<u>63,068,606</u>	<u><b>63,774,215</b></u>	<u>62,035,570</u>
<b>Expenses</b>			
Instruction	52,974,096	<b>53,200,585</b>	50,682,591
District Administration	2,801,964	<b>2,931,819</b>	2,607,456
Operations and Maintenance	7,529,127	<b>7,554,405</b>	7,050,765
Transportation and Housing	1,131,982	<b>1,094,121</b>	1,030,529
<b>Total Expense</b>	<u>64,437,169</u>	<u><b>64,780,930</b></u>	<u>61,371,341</u>
<b>Operating Surplus (Deficit) for the year</b>	<u>(1,368,563)</u>	<u><b>(1,006,715)</b></u>	<u>664,229</u>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<u>768,563</u>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased		<b>(1,500)</b>	(28,581)
Local Capital	600,000	<b>600,000</b>	(2,350,556)
<b>Total Net Transfers</b>	<u>600,000</u>	<u><b>598,500</b></u>	<u>(2,379,137)</u>
<b>Total Operating Surplus (Deficit), for the year</b>	<u>-</u>	<u><b>(408,215)</b></u>	<u>(1,714,908)</u>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>914,371</b>	2,629,279
<b>Operating Surplus (Deficit), end of year</b>		<u><b>506,156</b></u>	<u>914,371</u>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted (Note 20)		<b>236,653</b>	403,559
Unrestricted		<b>269,503</b>	510,812
<b>Total Operating Surplus (Deficit), end of year</b>		<u><b>506,156</b></u>	<u>914,371</u>

# School District No. 75 (Mission)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2019

	2019 Budget (Note 18)	2019 Actual	2018 Actual
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	58,799,771	<b>58,855,102</b>	57,063,995
ISC/LEA Recovery	(195,532)	<b>(173,957)</b>	(116,868)
Other Ministry of Education Grants			
Pay Equity	725,901	<b>725,901</b>	725,901
Funding for Graduated Adults		<b>16,731</b>	18,184
Transportation Supplement	188,900	<b>188,900</b>	188,900
Economic Stability Dividend	70,000	<b>69,605</b>	37,141
Return of Administrative Savings			280,146
Carbon Tax Grant	50,000	<b>61,051</b>	56,095
Employer Health Tax Grant		<b>156,520</b>	
Strategic Priorities - Mental Health Grant	33,000	<b>33,000</b>	
Support Staff Benefits Grant		<b>13,200</b>	12,960
FSA	13,000	<b>12,964</b>	12,964
Shoulder Tappers Grant			23,679
Skills Training Grant	5,000	<b>5,000</b>	5,000
Children and Youth Video Grant		<b>6,500</b>	
<b>Total Provincial Grants - Ministry of Education</b>	<u>59,690,040</u>	<u><b>59,970,517</b></u>	<u>58,308,097</u>
<b>Provincial Grants - Other</b>	<u>261,034</u>	<u><b>330,784</b></u>	<u>357,150</u>
<b>Tuition</b>			
Continuing Education	309,000	<b>341,409</b>	319,291
International and Out of Province Students	2,123,000	<b>2,360,607</b>	2,197,735
Summit Distance Learning		<b>5,281</b>	
<b>Total Tuition</b>	<u>2,432,000</u>	<u><b>2,707,297</b></u>	<u>2,517,026</u>
<b>Other Revenues</b>			
LEA Funding from First Nations	195,532	<b>173,957</b>	116,868
Miscellaneous			
Transportation Fees		<b>12,745</b>	15,056
Pay for Service - Riverside	20,000	<b>28,748</b>	17,422
Clarke Theatre Support	100,000	<b>100,000</b>	50,000
Other Revenues	75,000	<b>88,933</b>	251,881
<b>Total Other Revenue</b>	<u>390,532</u>	<u><b>404,383</b></u>	<u>451,227</u>
<b>Rentals and Leases</b>	<u>150,000</u>	<u><b>179,020</b></u>	<u>200,241</u>
<b>Investment Income</b>	<u>145,000</u>	<u><b>182,214</b></u>	<u>201,829</u>
<b>Total Operating Revenue</b>	<u><u>63,068,606</u></u>	<u><u><b>63,774,215</b></u></u>	<u><u>62,035,570</u></u>

# School District No. 75 (Mission)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object

Year Ended June 30, 2019

	2019 Budget (Note 18) \$	2019 Actual \$	2018 Actual \$
<b>Salaries</b>			
Teachers	24,613,020	<b>24,989,195</b>	24,207,317
Principals and Vice Principals	3,922,400	<b>3,907,768</b>	3,584,352
Educational Assistants	5,992,600	<b>6,004,018</b>	5,940,501
Support Staff	7,045,200	<b>7,006,633</b>	6,439,228
Other Professionals	2,019,313	<b>2,052,903</b>	1,895,993
Substitutes	3,200,782	<b>3,270,084</b>	2,595,388
<b>Total Salaries</b>	<b>46,793,315</b>	<b>47,230,601</b>	<b>44,662,779</b>
<b>Employee Benefits</b>	10,905,830	<b>10,757,422</b>	10,372,238
<b>Total Salaries and Benefits</b>	<b>57,699,145</b>	<b>57,988,023</b>	<b>55,035,017</b>
<b>Services and Supplies</b>			
Services	1,953,839	<b>1,968,123</b>	1,768,973
Student Transportation	19,000	<b>35,962</b>	52,642
Professional Development and Travel	492,400	<b>557,662</b>	535,668
Rentals and Leases	264,040	<b>276,656</b>	111,457
Dues and Fees	88,100	<b>116,011</b>	74,434
Insurance	155,277	<b>137,810</b>	198,501
Supplies	2,631,368	<b>2,555,097</b>	2,539,120
Utilities	1,134,000	<b>1,145,586</b>	1,055,529
<b>Total Services and Supplies</b>	<b>6,738,024</b>	<b>6,792,907</b>	<b>6,336,324</b>
<b>Total Operating Expense</b>	<b>64,437,169</b>	<b>64,780,930</b>	<b>61,371,341</b>

# School District No. 75 (Mission)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	20,056,957	433,298	47,275	332,626		2,551,926	23,422,082
1.03 Career Programs	544,498	123,329	6,150	312,968		4,445	991,390
1.07 Library Services	949,756					8,400	958,156
1.08 Counselling	1,177,503						1,177,503
1.10 Special Education	1,948,978		4,891,349	532,163		367,001	7,739,491
1.30 English Language Learning	159,913	12,401	354,613				526,927
1.31 Aboriginal Education	136,127	208,380	704,631	35,532		9,396	1,094,066
1.41 School Administration		2,976,145		1,119,325	91,170	65,848	4,252,488
1.60 Summer School	15,463						15,463
1.62 International and Out of Province Students				93,357	132,880		226,237
1.64 Other				23,702	163,541		187,243
<b>Total Function 1</b>	<b>24,989,195</b>	<b>3,753,553</b>	<b>6,004,018</b>	<b>2,449,673</b>	<b>387,591</b>	<b>3,007,016</b>	<b>40,591,046</b>
<b>4 District Administration</b>							
4.11 Educational Administration		123,667		91,678	504,026		719,371
4.40 School District Governance					86,418		86,418
4.41 Business Administration		30,548		361,999	714,834	17,975	1,125,356
<b>Total Function 4</b>	<b>-</b>	<b>154,215</b>	<b>-</b>	<b>453,677</b>	<b>1,305,278</b>	<b>17,975</b>	<b>1,931,145</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				51,805	282,434	30,511	364,750
5.50 Maintenance Operations				3,142,457		185,841	3,328,298
5.52 Maintenance of Grounds				250,390		92	250,482
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,444,652</b>	<b>282,434</b>	<b>216,444</b>	<b>3,943,530</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				33,502	77,600		111,102
7.70 Student Transportation				625,129		28,649	653,778
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>658,631</b>	<b>77,600</b>	<b>28,649</b>	<b>764,880</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>24,989,195</b>	<b>3,907,768</b>	<b>6,004,018</b>	<b>7,006,633</b>	<b>2,052,903</b>	<b>3,270,084</b>	<b>47,230,601</b>

# School District No. 75 (Mission)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2019

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2019 Actual	2019 Budget (Note 18)	2018 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	23,422,082	5,388,467	28,810,549	1,771,265	30,581,814	32,504,746	29,458,747
1.03 Career Programs	991,390	217,417	1,208,807	350,823	1,559,630	1,415,600	1,615,368
1.07 Library Services	958,156	220,273	1,178,429	58,133	1,236,562	1,061,600	1,191,747
1.08 Counselling	1,177,503	236,977	1,414,480	2,241	1,416,721	1,336,220	1,342,373
1.10 Special Education	7,739,491	1,863,375	9,602,866	181,053	9,783,919	8,132,210	9,310,850
1.30 English Language Learning	526,927	127,813	654,740	9,932	664,672	684,380	510,865
1.31 Aboriginal Education	1,094,066	250,207	1,344,273	207,851	1,552,124	1,455,190	1,460,018
1.41 School Administration	4,252,488	913,419	5,165,907	167,227	5,333,134	5,323,210	4,948,860
1.60 Summer School	15,463	2,960	18,423	289	18,712		
1.62 International and Out of Province Students	226,237	53,750	279,987	529,009	808,996	847,750	625,406
1.64 Other	187,243	26,609	213,852	30,449	244,301	213,190	218,357
<b>Total Function 1</b>	<b>40,591,046</b>	<b>9,301,267</b>	<b>49,892,313</b>	<b>3,308,272</b>	<b>53,200,585</b>	<b>52,974,096</b>	<b>50,682,591</b>
<b>4 District Administration</b>							
4.11 Educational Administration	719,371	161,452	880,823	158,083	1,038,906	1,049,510	994,227
4.40 School District Governance	86,418	19,225	105,643	73,825	179,468	180,313	161,555
4.41 Business Administration	1,125,356	232,246	1,357,602	355,843	1,713,445	1,572,141	1,451,674
<b>Total Function 4</b>	<b>1,931,145</b>	<b>412,923</b>	<b>2,344,068</b>	<b>587,751</b>	<b>2,931,819</b>	<b>2,801,964</b>	<b>2,607,456</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	364,750	72,936	437,686	218,855	656,541	699,127	465,430
5.50 Maintenance Operations	3,328,298	740,566	4,068,864	1,196,048	5,264,912	5,172,900	4,988,907
5.52 Maintenance of Grounds	250,482	55,360	305,842	181,524	487,366	523,100	540,899
5.56 Utilities	-	-	-	1,145,586	1,145,586	1,134,000	1,055,529
<b>Total Function 5</b>	<b>3,943,530</b>	<b>868,862</b>	<b>4,812,392</b>	<b>2,742,013</b>	<b>7,554,405</b>	<b>7,529,127</b>	<b>7,050,765</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	111,102	26,304	137,406	4,537	141,943	130,900	136,563
7.70 Student Transportation	653,778	148,066	801,844	150,334	952,178	1,001,082	893,966
<b>Total Function 7</b>	<b>764,880</b>	<b>174,370</b>	<b>939,250</b>	<b>154,871</b>	<b>1,094,121</b>	<b>1,131,982</b>	<b>1,030,529</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>47,230,601</b>	<b>10,757,422</b>	<b>57,988,023</b>	<b>6,792,907</b>	<b>64,780,930</b>	<b>64,437,169</b>	<b>61,371,341</b>



# School District No. 75 (Mission)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2019

	2019 Budget (Note 18) \$	2019 Actual \$	2018 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	6,766,243	<b>6,856,545</b>	6,803,726
Other		<b>2,939</b>	50,000
Other Revenue	1,670,000	<b>1,748,717</b>	1,967,763
<b>Total Revenue</b>	<b>8,436,243</b>	<b>8,608,201</b>	8,821,489
<b>Expenses</b>			
Instruction	8,020,711	<b>8,185,394</b>	8,281,527
District Administration	81,420	<b>72,490</b>	129,816
Operations and Maintenance	334,112	<b>333,713</b>	410,146
<b>Total Expense</b>	<b>8,436,243</b>	<b>8,591,597</b>	8,821,489
<b>Special Purpose Surplus (Deficit) for the year</b>	<b>-</b>	<b>16,604</b>	<b>-</b>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased		<b>(16,604)</b>	
<b>Total Net Transfers</b>	<b>-</b>	<b>(16,604)</b>	<b>-</b>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<b>-</b>	<b>-</b>

**School District No. 75 (Mission)**

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2019

	Annual Facility Grant	Learning Improvement Fund	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Classroom Enhancement Fund - Overhead
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>			118,926	705,481	10,809	13,547			
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education	249,513	231,069			160,000	29,400	96,453	389,950	292,193
Provincial Grants - Other									
Other			60,195	1,847,427					
	249,513	231,069	60,195	1,847,427	160,000	29,400	96,453	389,950	292,193
<b>Less:</b> Allocated to Revenue	249,513	231,069	70,900	1,677,817	170,809	42,947	96,453	389,950	292,193
<b>Deferred Revenue, end of year</b>	-	-	<b>108,221</b>	<b>875,091</b>	-	-	-	-	-
<b>Revenues</b>									
Provincial Grants - Ministry of Education	249,513	231,069			170,809	42,947	96,453	389,950	292,193
Provincial Grants - Other									
Other Revenue			70,900	1,677,817					
	249,513	231,069	70,900	1,677,817	170,809	42,947	96,453	389,950	292,193
<b>Expenses</b>									
Salaries									
Teachers						23,505			
Principals and Vice Principals							41,890		
Educational Assistants		185,836						308,884	
Support Staff	29,929				115,650				92,060
Substitutes					1,272		1,265	826	147,396
	29,929	185,836	-	-	116,922	23,505	43,155	309,710	239,456
Employee Benefits	7,482	45,233			27,109	6,155	9,949	72,177	44,367
Services and Supplies	212,102		70,900	1,661,213	26,778	13,287	43,349	8,063	8,370
	249,513	231,069	70,900	1,661,213	170,809	42,947	96,453	389,950	292,193
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	16,604	-	-	-	-	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased				(16,604)					
	-	-	-	(16,604)	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

# School District No. 75 (Mission)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2019

	Classroom Enhancement Fund - Staffing	Classroom Enhancement Fund - Remedies	BEST	POPFASD C.A.R.S	MCFD Early Years	TOTAL
	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>			20,000			868,763
<b>Add:</b> Restricted Grants						
Provincial Grants - Ministry of Education	4,716,526	667,085				6,832,189
Provincial Grants - Other				10,187	20,733	30,920
Other						1,907,622
	4,716,526	667,085	-	10,187	20,733	8,770,731
<b>Less:</b> Allocated to Revenue	4,716,526	667,085	-	2,939	-	8,608,201
<b>Deferred Revenue, end of year</b>	-	-	<b>20,000</b>	<b>7,248</b>	<b>20,733</b>	<b>1,031,293</b>
<b>Revenues</b>						
Provincial Grants - Ministry of Education	4,716,526	667,085				6,856,545
Provincial Grants - Other				2,939		2,939
Other Revenue						1,748,717
	4,716,526	667,085	-	2,939	-	8,608,201
<b>Expenses</b>						
Salaries						
Teachers	3,773,222	86,075				3,882,802
Principals and Vice Principals						41,890
Educational Assistants						494,720
Support Staff						237,639
Substitutes				1,501		152,260
	3,773,222	86,075	-	1,501	-	4,809,311
Employee Benefits	943,304	17,048		265		1,173,089
Services and Supplies		563,962		1,173		2,609,197
	4,716,526	667,085	-	2,939	-	8,591,597
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	-	16,604
<b>Interfund Transfers</b>						
Tangible Capital Assets Purchased						(16,604)
	-	-	-	-	-	(16,604)
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-

# School District No. 75 (Mission)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2019

	2019	2019 Actual			2018
	Budget (Note 18)	Invested in Tangible Capital Assets	Local Capital	Fund Balance	Actual
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Ministry of Education		426,598		426,598	
Amortization of Deferred Capital Revenue	2,893,787	2,867,953		2,867,953	2,827,868
<b>Total Revenue</b>	<u>2,893,787</u>	<u>3,294,551</u>	<u>-</u>	<u>3,294,551</u>	<u>2,827,868</u>
<b>Expenses</b>					
Operations and Maintenance		426,598		426,598	
Amortization of Tangible Capital Assets					
Operations and Maintenance	3,953,977	3,926,463		3,926,463	3,614,955
Transportation and Housing				-	160,490
<b>Total Expense</b>	<u>3,953,977</u>	<u>4,353,061</u>	<u>-</u>	<u>4,353,061</u>	<u>3,775,445</u>
<b>Capital Surplus (Deficit) for the year</b>	<u>(1,060,190)</u>	<u>(1,058,510)</u>	<u>-</u>	<u>(1,058,510)</u>	<u>(947,577)</u>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased		18,104		18,104	28,581
Local Capital	(600,000)		(600,000)	(600,000)	2,350,556
<b>Total Net Transfers</b>	<u>(600,000)</u>	<u>18,104</u>	<u>(600,000)</u>	<u>(581,896)</u>	<u>2,379,137</u>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		620,928	(620,928)	-	
<b>Total Other Adjustments to Fund Balances</b>		<u>620,928</u>	<u>(620,928)</u>	<u>-</u>	
<b>Total Capital Surplus (Deficit) for the year</b>	<u>(1,660,190)</u>	<u>(419,478)</u>	<u>(1,220,928)</u>	<u>(1,640,406)</u>	<u>1,431,560</u>
<b>Capital Surplus (Deficit), beginning of year</b>		<u>28,004,509</u>	<u>1,949,317</u>	<u>29,953,826</u>	<u>28,522,266</u>
<b>Capital Surplus (Deficit), end of year</b>		<u>27,585,031</u>	<u>728,389</u>	<u>28,313,420</u>	<u>29,953,826</u>

# School District No. 75 (Mission)

Schedule 4A (Unaudited)

Tangible Capital Assets  
Year Ended June 30, 2019

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	10,512,959	139,306,682	2,284,593	1,577,972	342,054	1,131,689	<b>155,155,949</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		749,746	90,000	296,062	14,437		<b>1,150,245</b>
Deferred Capital Revenue - Other			167,134				<b>167,134</b>
Operating Fund		1,500					<b>1,500</b>
Special Purpose Funds		8,984	7,620				<b>16,604</b>
Local Capital		388,739	83,855	148,334			<b>620,928</b>
Transferred from Work in Progress		435,161					<b>435,161</b>
	-	1,584,130	348,609	444,396	14,437	-	<b>2,391,572</b>
Decrease:							
Deemed Disposals			140,183	203,204			<b>343,387</b>
	-	-	140,183	203,204	-	-	<b>343,387</b>
<b>Cost, end of year</b>	10,512,959	140,890,812	2,493,019	1,819,164	356,491	1,131,689	<b>157,204,134</b>
<b>Work in Progress, end of year</b>		1,455,655					<b>1,455,655</b>
<b>Cost and Work in Progress, end of year</b>	10,512,959	142,346,467	2,493,019	1,819,164	356,491	1,131,689	<b>158,659,789</b>
<b>Accumulated Amortization, beginning of year</b>		72,785,504	1,080,833	590,673	227,411	192,804	<b>74,877,225</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		3,221,023	238,779	169,857	70,466	226,338	<b>3,926,463</b>
Decrease:							
Deemed Disposals			140,183	203,204			<b>343,387</b>
		-	140,183	203,204	-	-	<b>343,387</b>
<b>Accumulated Amortization, end of year</b>		76,006,527	1,179,429	557,326	297,877	419,142	<b>78,460,301</b>
<b>Tangible Capital Assets - Net</b>	<b>10,512,959</b>	<b>66,339,940</b>	<b>1,313,590</b>	<b>1,261,838</b>	<b>58,614</b>	<b>712,547</b>	<b>80,199,488</b>

# School District No. 75 (Mission)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2019

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	559,750				559,750
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	1,331,066				1,331,066
	1,331,066	-	-	-	1,331,066
Decrease:					
Transferred to Tangible Capital Assets	435,161				435,161
	435,161	-	-	-	435,161
<b>Net Changes for the Year</b>	895,905	-	-	-	895,905
<b>Work in Progress, end of year</b>	<b>1,455,655</b>	-	-	-	<b>1,455,655</b>

# School District No. 75 (Mission)

Schedule 4C (Unaudited)

Deferred Capital Revenue

Year Ended June 30, 2019

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	52,241,028	94,114	224,190	52,559,332
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	1,150,245	136,731	30,403	1,317,379
Transferred from Work in Progress	58,916			58,916
	<u>1,209,161</u>	<u>136,731</u>	<u>30,403</u>	<u>1,376,295</u>
Decrease:				
Amortization of Deferred Capital Revenue	2,807,981	17,390	42,582	2,867,953
	<u>2,807,981</u>	<u>17,390</u>	<u>42,582</u>	<u>2,867,953</u>
<b>Net Changes for the Year</b>	<u>(1,598,820)</u>	<u>119,341</u>	<u>(12,179)</u>	<u>(1,491,658)</u>
<b>Deferred Capital Revenue, end of year</b>	<u>50,642,208</u>	<u>213,455</u>	<u>212,011</u>	<u>51,067,674</u>
<b>Work in Progress, beginning of year</b>	93,968			93,968
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Work in Progress	1,331,066			1,331,066
	<u>1,331,066</u>	<u>-</u>	<u>-</u>	<u>1,331,066</u>
Decrease:				
Transferred to Deferred Capital Revenue	58,916			58,916
	<u>58,916</u>	<u>-</u>	<u>-</u>	<u>58,916</u>
<b>Net Changes for the Year</b>	<u>1,272,150</u>	<u>-</u>	<u>-</u>	<u>1,272,150</u>
<b>Work in Progress, end of year</b>	<u>1,366,118</u>	<u>-</u>	<u>-</u>	<u>1,366,118</u>
<b>Total Deferred Capital Revenue, end of year</b>	<u>52,008,326</u>	<u>213,455</u>	<u>212,011</u>	<u>52,433,792</u>

# School District No. 75 (Mission)

Changes in Unspent Deferred Capital Revenue  
Year Ended June 30, 2019

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>	257,095		11,827	782,437	22,926	<b>1,074,285</b>
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	2,650,814					<b>2,650,814</b>
Provincial Grants - Other			170,359			<b>170,359</b>
Other				247,950	8,827	<b>256,777</b>
	<u>2,650,814</u>	<u>-</u>	<u>170,359</u>	<u>247,950</u>	<u>8,827</u>	<u><b>3,077,950</b></u>
Decrease:						
Transferred to DCR - Capital Additions	1,150,245		136,731		30,403	<b>1,317,379</b>
Transferred to DCR - Work in Progress	1,331,066					<b>1,331,066</b>
AFG Spent on Non-Capital Items	426,598					<b>426,598</b>
	<u>2,907,909</u>	<u>-</u>	<u>136,731</u>	<u>-</u>	<u>30,403</u>	<u><b>3,075,043</b></u>
<b>Net Changes for the Year</b>	<u>(257,095)</u>	<u>-</u>	<u>33,628</u>	<u>247,950</u>	<u>(21,576)</u>	<u><b>2,907</b></u>
<b>Balance, end of year</b>	<u>-</u>	<u>-</u>	<u><b>45,455</b></u>	<u><b>1,030,387</b></u>	<u><b>1,350</b></u>	<u><b>1,077,192</b></u>