

School District No. 87 (Stikine)



Statement of Financial Information

For the Year Ended June 30, 2017

School District No. 87 (Stikine)
PO Box 190, Dease Lake, B.C., V0C 1L0
Phone: (250) 771-4440

**SCHOOL DISTRICT NO. 87 (STIKINE)
2016/2017 STATEMENT OF FINANCIAL INFORMATION
SECTION 2(1) OF THE FINANCIAL INFORMATION ACT**

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SCHOOL DISTRICT STATEMENT OF FINANCIAL INFORMATION (SOFI)

6049

SCHOOL DISTRICT NUMBER 87	NAME OF SCHOOL DISTRICT STIKINE	YEAR 2016/17
OFFICE LOCATION(S) COMMERCIAL DRIVE AND STIKINE STREET	TELEPHONE NUMBER (250) 771-4440	
MAILING ADDRESS PO BOX 190		
CITY DEASE LAKE	PROVINCE B.C.	POSTAL CODE V0C 1L0
NAME OF CHAIRPERSON OF THE BOARD OF SCHOOL TRUSTEES YVONNE TASHOOTS		TELEPHONE NUMBER (250) 771-4440
NAME OF SUPERINTENDENT MICHAEL GORDON		TELEPHONE NUMBER (250) 771-4440
NAME OF SECRETARY-TREASURER KEN MACKIE		TELEPHONE NUMBER (250) 771-4440
APPROVALS AND SIGNATURES		

We, the undersigned, certify that the attached is a correct and true copy of the 2016/17 Statement of Financial Information for the year ended June 30, 2017 School District No. 87 (Stikine) as required under Section 2 of the Financial Information Act.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF SCHOOL TRUSTEES	DATE SIGNED October 5, 2017
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED October 5, 2017
SIGNATURE OF SECRETARY-TREASURER 	DATE SIGNED October 5, 2017

**SCHOOL DISTRICT NO. 87 (STIKINE)
YEAR ENDED JUNE 30, 2017**

MANAGEMENT REPORT*

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with accounting principles generally accepted for British Columbia school districts as prescribed or permitted by the Ministry of Education, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the other schedules of financial information and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of School Trustees is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and for approving the financial information included in the Statement of Financial Information.

The external auditors, Carlyle Shepherd & Co., conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements as required by the *School Act*. Their examination does not relate to the other schedules of financial information required by the *Financial Information Act*. Their examination includes a review and evaluation of the Board's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.

On behalf of School District No. 87 (Stikine)



Michael Gordon
Superintendent
Date: September 30, 2017



Ken Mackie
Secretary-Treasurer
Date: September 30, 2017

* prepared pursuant to section 9, Schedule 1, *Financial Information Regulation*.



School District No. 87 (Stikine)

2016-2017

Financial Statements

Audited Financial Statements of

School District No. 87 (Stikine)

June 30, 2017

School District No. 87 (Stikine)

June 30, 2017

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School District No. 87 (Stikine)

MANAGEMENT REPORT

Version: 4724-3978-1996

Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 87 (Stikine) 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. 87 (Stikine) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.


The external auditors, Carlyle Shepherd & Co., 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. 87 (Stikine) 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. 87 (Stikine)

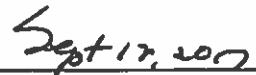

Signature of the Chairperson of the Board of Education


Date Signed


Signature of the Superintendent


Date Signed


Signature of the Secretary Treasurer


Date Signed

CARLYLE SHEPHERD & CO. 
CHARTERED PROFESSIONAL ACCOUNTANTS
INDEPENDENT AUDITOR'S REPORT

SECOND FLOOR
4544 LAKELSE AVENUE
TERRACE BC V8G 1P8
TELEPHONE 250-635-0128
FACSIMILE 250-635-2182

To the Board of Education - School District No. 87 (Stikine) and
The Minister of Education

Report on the Financial Statements

We have audited the accompanying statement of financial position of School District No. 87 (Stikine) as at June 30, 2017 and the statements of operations, changes in net financial assets (debt) and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted the audit in accordance with Canadian generally accepted auditing standards. These standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

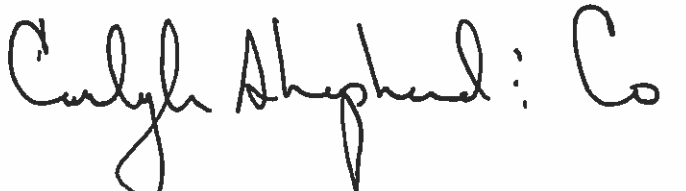
Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School District as at June 30, 2017 and the results of its operations, changes in net financial assets (debt) and cash flows for the year then ended in accordance with section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the School District taken as a whole. The current year's supplementary information included in Schedules 1 to 4D is presented for purposes of additional analysis. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects, in relation to the financial statements taken as a whole.

Terrace, BC
September 11, 2017



School District No. 87 (Stikine)

Statement 1


Statement of Financial Position

As at June 30, 2017

	2017 Actual	2016 Actual
	\$	\$
Financial Assets		
Cash and Cash Equivalents	6,903,581	5,563,134
Accounts Receivable		
Due from LEA/Direct Funding		634,852
Other (Note 3)	132,833	184,984
Total Financial Assets	<u>7,036,414</u>	<u>6,382,970</u>
Liabilities		
Accounts Payable and Accrued Liabilities		
Other (Note 4)	493,355	453,157
Deferred Revenue (Note 5)	222,282	165,130
Deferred Capital Revenue (Note 6)	6,305,238	6,077,575
Employee Future Benefits (Note 7)	11,957	13,316
Total Liabilities	<u>7,032,832</u>	<u>6,709,178</u>
Net Financial Assets (Debt)	<u>3,582</u>	<u>(326,208)</u>
Non-Financial Assets		
Tangible Capital Assets (Note 8)	9,645,131	9,538,896
Prepaid Expenses	35,672	34,135
Total Non-Financial Assets	<u>9,680,803</u>	<u>9,573,031</u>
Accumulated Surplus (Deficit)	<u>9,684,385</u>	<u>9,246,823</u>

Contractual Obligations and Contingencies

Approved by the Board


Signature of the Chairperson of the Board of Education

Sept 12, 2017
Date Signed


Signature of the Superintendent

Sept 12, 2017
Date Signed


Signature of the Secretary Treasurer

Sept 12, 2017
Date Signed

School District No. 87 (Stikine)

Statement of Operations
Year Ended June 30, 2017

	2017 Budget (Note 13)	2017 Actual	2016 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	5,217,079	5,540,758	5,225,110
Other Revenue	1,000,581	1,005,419	1,113,441
Rentals and Leases	152,000	200,119	180,438
Investment Income	45,000	84,628	76,358
Amortization of Deferred Capital Revenue	374,519	372,103	374,865
Total Revenue	6,789,179	7,203,027	6,970,212
Expenses			
Instruction	4,220,433	3,975,343	4,048,456
District Administration	670,449	614,147	613,662
Operations and Maintenance	1,568,358	1,544,416	1,373,379
Transportation and Housing	449,188	631,559	573,441
Total Expense	6,908,428	6,765,465	6,608,938
Surplus (Deficit) for the year	(119,249)	437,562	361,274
Accumulated Surplus (Deficit) from Operations, beginning of year		9,246,823	8,885,549
Accumulated Surplus (Deficit) from Operations, end of year		9,684,385	9,246,823

School District No. 87 (Stikine)

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2017

	2017 Budget (Note 13)	2017 Actual	2016 Actual
	\$	\$	\$
Surplus (Deficit) for the year	<u>(119,249)</u>	<u>437,562</u>	<u>361,274</u>
Effect of change in Tangible Capital Assets			
Acquisition of Tangible Capital Assets	(50,409)	(534,698)	(278,935)
Amortization of Tangible Capital Assets	428,716	428,463	426,809
Total Effect of change in Tangible Capital Assets	<u>378,307</u>	<u>(106,235)</u>	<u>147,874</u>
Use of Prepaid Expenses		(1,537)	(28,534)
Total Effect of change in Other Non-Financial Assets	<u>-</u>	<u>(1,537)</u>	<u>(28,534)</u>
(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)	<u>259,058</u>	<u>329,790</u>	<u>480,614</u>
Net Remeasurement Gains (Losses)			
(Increase) Decrease in Net Financial Assets (Debt)		<u>329,790</u>	<u>480,614</u>
Net Financial Assets (Debt), beginning of year		<u>(326,208)</u>	<u>(806,822)</u>
Net Financial Assets (Debt), end of year		<u>3,582</u>	<u>(326,208)</u>

School District No. 87 (Stikine)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2017

	2017 Actual	2016 Actual
	\$	\$
Operating Transactions		
Surplus (Deficit) for the year	437,562	361,274
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	687,003	(466,150)
Prepaid Expenses	(1,537)	(28,534)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	40,198	(290,723)
Deferred Revenue	57,152	35,666
Employee Future Benefits	(1,359)	2,000
Amortization of Tangible Capital Assets	428,463	426,809
Amortization of Deferred Capital Revenue	(372,103)	(374,865)
Total Operating Transactions	<u>1,275,379</u>	<u>(334,523)</u>
Capital Transactions		
Tangible Capital Assets Purchased	(534,698)	(278,935)
Total Capital Transactions	<u>(534,698)</u>	<u>(278,935)</u>
Financing Transactions		
Capital Revenue Received	683,279	151,292
AFG - bylaw spent on non-capital items	(83,513)	
Total Financing Transactions	<u>599,766</u>	<u>151,292</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>1,340,447</u>	<u>(462,166)</u>
Cash and Cash Equivalents, beginning of year	<u>5,563,134</u>	<u>6,025,300</u>
Cash and Cash Equivalents, end of year	<u>6,903,581</u>	<u>5,563,134</u>
Cash and Cash Equivalents, end of year, is made up of:		
Cash	<u>6,903,581</u>	<u>5,563,134</u>
	<u>6,903,581</u>	<u>5,563,134</u>
Supplementary Cash Flow Information		

School District No. 87 (Stikine)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund
Year Ended June 30, 2017

	Operating Fund	Special Purpose Fund	Capital Fund	2017 Actual	2016 Actual
	\$	\$	\$	\$	\$
Accumulated Surplus (Deficit), beginning of year	2,986,443		6,260,380	9,246,823	8,885,549
Changes for the year					
Surplus (Deficit) for the year	415,315	52,932	(30,685)	437,562	361,274
Interfund Transfers					
Tangible Capital Assets Purchased		(52,932)	52,932	-	
Net Changes for the year	415,315	-	22,247	437,562	361,274
Accumulated Surplus (Deficit), end of year - Statement 2	3,401,758	-	6,282,627	9,684,385	9,246,823

**SCHOOL DISTRICT NO. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 1 AUTHORITY AND PURPOSE

The School District, established on January 1, 1966, 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. 87 (Stikine)", and operates as "School District No. 87 (Stikine)". 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. 87 (Stikine) is exempt from federal and provincial corporate income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

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

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

Year-ended June 30, 2016	Increase (decrease) in annual surplus	\$ (223,573)
June 30, 2016	Increase in accumulated surplus and decrease in deferred contributions	\$ 6,077,575
Year-ended June 30, 2017	Increase (decrease) in annual surplus	\$ 109,663
June 30, 2017	Increase in accumulated surplus and decrease in deferred contributions	\$ 6,187,238

**SCHOOL DISTRICT NO. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Cash and Cash Equivalents

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

c) Accounts Receivable

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

d) 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(k).

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 2 (a) for the impact of this policy on these financial statements.

e) Employee Future Benefits

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements. The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing. The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARSL) of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2017 and projected to March 31, 2019. The next valuation will be performed at March 31, 2019 for use at June 30, 2019. For the purposes of determining the financial position of the plans and the employee

**SCHOOL DISTRICT NO. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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

f) Asset Retirement Obligations

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

g) 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

**SCHOOL DISTRICT NO. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

h) Operating Leases

Operating lease payments are charged to expenses as incurred.

i) Prepaid Expenses

Insurance, recruiting and Computer Software Maintenance costs for the following year are included as prepaid expenses and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

j) 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 Notes 10 – Interfund Transfers and Note 15 – Internally Restricted Surplus).

k) Revenue Recognition

Revenues are recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectable 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,

**SCHOOL DISTRICT NO. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Contributions restricted for site acquisitions are recorded as revenue when the sites are purchased, and
- Contributions restricted for tangible capital assets acquisitions other than sites are recorded as deferred capital revenue and amortized over the useful life of the related assets.

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

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

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

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

l) Expenditures

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

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.

**SCHOOL DISTRICT NO. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

m) Financial Instruments

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

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, bank overdraft, accounts payable and accrued liabilities, long term debt and other liabilities.

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

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

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

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

**SCHOOL DISTRICT NO. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n) 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.

NOTE 3 ACCOUNTS RECEIVABLE – OTHER

	2017	2016
Due from Federal Government	\$ 25,816	\$ 17,397
Due from Stikine Teachers Association	0	68,260
Other	107,017	99,327
	\$132,833	\$184,984

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER

	2017	2016
Trade payables	\$ 95,865	\$ 54,574
Salaries and benefits payable	212,466	204,880
Accrued vacation pay	121,481	105,704
Other	63,543	87,999
	\$493,355	\$453,157

NOTE 5 DEFERRED REVENUE

Detailed information about the changes in deferred revenue is included in Schedule 3A.

**SCHOOL DISTRICT NO. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 6 DEFERRED CAPITAL REVENUE

Detailed information about the changes in deferred capital revenue is included in Schedules 4C and 4D.

NOTE 7 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.

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Reconciliation of Accrued Benefit Obligation		
Accrued Benefit Obligation – April 1	11,474	14,270
Service Cost	1,970	2,334
Interest Cost	289	360
Benefit Payments	-3,572	-1,051
Actuarial (Gain) Loss	-337	-4,439
	<u>9,824</u>	<u>11,474</u>
 Reconciliation of Funded Status at End of Fiscal Year		
Accrued Benefit Obligation - March 31	9,824	11,474
Market Value of Plan Assets - March 31	<u>0</u>	<u>0</u>
Funded Status - Surplus (Deficit)	-9,824	-11,474
Employer Contributions After Measurement Date	0	0
Benefits Expense After Measurement Date	-569	-565
Unamortized Net Actuarial (Gain) Loss	-1,564	-1,277
Accrued Benefit Asset (Liability) - June 30	<u>-11,957</u>	<u>-13,316</u>

**SCHOOL DISTRICT NO. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 7 EMPLOYEE FUTURE BENEFITS (continued)

Reconciliation of Change in Accrued Benefit Liability

Accrued Benefit Liability (Asset) - July 1	13,316	11,316
Net Expense for Fiscal Year	2,213	3,052
Employer Contributions	-3,572	-1,051
Accrued Benefit Liability (Asset) - June 30	<u>11,957</u>	<u>13,316</u>

Components of Net Benefit Expense

Service Cost	1,970	2,243
Interest Cost	293	343
Amortization of Net Actuarial (Gain)/Loss	-50	466
Net Benefit Expense (Income)	<u>2,213</u>	<u>3,052</u>

Assumptions

Discount Rate - April 1	2.50%	2.25%
Discount Rate - March 31	2.75%	2.50%
Long Term Salary Growth - April 1	2.50%	2.50% + seniority
Long Term Salary Growth - March 31	2.50%	2.50% + seniority
EARSL - March 31	8.6	8.6

NOTE 8 TANGIBLE CAPITAL ASSETS

Net Book Value:

Cost:	Net Book Value June 30, 2017	Net Book Value June 30, 2016
Sites	\$1,763,718	\$1,763,718
Buildings	7,623,432	7,457,183
Furniture & Equipment	80,790	98,968
Vehicles	172,567	212,862
Computer Hardware	4,624	6,165
Total	<u>\$9,645,131</u>	<u>\$9,538,896</u>

**SCHOOL DISTRICT NO. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 8 TANGIBLE CAPITAL ASSETS (continued)

June 30, 2017

Cost:	Balance at June 30, 2016	Additions	Disposals	Balance at June 30, 2017
Sites	\$ 1,763,718	\$ 0	\$ 0	\$ 1,763,718
Buildings	22,591,032	534,698	0	23,125,730
Equipment	181,780	0	29,032	152,748
Vehicles	402,948	0	35,191	367,757
Computer Hardware	7,706	0	\$0	7,706
Total	\$24,947,184	\$534,698	\$64,223	\$25,417,659

Accumulated Amortization:	Balance at June 30, 2016	Additions	Disposals	Balance at June 30, 2017
Sites	\$ 0	\$ 0	\$ 0	\$ 0
Buildings	15,133,849	368,449	0	15,502,298
Equipment	82,812	18,178	29,032	71,958
Vehicles	190,086	40,295	35,191	195,190
Computer Hardware	1,541	1,541	0	3,082
Total	\$15,408,288	\$428,463	\$64,223	\$15,772,528

June 30, 2016

Cost:	Balance at June 30, 2015	Additions	Disposals	Balance at June 30, 2016
Sites	\$ 1,763,718	\$ 0	\$ 0	\$ 1,763,718
Buildings	22,417,299	173,733	0	22,591,032
Equipment	129,735	52,045	0	181,780
Vehicles	416,445	53,157	66,654	402,948
Computer Hardware	7,706	0	0	7,706
Total	\$24,734,903	\$278,935	\$66,654	\$24,947,184

Accumulated Amortization:	Balance at June 30, 2015	Additions	Disposals	Balance at June 30, 2016
Sites	\$ 0	\$ 0	\$ 0	\$ 0
Buildings	14,763,200	370,649	0	15,133,849
Equipment	69,838	12,974	0	82,812
Vehicles	215,095	41,645	66,654	190,086
Computer Hardware	0	1,541	0	1,541
Total	\$15,048,133	\$426,809	\$66,654	\$15,408,288

**SCHOOL DISTRICT NO. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 9 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 are based on a formula. As at December 31, 2015, the Teachers' Pension Plan has about 45,000 active members and approximately 36,000 retired members. As of December 31, 2015, the Municipal Pension Plan has about 189,000 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 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 is then adjusted to the extent there is amortization of any funding deficit.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2014, indicated a \$449 million surplus for basic pension benefits on a going concern basis.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis.

The school district paid \$342,904 for employer contributions to the plans for the year ended June 30, 2017 (2016: \$400,652)

The next valuation for the Teachers' Pension Plan will be as at December 31, 2017, with results available in 2018. 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. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 10 INTERFUND TRANSFERS

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2017, were as follows:

- Transfer to the Capital Fund from the Special Purposes Fund for capital asset purchases of \$52,932.

NOTE 11 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.

NOTE 12 CONTRACTUAL OBLIGATIONS

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

<u>Contractual obligations</u>	2017	2018	2019	2020
Propane Contract	\$110,000	\$115,000	\$120,000	\$125,000
Busing Contracts	390,000	396,000	402,000	408,000
	<u>\$500,000</u>	<u>\$511,000</u>	<u>\$522,000</u>	<u>\$533,000</u>

NOTE 13 BUDGET FIGURES

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an annual budget on April 7, 2016.

**SCHOOL DISTRICT NO. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 14 EXPENSE BY OBJECT

	<u>2017</u>	<u>2016</u>
Salaries and benefits	\$4,112,425	\$4,126,202
Services and supplies	2,224,577	2,055,927
Interest	0	0
Amortization	428,463	426,809
Other	0	0
	<u>\$6,765,465</u>	<u>\$6,608,938</u>

NOTE 15 INTERNALLY RESTRICTED SURPLUS – OPERATING FUND

Internally Restricted (appropriated) by the Board
for:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
TOTAL SURPLUS Available	<u>\$3,401,758</u>	<u>\$2,986,443</u>
Allocations made to schools - operating	\$ 23,423	\$ 31,960
Future Years Operating Budget	391,735	130,461
Development of Tahltan Language IRP's	40,000	40,000
Development of Tahltan Curriculum	40,000	0
Trades Training Initiative	300,000	300,000
Literacy	60,000	60,000
Student Initiatives	200,000	200,000
Staff Development (training)	900,000	900,000
Technology Requirements	200,000	200,000
Housing Repairs	300,000	200,000
Labour Relations Issues	300,000	300,000
Subtotal Internally Restricted	\$2,755,158	\$2,362,421
Unrestricted Operating Surplus	646,600	624,022
Total Available for Future Operations	<u>\$3,401,758</u>	<u>\$2,986,443</u>

**SCHOOL DISTRICT NO. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 16 ECONOMIC DEPENDENCE

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

NOTE 17 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, cash equivalents and accounts receivable.

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

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits and investments.

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 could be exposed to interest rate risk through its cash equivalents. It is management's opinion that the School District is not exposed to significant interest rate risk.

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.

SCHOOL DISTRICT NO. 87 (STIKINE)
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017

NOTE 17 RISK MANAGEMENT (continued)

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. 87 (Stikine)

Schedule of Operating Operations

Year Ended June 30, 2017

	2017 Budget (Note 13)	2017 Actual	2016 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	4,477,416	4,697,456	4,526,991
Other Revenue	950,581	855,369	1,027,173
Rentals and Leases	152,000	200,119	180,438
Investment Income	30,000	58,406	50,396
Total Revenue	5,609,997	5,811,350	5,784,998
Expenses			
Instruction	3,496,692	3,117,889	3,286,510
District Administration	670,449	614,147	613,662
Operations and Maintenance	1,124,129	1,032,440	946,570
Transportation and Housing	449,188	631,559	573,441
Total Expense	5,740,458	5,396,035	5,420,183
Operating Surplus (Deficit) for the year	(130,461)	415,315	364,815
Budgeted Appropriation (Retirement) of Surplus (Deficit)	130,461		
Total Operating Surplus (Deficit), for the year	-	415,315	364,815
Operating Surplus (Deficit), beginning of year		2,986,443	2,621,628
Operating Surplus (Deficit), end of year		3,401,758	2,986,443
Operating Surplus (Deficit), end of year			
Internally Restricted		2,755,158	2,362,421
Unrestricted		646,600	624,022
Total Operating Surplus (Deficit), end of year		3,401,758	2,986,443

School District No. 87 (Stikine)

Schedule of Operating Revenue by Source
Year Ended June 30, 2017

	2017 Budget (Note 13)	2017 Actual	2016 Actual
	\$	\$	\$
Provincial Grants - Ministry of Education			
Operating Grant, Ministry of Education	5,299,562	5,296,130	5,396,838
INAC/LEA Recovery	(947,081)	(832,624)	(1,008,644)
Other Ministry of Education Grants			
Pay Equity	124,935	124,935	124,935
Transportation Supplement		51,181	
Economic Stability Dividend		958	1,414
Return of Administrative Savings		27,319	
Carbon Tax Grant		16,450	
Student Learning Grant		9,013	
FSA Exam Marking		4,094	4,348
Curriculum Implementation Support			4,100
Aboriginal Language Grant			4,000
Total Provincial Grants - Ministry of Education	4,477,416	4,697,456	4,526,991
Other Revenues			
LEA/Direct Funding from First Nations	947,081	832,624	1,008,644
Miscellaneous			
Art Starts	3,500	3,100	
Vehicle Trade-in			250
Shoulder Tappers - Skills Training		17,708	10,224
Miscellaneous		1,937	8,055
Total Other Revenue	950,581	855,369	1,027,173
Rentals and Leases	152,000	200,119	180,438
Investment Income	30,000	58,406	50,396
Total Operating Revenue	5,609,997	5,811,350	5,784,998

School District No. 87 (Stikine)

Schedule of Operating Expense by Object

Year Ended June 30, 2017

	2017 Budget (Note 13)	2017 Actual	2016 Actual
	\$	\$	\$
Salaries			
Teachers	1,368,470	1,211,220	1,433,002
Principals and Vice Principals	443,640	429,933	334,937
Educational Assistants	164,142	179,682	124,091
Support Staff	625,506	647,868	592,639
Other Professionals	494,357	399,768	382,025
Substitutes	163,385	198,430	169,146
Total Salaries	<u>3,259,500</u>	<u>3,066,901</u>	<u>3,035,840</u>
Employee Benefits	793,553	646,996	665,356
Total Salaries and Benefits	<u>4,053,053</u>	<u>3,713,897</u>	<u>3,701,196</u>
Services and Supplies			
Services	441,895	507,917	542,969
Student Transportation	343,381	357,119	333,628
Professional Development and Travel	254,097	205,085	202,332
Dues and Fees	12,200	8,439	8,217
Insurance	31,000	41,272	31,168
Supplies	365,232	370,746	450,420
Utilities	239,600	191,560	150,253
Total Services and Supplies	<u>1,687,405</u>	<u>1,682,138</u>	<u>1,718,987</u>
Total Operating Expense	<u>5,740,458</u>	<u>5,396,035</u>	<u>5,420,183</u>

School District No. 87 (Stikine)

Operating Expense by Function, Program and Object
Year Ended June 30, 2017

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
1 Instruction							
1.02 Regular Instruction	1,135,704	276,190			12,699	138,023	1,562,616
1.07 Library Services	14,852						14,852
1.10 Special Education	60,664		110,179		35,798	24,573	231,214
1.31 Aboriginal Education			69,503			1,140	70,643
1.41 School Administration		153,743		70,259			224,002
1.64 Other							
Total Function 1	1,211,220	429,933	179,682	70,259	48,497	163,736	2,103,227
4 District Administration							
4.11 Educational Administration					107,219		107,219
4.40 School District Governance					60,462		60,462
4.41 Business Administration				55,978	117,452		173,430
Total Function 4	-	-	-	55,978	285,133	-	341,111
5 Operations and Maintenance							
5.41 Operations and Maintenance Administration					46,220		46,220
5.50 Maintenance Operations				509,275		34,694	543,969
5.52 Maintenance of Grounds							
5.56 Utilities							
Total Function 5	-	-	-	509,275	46,220	34,694	590,189
7 Transportation and Housing							
7.70 Student Transportation				12,356			12,356
7.73 Housing				19,918			19,918
Total Function 7	-	-	-	12,356	19,918	-	32,274
9 Debt Services							
Total Function 9	-	-	-	-	-	-	-
Total Functions 1 - 9	1,211,220	429,933	179,682	647,868	399,768	198,430	3,066,901

School District No. 87 (Stikine)

Operating Expense by Function, Program and Object

Year Ended June 30, 2017

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2017		2016	
					Actual	Budget (Note 13)	Actual	Actual
	\$	\$	\$	\$	\$	\$	\$	\$
1 Instruction								
1.02 Regular Instruction	1,562,616	358,890	1,921,506	359,897	2,281,403	2,407,429	2,512,603	
1.07 Library Services	14,852	3,827	18,679	83	18,762	75,103	75,013	
1.10 Special Education	231,214	47,194	278,408	8,556	286,964	188,387	155,278	
1.31 Aboriginal Education	70,643	21,253	91,896	132,286	224,182	356,425	206,991	
1.41 School Administration	224,002	31,209	255,211	48,347	303,558	357,278	260,835	
1.64 Other	-	-	-	3,020	3,020	112,070	75,790	
Total Function 1	2,103,327	462,373	2,565,700	552,189	3,117,889	3,496,692	3,286,510	
4 District Administration								
4.11 Educational Administration	107,219	25,017	132,236	7,274	139,510	150,079	139,637	
4.40 School District Governance	60,462	1,145	61,607	54,509	116,116	118,433	111,879	
4.41 Business Administration	173,430	44,086	217,516	141,005	358,521	401,937	362,146	
Total Function 4	341,111	70,248	411,359	202,788	614,147	670,449	613,662	
5 Operations and Maintenance								
5.41 Operations and Maintenance Administration	46,220	7,102	53,322	19,996	73,318	84,863	80,728	
5.50 Maintenance Operations	543,969	102,674	646,643	129,938	776,581	788,266	715,943	
5.52 Maintenance of Grounds	-	-	-	15,944	15,944	25,000	20,243	
5.56 Utilities	-	-	-	166,597	166,597	226,000	129,656	
Total Function 5	590,189	109,776	699,965	332,475	1,032,440	1,124,129	946,570	
7 Transportation and Housing								
7.70 Student Transportation	12,356		12,356	357,119	369,475	344,381	333,627	
7.73 Housing	19,918	4,599	24,517	237,567	262,084	104,807	239,814	
Total Function 7	32,274	4,599	36,873	594,686	631,559	449,188	573,441	
9 Debt Services								
Total Function 9	-	-	-	-	-	-	-	
Total Functions 1 - 9	3,066,901	646,996	3,713,897	1,682,138	5,396,035	5,740,458	5,420,181	

School District No. 87 (Stikine)

Schedule of Special Purpose Operations

Year Ended June 30, 2017

	2017 Budget (Note 13)	2017 Actual	2016 Actual
	\$	\$	\$
Revenues			
Provincial Grants			
Ministry of Education	739,663	759,789	698,119
Other Revenue	50,000	150,050	86,268
Investment Income		547	
Total Revenue	<u>789,663</u>	<u>910,386</u>	<u>784,387</u>
Expenses			
Instruction	723,741	857,454	761,946
Operations and Maintenance	15,513		
Total Expense	<u>739,254</u>	<u>857,454</u>	<u>761,946</u>
Special Purpose Surplus (Deficit) for the year	<u>50,409</u>	<u>52,932</u>	<u>22,441</u>
Net Transfers (to) from other funds			
Tangible Capital Assets Purchased	(50,409)	(52,932)	(22,441)
Total Net Transfers	<u>(50,409)</u>	<u>(52,932)</u>	<u>(22,441)</u>
Total Special Purpose Surplus (Deficit) for the year	<u>-</u>	<u>-</u>	<u>-</u>
Special Purpose Surplus (Deficit), beginning of year			
Special Purpose Surplus (Deficit), end of year		<u>-</u>	<u>-</u>

School District No. 87 (Stikine)
 Changes in Special Purpose Funds and Expense by Object
 Year Ended June 30, 2017

	Annual Facility Grant	Learning Improvement Fund	Service Delivery Transformation	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	CommunityLINK	Coding and Curriculum Implementation
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	6,122	-	24,130	99,998	-	15,050	19,830	-	-
Add: Restricted Grants									
Provincial Grants - Ministry of Education	50,409	109,044	-	142,531	22,645	9,800	-	549,128	29,563
Other Investment Income	547	-	-	142,531	22,645	9,800	-	549,128	29,563
Less: Allocated to Revenue	56,315	109,044	(26)	150,050	-	9,800	-	549,128	4,143
Deferred Revenue, end of year	763	-	24,156	92,479	22,645	15,050	19,830	-	25,420
Revenues									
Provincial Grants - Ministry of Education	55,768	109,044	(26)	150,050	-	9,800	-	549,128	4,143
Other Revenue	547	-	-	150,050	-	9,800	-	549,128	4,143
Expenses									
Salaries									
Teachers									
Educational Assistants	73,939							60,513	
Support Staff	15,161							136,059	
Substitutes								7,384	
Employee Benefits	89,100							211,542	
Services and Supplies	19,944							46,010	
Employee Benefits Services and Supplies	3,383		(26)	150,050		9,800		291,576	4,143
Employee Benefits Services and Supplies	3,383	109,044	(26)	150,050		9,800		549,128	4,143
Net Revenue (Expense) before Interfund Transfers	52,932	-	-	-	-	-	-	-	-
Interfund Transfers									
Tangible Capital Assets Purchased	(52,932)								
Tangible Capital Assets Purchased	(52,932)								
Net Revenue (Expense)	-	-	-	-	-	-	-	-	-

School District No. 87 (Stikine)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2017

	Priority Measures	TOTAL
	\$	\$
Deferred Revenue, beginning of year		165,130
Add: Restricied Grants		
Provincial Grants - Ministry of Education	53,871	824,460
Other		142,531
Investment Income		547
	53,871	967,538
Less: Allocated to Revenue	31,932	910,386
Deferred Revenue, end of year	21,939	222,282
Revenues		
Provincial Grants - Ministry of Education	31,932	759,789
Other Revenue		150,050
Investment Income		547
	31,932	910,386
Expenses		
Salaries		
Teachers	22,746	157,198
Educational Assistants		151,220
Support Staff		7,384
Substitutes		7,586
	22,746	323,388
Employee Benefits	9,186	75,140
Services and Supplies		458,926
	31,932	857,454
Net Revenue (Expense) before Interfund Transfers	-	52,932
Interfund Transfers		
Tangible Capital Assets Purchased		(52,932)
	-	(52,932)
Net Revenue (Expense)	-	-

School District No. 87 (Stikine)

Schedule of Capital Operations

Year Ended June 30, 2017

	2017 Budget (Note 13)	2017 Actual			2016 Actual
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
Revenues					
Provincial Grants					
Ministry of Education		83,513		83,513	
Investment Income	15,000		25,675	25,675	25,962
Amortization of Deferred Capital Revenue	374,519	372,103		372,103	374,865
Total Revenue	389,519	455,616	25,675	481,291	400,827
Expenses					
Operations and Maintenance		83,513		83,513	
Amortization of Tangible Capital Assets					
Operations and Maintenance	428,716	428,463		428,463	426,809
Total Expense	428,716	511,976	-	511,976	426,809
Capital Surplus (Deficit) for the year	(39,197)	(56,360)	25,675	(30,685)	(25,982)
Net Transfers (to) from other funds					
Tangible Capital Assets Purchased	50,409	52,932		52,932	22,441
Total Net Transfers	50,409	52,932	-	52,932	22,441
Total Capital Surplus (Deficit) for the year	11,212	(3,428)	25,675	22,247	(3,541)
Capital Surplus (Deficit), beginning of year		3,461,322	2,799,058	6,260,380	6,263,921
Capital Surplus (Deficit), end of year		3,457,894	2,824,733	6,282,627	6,260,380

School District No. 87 (Stikine)

Tangible Capital Assets
Year Ended June 30, 2017

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	1,763,718	22,591,032	181,780	402,948	-	7,706	24,947,184
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		481,766					481,766
Special Purpose Funds		52,932					52,932
Total		534,698					534,698
Decrease:							
Deemed Disposals			29,032	35,191			64,223
Total			29,032	35,191			64,223
Cost, end of year	1,763,718	23,125,730	152,748	367,757	-	7,706	25,417,659
Work in Progress, end of year							
Cost and Work in Progress, end of year	1,763,718	23,125,730	152,748	367,757	-	7,706	25,417,659
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year		15,133,849	82,812	190,086		1,541	15,408,288
Decrease:							
Deemed Disposals		368,449	18,178	40,295		1,541	428,463
Total							
Accumulated Amortization, end of year		15,502,298	71,958	195,190		3,082	15,772,528
Tangible Capital Assets - Net	1,763,718	7,623,432	80,790	172,567	-	4,624	9,645,131

School District No. 87 (Stikine)

Deferred Capital Revenue

Year Ended June 30, 2017

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
Deferred Capital Revenue, beginning of year	\$ 6,077,575	\$	\$	\$ 6,077,575
Changes for the Year				
Increase:				
Transferred from Deferred Revenue - Capital Additions	481,766			481,766
	<u>481,766</u>	<u>-</u>	<u>-</u>	<u>481,766</u>
Decrease:				
Amortization of Deferred Capital Revenue	372,103			372,103
	<u>372,103</u>	<u>-</u>	<u>-</u>	<u>372,103</u>
Net Changes for the Year	<u>109,663</u>	<u>-</u>	<u>-</u>	<u>109,663</u>
Deferred Capital Revenue, end of year	<u>6,187,238</u>	<u>-</u>	<u>-</u>	<u>6,187,238</u>
Work in Progress, beginning of year				-
Changes for the Year				
Net Changes for the Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Work in Progress, end of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Capital Revenue, end of year	<u>6,187,238</u>	<u>-</u>	<u>-</u>	<u>6,187,238</u>

School District No. 87 (Stikine)
 Changes in Unspent Deferred Capital Revenue
 Year Ended June 30, 2017

	Bylaw Capital	MED Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year						-
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education	565,279		118,000			565,279
Provincial Grants - Other	565,279	-	118,000	-	-	118,000
Decrease:						
Transferred to DCR - Capital Additions	481,766					481,766
AFG-bylaw spent on non-capital items	83,513					83,513
	565,279	-	-	-	-	565,279
Net Changes for the Year	-	-	118,000	-	-	118,000
Balance, end of year	-	-	118,000	-	-	118,000

**SCHOOL DISTRICT NO. 87 (STIKINE)
YEAR ENDED JUNE 30, 2017**

SCHEDULE OF DEBTS

Information on all long term debt is included in Statement 1 and in the Notes of the School District Audited Financial Statements.

- * This statement is produced under the *Financial Information Regulation*, Schedule 1, section 4.

**SCHOOL DISTRICT NO. 87 (STIKINE)
YEAR ENDED JUNE 30, 2017**

SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

School District No. 87 (Stikine) has not given any guarantee or indemnity under the Guarantees and Indemnities Regulation.

- * This statement is produced under the *Financial Information Regulation*, Schedule 1, section 5.

**SCHOOL DISTRICT No.87 (STIKINE)
FOR THE YEAR ENDED JUNE 30, 2016
(SCHEDULE 1) REMUNERATION & EXPENSES PAID IN RESPECT TO EACH EMPLOYEE**

A: LIST OF ELECTED OFFICIALS

<u>Name</u>		<u>Remuneration</u>	<u>Expenses</u>
Danielson, Carol F.	Trustee	9,499.92	2,132.81
Louie, Jolene	Trustee	10,099.92	6,211.60
Strange, Michael	Trustee	11,762.49	8,835.52
Tashoots, Yvonne	Chairperson	16,150.08	12,879.39
Vance, Fannie	Trustee	12,949.92	12,645.59
A: TOTAL FOR ELECTED OFFICIALS		60,462	42,705

B: LIST OF EMPLOYEES WHOSE REMUNERATION EXCEEDS \$75,000

<u>Name</u>		<u>Remuneration</u>	<u>Expenses</u>
Berg, Asa K.		112,576.82	1,492.15
Brydon, Robert		77,136.17	4,487.00
Carter, Stanley V.		89,439.96	4,669.00
Chonker, Nav		113,621.15	8,154.36
Cook, Brent		84,178.84	979.7
Danuser, Nancy		92,184.98	5,513.19
Gallicano, Corri		80,489.39	937.47
Gordon, Alison		100,972.20	3,294.44
Gordon, Michael		146,457.59	26,807.73
Gourlay, Benjamin		76,834.59	5,677.82
Lagace, Andre		94,870.72	1,185.51
MacInnis, Sherry M.		91,591.36	
Mackie, Ken		137,055.51	13,206.61
Michelin, Gerald		77,834.11	583.05
Muldoe, Stephanie		90,769.90	641.88
Peters, Heather		98,457.72	304.01
Rasmussen, Robyn		75,734.35	193.62
Rasmussen, Ryan		79,835.60	9,677.45
Robinson, Leah		123,409.02	7,241.41
Scott, Amber		106,942.16	9,794.29
Seaman, Heather		107,130.70	120.96
Wuthrich, Ranier		84,218.49	300.91
B. TOTALS FOR EMPLOYEE WHOSE REMUNERATION EXCEEDS \$75,000.00		2,141,741	105,263

**C: REMUNERATION TO EMPLOYEES
PAID \$75,000 OR LESS**

1,449,307	59,862
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**A: REMUNERATION TO
ELECTED OFFICIALS LISTED ABOVE (section A)**

60,462	42,705
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**CONSOLIDATED TOTAL OF
REMUNERATION AND EXPENSES PAID**

3,651,511	207,829
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**SCHOOL DISTRICT NO. 87 (STIKINE)
YEAR ENDED JUNE 30, 2017**

STATEMENT OF SEVERANCE AGREEMENTS

There were no severance agreements made between School District No. 87 (Stikine) and its non-unionized employees during the fiscal year 2016/17.

* This statement is produced under the *Financial Information Regulation*, Schedule 1, subsection 6(7).

**SCHOOL DISTRICT No.87 (STIKINE)
FOR THE YEAR ENDED JUNE 30, 2016
(SCHEDULE 2) PAYMENTS MADE FOR THE PROVISION OF GOODS AND SERVICES**

<u>Name of Individuals, Firms, or Corporations</u>	<u>Amount Paid</u>
A. LIST OF SUPPLIERS WHERE PAYMENTS EXCEED \$25,000.00	
ALL TYPE WELDING SERVICES	62,153.90
BC HYDRO	74,167.85
BC PENSION CORPORATION	663,519.86
BC TEACHERS' FEDERATION	28,823.91
BRADFORD'S CONSTRUCTION	306,600.00
CANADIAN UNION OF PUBLIC EMPLOYEES	25,755.97
CURTIS RATTRAY	34,523.23
DAYLU DENA COUNCIL	39,028.80
DISCOVERY CONSTRUCTION	81,090.34
DIVERSIFIED TRANSPORTATION LTD.	113,187.10
GOVERNMENT OF THE YUKON	146,000.00
IYON KETCHIKA CONTRACTING LTD.	78,312.28
KEDA PROPANE	145,917.78
KEN EDZERZA	67,720.00
L.J. ENTERPRISES	53,266.17
LIARD BASIN ENVIRONMENTAL SERVICES	25,777.50
MEDICAL SERVICES PLAN	49,537.00
MORNEAU SHEPELL - IN TRUST	94,373.65
N HARRIS COMPUTER CORP.	28,113.14
NORTHWESTEL INC.	40,320.87
P.E.B.T. - IN TRUST	57,151.50
ROYAL BANK VISA	92,036.25
SITSA HOLDINGS	90,369.70
SPECTRUM SECURITY & SOUND LTD.	42,032.99
STIKINE TEACHER'S ASSOCIATION	31,838.71
TAHLTAN BAND COUNCIL	25,800.00
TECH DATA CANADA CORP.	27,886.36
TOTAL FIRE PROTECTION SERVICES LTD.	35,551.18
TRI-CITY REFRIGERATION	50,882.46
WHITE BEAR INDUSTRIES	78,750.00
TOTAL DETAILED VENDORS > 25,000	2,690,488.50
TOTAL VENDORS <= 25,000.00	797,124.11
TOTAL PAYMENTS FOR THE PROVISION OF GOODS & SERVICES	3,487,613

**SCHOOL DISTRICT No.87 (STIKINE)
FOR THE YEAR ENDED JUNE 30, 2017**

(Schedule 3) Reconciliation of Payments (Schedule 1 & 2) to the Financial Statements

Schedule for Employee Remuneration's & Expenses, and Payments:

<i>Schedule 1 - Remuneration and expenses paid to employees</i>		
Total employee remuneration's	\$3,651,511	
Total employee expenses	\$207,829	
Total employers portion of EI and CPP	<u>\$177,724</u>	
<i>Total Schedule 1 - Remuneration & expenses paid to employees</i>		\$4,037,064
<i>Total Schedule 2 - Payments for the provision of goods & services</i>		<u>\$3,487,613</u>
<u>CONSOLIDATED TOTAL OF SCHEDULED PAYMENTS</u>		\$7,524,677

Reconciliation to Financial Statement Expenditures:

Operating fund expenditures Function 1 - 7	\$6,765,465	
Trust fund expenditures	\$0	
Capital fund expenditures - additions to Fixed Assets (excl loan repayment)	<u>\$534,698</u>	
 Financial Statement Expenditures		 \$7,300,163

Reconciliation of Payments to Financial Statement Expenditures:

1) Non Cash Items:		
Inventory 760 - No Change	\$0	
Prepaid Expenses 765 - Increase	-\$1,537	
Liability Trades 825 - Increase	-\$40,198	
Other Current Liability 845 - No Change	\$0	
Liability Capital Trades 825 - No Change	\$0	
Amortization of Capital Assets	<u>-\$428,463</u>	
<i>Total Non Cash Items</i>		-\$470,198

2) Payroll adjustments for Items in both Remuneration, & Goods and Services:		
Teachers / Management payroll - employee share of benefits and deductions	\$363,416	
Support Staff / TOC payroll - employee share of benefits and deductions	\$107,762	
Employers' portion of payroll deductions and taxable benefits	\$246,000	
Adjustments due to Employee payroll earnings	<u>-\$63,384</u>	
<i>Total Payroll adjustments for Items in both Remuneration, & Goods and Services:</i>		653,794

3) Adjustment to payment made for the provision of Goods and Services:		
GST rebate	\$65,569	
School Fund Expenditures	-\$150,050	
Seconded recoveries and third party recoveries	\$134,236	
Misc Adjustments and Adjustments to Vendor Listing	-\$9,747	
*** Miscellaneous reconciling items due to the difference in accrual accounting and cash basis reporting for schedule of payments ***	<u>\$909</u>	
<i>Total adjustment to payment made for the provision of Goods and Services:</i>		40,918

Total Reconciling Items to Remuneration's and Payments 224,514

CONSOLIDATED TOTAL OF FINANCIAL STATEMENT EXPENDITURES **\$7,524,677**

Difference \$0