

SCHOOL DISTRICT

AUDITED FINANCIAL STATEMENTS

FISCAL YEAR 2003/2004

SCHOOL DISTRICT NUMBER 67	NAME OF SCHOOL DISTRICT Okanagan Skaha	YEAR 2003/2004
OFFICE LOCATION 425 Jermyn Ave		TELEPHONE NUMBER
MAILING ADDRESS 425 Jermyn Ave		
CITY / PROVINCE Penticton, British Columbia		POSTAL CODE V2A 1Z4
NAME OF SUPERINTENDENT Gary Doi		TELEPHONE NUMBER 250-770-7713
NAME OF SECRETARY - TREASURER Frank Regehr		TELEPHONE NUMBER 250-770-7706

DECLARATION AND SIGNATURES

We, the undersigned, certify that the attached is a correct and true copy of the Audited Financial Statements for the School District Fiscal Year 2003/2004 for School District No. 67 (Okanagan Skaha)

SIGNATURE OF CHAIRPERSON OF THE BOARD OF SCHOOL TRUSTEES	DATE SIGNED
SIGNATURE OF SUPERINTENDENT	DATE SIGNED
SIGNATURE OF SECRETARY - TREASURER	DATE SIGNED

TABLE OF CONTENTS

AUDITORS' REPORT

FINANCIAL STATEMENTS

Statement of Financial Position	Statement 1
Statement of Revenue and Expense	Statement 2
Statement of Changes in Fund Balances	Statement 3
Statement of Cash Flows	Statement 4

NOTES TO FINANCIAL STATEMENTS

SCHEDULES

Operating Fund	
Surplus (Deficit)	Schedule A1
Comparative Schedule of Revenue by Source	Schedule A2
Comparative Schedule of Expense by Object	Schedule A3
Expenditure by Function and Program	Schedule A4
Changes in Deferred Contributions	Schedule A5
Special Purpose Funds	
Summary of Changes	Schedule B1
Changes in Ministry of Education Trust Funds	Schedule B2
Changes in Other Trust Funds	Schedule B3
Capital Fund	
Capital Assets	Schedule C1
Deferred Capital Contributions	Schedule C2
Changes in Deferred Contributions	Schedule C3
Changes In Fund Balances	Schedule C4

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2004

Statement 1

ASSETS	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2004	TOTAL 2003
Current Assets					
Cash	4,167,983	1,603,341	564,383	6,335,707	8,151,351
Short Term Investments					
Accounts Receivable					
Due from Province - Ministry of Education					
Due from Province - Other	34,137			34,137	28,375
Due from Canada	76,239			76,239	51,987
Due from Other School Districts	1,939			1,939	365
Due from LEA / Direct Funding					
Other Receivables	401,464			401,464	328,639
Allowance for Doubtful Accounts					
Interfund Loans					
Inventories					
Prepaid Expenses					
	4,681,762	1,603,341	564,383	6,849,486	8,560,717
Investments					
Equity Investments					
Capital Assets - Net			105,360,538	105,360,538	105,041,676
	4,681,762	1,603,341	105,924,921	112,210,024	113,602,393
LIABILITIES AND FUND BALANCES					
Current Liabilities					
Bank Overdraft					
Accounts Payable and Accrued Liabilities					
Due to Province - Ministry of Education					
Due to Province - Other	516			516	539
Other	3,083,346			3,083,346	3,208,889
Bank Loans					
Interfund Loan					
Other Current Liabilities	404,716			404,716	778,563
	3,488,578	0	0	3,488,578	3,987,991
Deferred Contributions					
Ministry of Education		1,592,460		1,592,460	1,547,920
Province, Other					
Other	221,733	10,881		232,614	615,191
Accrued Employee Future Benefits	439,769			439,769	333,589
Deferred Capital Contributions			54,118,663	54,118,663	57,478,702
Bank Loans					
Capital Lease Obligations					
Other Long Term Liabilities	287,420			287,420	247,042
	4,437,500	1,603,341	54,118,663	60,159,504	64,210,435
Fund Balances					
Invested In Capital Assets			51,241,874	51,241,874	47,881,836
Reserves			564,384	564,384	631,010
Endowment					
Internally Restricted	238,858			238,858	875,698
Unrestricted	5,404			5,404	3,414
	244,262	0	51,806,258	52,050,520	49,391,958
	4,681,762	1,603,341	105,924,921	112,210,024	113,602,393

**SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
STATEMENT OF REVENUE AND EXPENSE
YEAR ENDED JUNE 30, 2004**

Statement 2

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2004	TOTAL 2003
REVENUE					
Provincial Grants - Ministry of Education	47,474,673	1,754,428		49,229,101	49,877,059
Provincial Grants - Other	334,500			334,500	305,860
Federal Grants	74,119			74,119	82,585
Other Revenue	548,485			548,485	573,740
Rentals and Leases	87,248	213		87,461	83,696
Investment Income	196,419		16,127	212,546	260,613
Gain (Loss) on Equity Investment					
Gain (Loss) on Disposal of Capital Assets			791	791	46,415
	<u>48,715,444</u>	<u>1,754,641</u>	<u>16,918</u>	<u>50,487,003</u>	<u>51,229,968</u>
EXPENSE					
Salaries					
Teachers	22,689,932			22,689,932	22,973,697
Principals and Vice Principals	3,126,386			3,126,386	3,170,280
Educational Assistants	2,644,245			2,644,245	2,403,369
Support Staff	4,491,062			4,491,062	4,788,896
Other Professionals	1,153,749			1,153,749	1,063,351
Substitutes	1,042,973			1,042,973	1,066,005
	<u>35,148,347</u>	<u>0</u>	<u>0</u>	<u>35,148,347</u>	<u>35,465,598</u>
Employee Benefits	7,506,055			7,506,055	7,561,819
Services and Supplies	6,686,892	1,754,641	92,544	8,534,077	8,000,144
	<u>49,341,294</u>	<u>1,754,641</u>	<u>92,544</u>	<u>51,188,479</u>	<u>51,027,561</u>
NET REVENUE (EXPENSE)	<u>(625,850)</u>	<u>0</u>	<u>(75,626)</u>	<u>(701,476)</u>	<u>202,407</u>

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2004

Statement 3

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2004	TOTAL 2003
FUND BALANCES, BEGINNING OF YEAR	879,112	0	48,512,846	49,391,958	46,905,870
Changes in Accounting Policies /					
Prior Period Adjustments					
Deferred Capital Contributions			1,134,272	1,134,272	
Bylaw Capital Over/(Under) Spent Beginning of Year			(318,862)	(318,862)	
FUND BALANCES, BEGINNING OF YEAR, AS RESTATED	879,112	0	49,328,256	50,207,368	46,905,870
Changes for the Year					
Net Revenue (Expense) for the Year	(625,850)		(75,626)	(701,476)	202,407
Interfund Transfers					
Local Capital	(9,000)		9,000		
Direct Increases in Fund Balances					
Amortization of Deferred Capital Contributions			2,225,766	2,225,766	2,283,681
Purchases of Capital Assets			318,862	318,862	
Net Changes for the Year	(634,850)	0	2,478,002	1,843,152	2,486,088
FUND BALANCES, END OF YEAR	244,262	0	51,806,258	52,050,520	49,391,958

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2004

Statement 4

	OPERATING FUND	SPECIAL PURPOSE FUNDS	CAPITAL FUND	TOTAL 2004	TOTAL 2003
CASH PROVIDED BY (USED FOR)					
OPERATIONS					
Net Revenue (Expense) for the Year	(625,850)		(75,626)	(701,476)	202,407
Changes In Non-Cash Operating Working Capital					
Decrease (Increase)					
Accounts Receivable	(104,414)			(104,414)	1,126,850
Interfund Loans	(318,862)			(318,862)	(318,862)
Increase (Decrease)					
Accounts Payable/Accrued Liabilities	(125,565)			(125,565)	(570,588)
Other Current Liabilities	(373,847)			(373,847)	
Deferred Contributions	(393,458)	55,421	(318,862)	(656,899)	40,554
Accrued Employee Future Benefits	106,180			106,180	48,745
Other Long Term Liabilities	40,378			40,378	28,054
Internally Retriected Classified As a Liability					533,812
Interfund Transfers	(9,000)		9,000		
	(1,804,438)	55,421	(385,488)	(2,134,505)	1,090,972
FINANCING					
Deferred Capital Contribution Received					4,984,703
	0	0	0	0	4,984,703
INVESTING					
Purchase of Capital Assets			318,861	318,861	(3,674,798)
	0	0	318,861	318,861	(3,674,798)
Net Increase (Decrease) In Cash	(1,804,438)	55,421	(66,627)	(1,815,644)	2,400,877
Net Cash, Beginning of Year	5,972,421	1,547,920	631,010	8,151,351	5,750,474
Changes In Accounting Policies/ Prior Period Adjustments					
Net Cash, Beginning of Year, as Restated	5,972,421	1,547,920	631,010	8,151,351	5,750,474
NET CASH, END OF YEAR	4,167,983	1,603,341	564,383	6,335,707	8,151,351
Cash	4,167,983	1,603,341	564,383	6,335,707	8,151,351
Short Term Investments					
Bank Overdraft					
NET CASH, END OF YEAR	4,167,983	1,603,341	564,383	6,335,707	8,151,351

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
OPERATING FUND
SURPLUS (DEFICIT)
YEAR ENDED JUNE 30, 2004

Schedule A1

	2004	2004 AMENDED ANNUAL BUDGET	2003
	ACTUAL		ACTUAL
REVENUE			
Provincial Grants - Ministry of Education	47,474,673	47,292,051	48,570,456
Provincial Grants - Other	334,500	335,000	305,860
Federal Grants	74,119	80,900	82,585
Other Revenue	548,485	593,500	452,450
Rentals and Leases	87,248	72,000	83,887
Investment Income	196,419	185,000	243,080
	<u>48,715,444</u>	<u>48,558,451</u>	<u>49,738,318</u>
EXPENSE			
Salaries			
Teachers	22,689,932	22,696,488	22,973,697
Principals and Vice Principals	3,126,386	3,153,100	3,170,280
Educational Assistants	2,644,245	2,652,704	2,403,369
Support Staff	4,491,062	4,534,069	4,788,896
Other Professionals	1,153,749	1,107,175	1,063,351
Substitutes	1,042,973	1,113,000	1,066,005
	<u>35,148,347</u>	<u>35,256,536</u>	<u>35,465,598</u>
Employee Benefits	7,506,055	7,513,500	7,561,819
Services and Supplies	6,686,892	6,361,555	7,316,875
	<u>49,341,294</u>	<u>49,131,591</u>	<u>50,344,292</u>
NET REVENUE (EXPENSE) FOR THE YEAR	(625,850)	(573,140)	(605,974)
INTERFUND TRANSFERS			
Capital Assets Purchased			
Local Capital	(9,000)	(9,000)	(9,000)
Other			746,502
Budgeted Allocation of Surplus (Deficit)		582,140	
Surplus (Deficit) Beginning of Year	879,112		747,584
	<u>879,112</u>		<u>747,584</u>
SURPLUS (DEFICIT), END OF YEAR			
(Section 156 (12) of School Act)	244,262	0	879,112
	<u>244,262</u>		<u>879,112</u>
SURPLUS (DEFICIT), END OF YEAR			
Internally Restricted	238,858		
Unrestricted	5,404		
	<u>244,262</u>		

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
OPERATING FUND
COMPARATIVE SCHEDULE OF REVENUE BY SOURCE
YEAR ENDED JUNE 30, 2004

Schedule A2

	2004	2004	2003
	ACTUAL	AMENDED ANNUAL BUDGET	ACTUAL
PROVINCIAL GRANTS, MINISTRY OF EDUCATION			
Operating Grant, Ministry of Education	46,909,567	46,851,493	48,005,005
Other Ministry of Education Grants			
Pay Equity Grant	441,194	440,558	421,189
Industrial Inquiry 4-hr minimum			144,262
Feasibility Study	123,912		
	<u>47,474,673</u>	<u>47,292,051</u>	<u>48,570,456</u>
PROVINCIAL GRANTS, OTHER	<u>334,500</u>	<u>335,000</u>	<u>305,860</u>
FEDERAL GRANTS	<u>74,119</u>	<u>80,900</u>	<u>82,585</u>
OTHER REVENUE			
School Referendum Taxes			
Other School District/Education Authorities	263,272	260,000	267,666
Summer School Fees	16,455	23,500	20,215
Continuing Education			
Offshore Tuition Fees	260,351	260,000	159,760
LEA/Direct Funding from First Nations			(4,528)
Miscellaneous			
Other Fees & Revenue	8,407	50,000	9,337
	<u>548,485</u>	<u>593,500</u>	<u>452,450</u>
RENTALS AND LEASES	<u>87,248</u>	<u>72,000</u>	<u>83,887</u>
INVESTMENT INCOME	<u>196,419</u>	<u>185,000</u>	<u>243,080</u>
TOTAL OPERATING REVENUE	<u><u>48,715,444</u></u>	<u><u>48,558,451</u></u>	<u><u>49,738,318</u></u>

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
OPERATING FUND
COMPARATIVE SCHEDULE OF EXPENSE BY OBJECT
YEAR ENDED JUNE 30, 2004

Schedule A3

	2004	2004 AMENDED ANNUAL BUDGET	2003
	ACTUAL		ACTUAL
SALARIES			
Teachers	22,689,932	22,696,488	22,973,697
Principals and Vice Principals	3,126,386	3,153,100	3,170,280
Educational Assistants	2,644,245	2,652,704	2,403,369
Support Staff	4,491,062	4,534,069	4,788,896
Other Professionals	1,153,749	1,107,175	1,063,351
Substitutes	1,042,973	1,113,000	1,066,005
	<u>35,148,347</u>	<u>35,256,536</u>	<u>35,465,598</u>
EMPLOYEE BENEFITS	7,506,055	7,513,500	7,561,819
Total Salaries and Benefits	<u>42,654,402</u>	<u>42,770,036</u>	<u>43,027,417</u>
SERVICES AND SUPPLIES			
Services	1,266,918	1,209,758	1,052,211
Student Transportation	623,894	653,600	636,412
Professional Development and Travel	397,918	391,900	488,209
Rentals and Leases		5,900	17,330
Dues and Fees	14,365	17,900	49,655
Insurance	107,370	112,400	105,021
Interest			
Supplies	2,626,947	2,374,097	3,169,434
Bad Debts			
Furniture and Equipment Replacement	252,881	189,700	287,594
Computer Equipment Replacement	206,354	107,900	346,382
Utilities	1,190,245	1,298,400	1,164,627
Total Services and Supplies	<u>6,686,892</u>	<u>6,361,555</u>	<u>7,316,875</u>
TOTAL OPERATING EXPENSE	<u>49,341,294</u>	<u>49,131,591</u>	<u>50,344,292</u>

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
OPERATING FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2004

Schedule A5

BALANCE, BEGINNING OF YEAR	615,191
Changes in Accounting Policies / Prior Period Adjustments	
 BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>615,191</u>
 Changes for the Year	
Increase:	
Other Revenue	60,061
Rentals	62,042
Offshore Tuition	97,630
	<u>219,733</u>
 Decrease:	
Allocated to Revenue	
Rentals and Leases	63,612
Offshore Tuition	128,390
Pay Equity	421,189
	<u>613,191</u>
 Net Changes for the Year	<u>(393,458)</u>
 BALANCE, END OF YEAR	<u><u>221,733</u></u>

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
CAPITAL FUND
DEFERRED CAPITAL CONTRIBUTIONS
YEAR ENDED JUNE 30, 2004

Schedule C2

	BYLAW CAPITAL (NET)	OTHER PROVINCIAL (NET)	OTHER CAPITAL (NET)	TOTAL CAPITAL
BALANCE, BEGINNING OF YEAR	57,478,701			57,478,701
Changes in Accounting Policy/ Prior Period Adjustments				
Adjust Opening Deferred Capital Contributions	(1,134,272)			(1,134,272)
BALANCE, BEGINNING OF YEAR, AS RESTATED	56,344,429	0	0	56,344,429
Changes for the Year				
Increase:				
	0	0	0	0
Decrease:				
Amortization of Deferred Capital Contributions	2,225,766			2,225,766
	2,225,766	0	0	2,225,766
Net Changes for the Year	(2,225,766)	0	0	(2,225,766)
BALANCE, END OF YEAR	54,118,663	0	0	54,118,663

SCHOOL DISTRICT NO. 67 (Okanagan Skaha)
CAPITAL FUND
CHANGES IN DEFERRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2004

Schedule C3

	BYLAW CAPITAL	OTHER PROVINCIAL	OTHER CAPITAL	TOTAL
BALANCE, BEGINNING OF YEAR	0	0	0	0
Changes in Accounting Policies / Prior Period Adjustments				
Bylaw Capital (Over)/Under Spent Beginning of Year	318,862			318,862
BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>318,862</u>	<u>0</u>	<u>0</u>	<u>318,862</u>
Changes for the Year				
Increase:				
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Decrease:				
Transferred to DCC - Capital Additions	318,862			318,862
	<u>318,862</u>	<u>0</u>	<u>0</u>	<u>318,862</u>
Net Changes for the Year	<u>(318,862)</u>	<u>0</u>	<u>0</u>	<u>(318,862)</u>
BALANCE, END OF YEAR	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>