

SCHOOL DISTRICT NO. 68 (NANAIMO-LADYSMITH)

**STATEMENT OF  
FINANCIAL INFORMATION  
FOR FISCAL YEAR  
ENDED JUNE 30, 2015**

**SCHOOL DISTRICT NO. 68 (NANAIMO-LADYSMITH)**  
**Statement of Financial Information (SOFI)**  
**Fiscal Year Ended June 30, 2015**

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8. Schedule of Payments for the Provision of Goods and Services including:
  - Reconciliation or explanation of differences to Audited Financial Statements



Ministry of Education

# SCHOOL DISTRICT STATEMENT OF FINANCIAL INFORMATION (SOFI)

6049

SCHOOL DISTRICT NUMBER <b>68</b>	NAME OF SCHOOL DISTRICT <b>School District No. 68 (Nanaimo-Ladysmith)</b>	YEAR <b>2015</b>
OFFICE LOCATION(S) <b>395 Wakesiah Ave</b>		TELEPHONE NUMBER <b>250-741-5521</b>
MAILING ADDRESS		

CITY <b>Nanaimo</b>	PROVINCE <b>BC</b>	POSTAL CODE <b>V9R 3K6</b>
NAME OF SUPERINTENDENT <b>John Blain</b>		TELEPHONE NUMBER
NAME OF SECRETARY TREASURER <b>Graham Roberts</b>		TELEPHONE NUMBER

### DECLARATION AND SIGNATURES

We, the undersigned, certify that the attached is a correct and true copy of the Statement of Financial Information for the year ended June 30, 2015 for School District No. 68 as required under Section 2 of the Financial Information Act.

SIGNATURE OF CHAIRPERSON OF THE BOARD OF EDUCATION 	DATE SIGNED <b>DEC 16 / 15</b>
SIGNATURE OF SUPERINTENDENT 	DATE SIGNED <b>Dec 16 / 2015</b>
SIGNATURE OF SECRETARY TREASURER 	DATE SIGNED <b>Dec 15, 2015</b>

## SCHOOL DISTRICT NO. 68 (NANAIMO-LADYSMITH)

### Statement of Financial Information for Year Ended June 30, 2015

#### Financial Information Act-Submission Checklist

	<i>Due Date</i>
a) <input type="checkbox"/> A statement of assets and liabilities (audited financial statements).	<i>September 30</i>
b) <input type="checkbox"/> An operational statement including, i) a Statement of Income and ii) a Statement of Changes in Financial Position, or, if omitted, an explanation in the Notes to Financial Statements (audited financial statements)	<i>September 30</i>
c) <input type="checkbox"/> A schedule of debts (audited financial statements).	<i>September 30</i>
d) <input type="checkbox"/> A schedule of guarantee and indemnity agreements including the names of the entities involved and the amount of money involved. (Note: Nil schedules can be submitted December 31).	<i>September 30</i>
e) A schedule of remuneration and expenses, including:	<i>December 31</i>
<input type="checkbox"/> i) an alphabetical list of employees earning over \$75,000, the total amount of expenses paid to or on behalf of each employee for the year reported and a consolidated total for employees earning under \$75,000. If the total wages and expenses differs from the audited financial statements, an explanation is required.	
<input type="checkbox"/> ii) a list by name and position of Board Members with the amount of any salary and expenses paid to or on behalf of the member	
<input type="checkbox"/> iii) the number of severance agreements started during the fiscal year and the range of months' pay covered by the agreement, in respect of excluded employees. If there are no agreements to report, an explanation is required	
f) <input type="checkbox"/> An alphabetical list of suppliers receiving over \$25,000 and a consolidated total for those suppliers receiving less than \$25,000. If the total differs from the Audited Financial Statements, an explanation is required.	<i>December 31</i>
g) <input type="checkbox"/> Approval of Statement of Financial Information.	<i>December 31</i>
h) <input type="checkbox"/> A management report approved by the Chief Financial Officer	<i>December 31</i>

**SCHOOL DISTRICT NO. 68 (NANAIMO-LADYSMITH)**  
**Statement of Financial Information (SOFI)**  
**Fiscal Year Ended June 30, 2015**

**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 Canadian generally accepted accounting principles and the integrity and objectivity of these statements are management's responsibility.


Management is also responsible for all other schedules of financial information and for ensuring this information is consistent, where appropriate, with the information contained in the financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Education 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, MNP LLP Charter Accountants, 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 The Board of Education School District No. 68 (Nanaimo-Ladysmith)

  
\_\_\_\_\_  
John Blain, Superintendent  
Date: December 15, 2015

  
\_\_\_\_\_  
Graham Roberts, Secretary Treasurer  
Date: December 15, 2015

Audited Financial Statements of

**School District No. 68 (Nanaimo-Ladysmith)**

June 30, 2015

# School District No. 68 (Nanaimo-Ladysmith)

June 30, 2015

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# School District No. 68 (Nanaimo-Ladysmith)

## MANAGEMENT REPORT

Version: 1291-9545-7563

### Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 68 (Nanaimo-Ladysmith) 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.

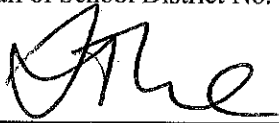
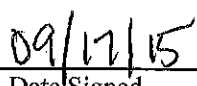
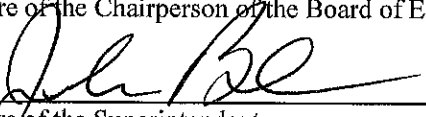

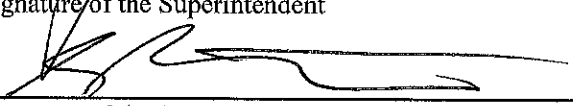

The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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. 68 (Nanaimo-Ladysmith) (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', MNP, 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. 68 (Nanaimo-Ladysmith) 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. 68 (Nanaimo-Ladysmith)

	
Signature of the Chairperson of the Board of Education	Date Signed
	
Signature of the Superintendent	Date Signed
	
Signature of the Secretary Treasurer	Date Signed



## Independent Auditors' Report

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To the Board of Education of School District No. 68 (Nanaimo-Ladysmith) and the Minister of Education:

We have audited the accompanying financial statements of School District No. 68 (Nanaimo-Ladysmith), which comprise the statement of financial position as at June 30, 2015, and the statements of changes in net financial assets (debt), operations, cash flows and remeasurement gains and losses for the year then ended and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for Financial Statements*

Management is responsible for the preparation and presentation of these financial statements in accordance with the financial reporting framework based on Section 23.1 of the Budget Transparency and Accountability Act and the Province of British Columbia's Treasury Board Regulations 257/2010 and 198/2011, 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the financial statements 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. 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present the financial position of School District No. 68 (Nanaimo-Ladysmith) as at June 30, 2015 and the results of its operations, changes in net financial assets (debt), cash flows and remeasurement gains and losses for the year then ended in compliance with, in all material respects, the financial reporting framework based on Section 23.1 of the Budget Transparency and Accountability Act and the Province of British Columbia's Treasury Board Regulations 257/2010 and 198/2011.

### *Emphasis of Matter*

We draw attention to Note 2 which describes the financial reporting framework being followed by School District No. 68 (Nanaimo-Ladysmith).

### *Other Matter*

We draw attention to the Supplementary Financial Information included in Schedules 1 to 4D which has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Nanaimo, British Columbia

September 16, 2015

*MNP LLP*  
Chartered Professional Accountants

# School District No. 68 (Nanaimo-Ladysmith)

Statement 1

## Statement of Financial Position

As at June 30, 2015

	2015 Actual	2014 Actual
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	30,701,846	28,352,275
Accounts Receivable		
Due from Province - Ministry of Education (Note 4)	2,337,648	1,064,758
Due from Province - Other	5,000	3,823
Due from LEA/Direct Funding	-	395,591
Other (Note 4)	748,928	681,104
Mortgage Receivable (Note 5)	121,623	128,902
<b>Total Financial Assets</b>	<b>33,915,045</b>	<b>30,626,453</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education	-	2,941,342
Other (Note 6)	11,121,994	7,272,883
Unearned Revenue (Note 7)	2,374,787	1,865,470
Deferred Revenue (Note 8)	2,212,127	2,220,923
Deferred Capital Revenue (Note 9)	114,412,391	107,472,667
Employee Future Benefits (Note 10)	1,656,558	1,703,609
Capital Lease Obligations (Note 11)	1,545,292	2,046,705
Other Liabilities	1,458,704	1,147,840
<b>Total Liabilities</b>	<b>134,781,853</b>	<b>126,671,439</b>
<b>Net Financial Assets (Debt)</b>	<b>(100,866,808)</b>	<b>(96,044,986)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 12)	150,005,611	143,962,473
Prepaid Expenses (Note 13)	140,550	217,445
<b>Total Non-Financial Assets</b>	<b>150,146,161</b>	<b>144,179,918</b>
<b>Accumulated Surplus (Deficit) (Note 25)</b>	<b>49,279,353</b>	<b>48,134,932</b>

Contractual Obligations and Contingencies (Note 19 and Note 21)

Approved by the Board

Signature of the Chairperson of the Board of Education

Date Signed

Signature of the Superintendent

Date Signed

Signature of the Secretary Treasurer

Date Signed

# School District No. 68 (Nanaimo-Ladysmith)

Statement 2

Statement of Operations  
Year Ended June 30, 2015

	2015 Budget (Note 20) \$	2015 Actual \$	2014 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	115,824,018	116,243,097	114,369,638
Other	210,000	227,879	425,842
Tuition	2,803,294	3,761,297	2,765,062
Other Revenue	5,163,885	5,094,910	5,836,356
Rentals and Leases	514,333	500,815	663,666
Investment Income	167,000	387,945	269,755
Gain (Loss) on Disposal of Tangible Capital Assets (Note 14)		884,701	2,498,697
Amortization of Deferred Capital Revenue	4,549,849	4,535,954	4,475,386
<b>Total Revenue</b>	<b>129,232,379</b>	<b>131,636,598</b>	<b>131,304,402</b>
<b>Expenses</b>			
Instruction	104,152,924	101,543,284	97,658,747
District Administration	4,983,435	4,965,326	5,028,581
Operations and Maintenance	23,120,675	22,270,522	21,728,455
Transportation and Housing	1,868,131	1,677,481	1,690,699
Debt Services	67,300	35,564	35,776
<b>Total Expense</b>	<b>134,192,465</b>	<b>130,492,177</b>	<b>126,142,258</b>
<b>Surplus (Deficit) for the year</b>	<b>(4,960,086)</b>	<b>1,144,421</b>	<b>5,162,144</b>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>48,134,932</b>	<b>42,972,788</b>
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<b>49,279,353</b>	<b>48,134,932</b>

# School District No. 68 (Nanaimo-Ladysmith)

Statement 4

Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2015

	2015 Budget (Note 20) \$	2015 Actual \$	2014 Actual \$
<b>Surplus (Deficit) for the year</b>	(4,960,086)	1,144,421	5,162,144
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(10,550,000)	(12,765,775)	(10,340,254)
Amortization of Tangible Capital Assets	6,939,626	6,415,537	6,289,505
Net carrying value of Tangible Capital Assets disposed of		307,100	19,319
<b>Total Effect of change in Tangible Capital Assets</b>	(3,610,374)	(6,043,138)	(4,031,430)
Use of Prepaid Expenses		76,895	(69,051)
Use of Supplies Inventory		-	41,986
<b>Total Effect of change in Other Non-Financial Assets</b>	-	76,895	(27,065)
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	(8,570,460)	(4,821,822)	1,103,649
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		(4,821,822)	1,103,649
<b>Net Financial Assets (Debt), beginning of year</b>		(96,044,986)	(97,148,635)
<b>Net Financial Assets (Debt), end of year</b>		(100,866,808)	(96,044,986)

# School District No. 68 (Nanaimo-Ladysmith)

Statement 5

Statement of Cash Flows

Year Ended June 30, 2015

	2015 Actual	2014 Actual
	\$	\$
<b>Operating Transactions</b>		
Surplus (Deficit) for the year	1,144,421	5,162,144
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(946,300)	791,949
Supplies Inventories	-	41,986
Prepaid Expenses	76,895	(69,051)
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	907,769	(846,521)
Unearned Revenue	509,317	507,495
Deferred Revenue	(8,796)	(68,023)
Employee Future Benefits	(47,051)	77,020
Other Liabilities	310,864	162,382
Loss (Gain) on Disposal of Tangible Capital Assets	(884,701)	(2,498,697)
Amortization of Tangible Capital Assets	6,415,537	6,289,505
Amortization of Deferred Capital Revenue	(4,535,954)	(4,475,386)
<b>Total Operating Transactions</b>	<u>2,942,001</u>	<u>5,074,803</u>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(2,097,903)	(5,137,319)
Tangible Capital Assets -WIP Purchased	(10,571,050)	(4,409,716)
District Portion of Proceeds on Disposal	1,191,801	2,518,013
<b>Total Capital Transactions</b>	<u>(11,477,152)</u>	<u>(7,029,022)</u>
<b>Financing Transactions</b>		
Capital Revenue Received	11,475,678	8,452,904
Capital Lease Principal Payments	(598,235)	(522,889)
<b>Total Financing Transactions</b>	<u>10,877,443</u>	<u>7,930,015</u>
<b>Investing Transactions</b>		
Decrease (Increase) in Mortgage Receivable	7,279	7,135
<b>Total Investing Transactions</b>	<u>7,279</u>	<u>7,135</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>2,349,571</u>	<u>5,982,931</u>
<b>Cash and Cash Equivalents, beginning of year</b>	<u>28,352,275</u>	<u>22,369,344</u>
<b>Cash and Cash Equivalents, end of year</b>	<u>30,701,846</u>	<u>28,352,275</u>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	<u>30,701,846</u>	<u>28,352,275</u>
	<u>30,701,846</u>	<u>28,352,275</u>

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

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**NOTE 1 AUTHORITY AND PURPOSE**

The School District, established on April 12, 1946 operates under authority of the *School Act* of British Columbia as a corporation under the name of "The Board of Education of School District No.68 (Nanaimo-Ladysmith) and operates as "School District No. 68 (Nanaimo-Ladysmith)" and "Nanaimo Ladysmith Public Schools." 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. 68 (Nanaimo-Ladysmith) is exempt from federal and provincial corporate income taxes.

**NOTE 2 ADOPTION OF NEW ACCOUNTING POLICIES**

On July 1, 2014, the District adopted PS 3260 Liability for Contaminated Sites. The standard was applied on a retroactive basis to July 1, 2013 and did not result in any adjustments to financial liabilities, tangible capital assets or accumulated surplus of the District.

**NOTE 3 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 3(e) and 3(m).

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

As noted in notes 3(e) and 3(m), Section 23.1 of the *Budget Transparency and Accountability Act* and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue. The impact of this difference on the financial statements of the School District is as follows:

Year-ended June 30, 2014 - increase in annual surplus by \$8,165,157

June 30, 2014 - increase in accumulated surplus and decrease in deferred contributions by \$103,230,541

Year-ended June 30, 2015 - increase in annual surplus by \$11,331,294

June 30, 2015 - increase in accumulated surplus and decrease in deferred contributions by \$110,025,581

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

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**NOTE 3      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

b) Cash and Cash Equivalents

Cash and cash equivalents include deposits held in commercial banks as well as deposits held by the Provincial Treasurer.

c) Accounts and Mortgage Receivables

Accounts and mortgage receivables 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.

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 3(m).

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 3(a) for the impact of this policy on these financial statements

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

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**NOTE 3      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)***

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 (EARSL) of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2013 and projected to June 30, 2016. The next valuation will be performed at March 31, 2016 for use at June 30, 2016. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

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

g) 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.



**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

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**NOTE 3      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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h) 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 the following criteria are met:

- 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.

i) 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.

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

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**NOTE 3      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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i) Tangible Capital Assets (cont'd)

- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

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

- In the year of acquisition amortization is recorded as half of the annual rate for the year.

j) 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.

k) Prepaid Expenses

Insurance premiums, software licenses, postage and other dues and fees are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.

l) 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 16 -- Interfund Transfers and Note 25 -- Accumulated Surplus).

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

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**NOTE 3      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

m) Revenue Recognition

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

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

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

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

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

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished. See note 3(a) for the impact of this policy on these financial statements.

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

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

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

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**NOTE 3      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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n) Expenditures

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed. Interest expense includes payments made on capital leases.

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.

o) 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, mortgage receivable, accounts payable and accrued liabilities and other liabilities.

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.

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

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**NOTE 3**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

o) Financial Instruments (cont'd)

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.

p) Measurement Uncertainty

Preparation of financial statements in accordance with the basis of accounting described in note 3a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

q) Statement of Remeasurement Gains and Losses

A statement of remeasurement gains and losses has not been presented as the District does not hold any financial assets or liabilities that would give rise to remeasurement gains or losses.

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

**NOTE 4 ACCOUNTS RECEIVABLE**

**Due From Province – Ministry of Education**

	2015	2014
Bylaw – Capital Funding	\$ 2,198,124	\$ 940,883
Carbon Tax Rebate	60,000	63,100
French Programs	60,775	60,775
Other	18,749	-
	<u>\$ 2,337,648</u>	<u>\$ 1,064,758</u>

**Other Receivables**

	2015	2014
Insurance Claim – NDSS water damage	\$ 222,379	\$ -
Due from Federal Government	174,886	67,753
Nanaimo District Teachers Association	83,849	-
Other	267,814	613,351
	<u>\$ 748,928</u>	<u>\$ 681,104</u>

**NOTE 5 MORTGAGE RECEIVABLE**

The District holds a mortgage on former Diamond Elementary School (Lot 1, District Lot 77, Oyster District Plan 15004). The mortgage is interest free with monthly payments of \$650 with the last payment due May 1, 2018 including the remaining outstanding balance of \$110,000. The principal outstanding at June 30, 2015 is \$132,750 (2014: \$140,550). This carrying value has been discounted to \$121,623 (2014: \$128,902) which reflects the present value of the payments using a 2% discount rate.

**NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

**Other Accounts Payable and Accrued Liabilities**

	2015	2014
Trade payables	\$ 3,170,490	\$ 2,285,146
Salaries and benefits payable	6,134,466	3,647,586
Accrued vacation pay	1,324,895	1,331,928
Construction holdbacks	492,143	8,223
	<u>\$ 11,121,994</u>	<u>\$ 7,272,883</u>

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

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**NOTE 7      UNEARNED REVENUE**

Unearned revenue consists of contributions received for services to be delivered in a future period. Changes in unearned revenue are as follows:

	2015	2014
Balance, beginning of year	\$ 1,865,470	\$ 1,357,975
Changes for the year:		
Increase:		
Tuition fees	4,270,614	3,077,121
Decrease:		
Tuition fees	3,761,297	2,569,626
Net changes for the year	509,317	507,495
Balance, end of year	\$ 2,374,787	\$ 1,865,470

**NOTE 8      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. Changes in deferred revenue are as follows:

	2015	2014
Balance, beginning of year	\$ 2,220,923	\$ 2,288,946
Changes for the year:		
Increase:		
Provincial Grants – Ministry of Education	5,686,369	4,349,503
Provincial Grants - Other	-	128,606
Other	2,689,497	2,995,777
Investment income	16,475	18,388
Transfer to Ministry of Education – Restricted Capital	-	(153,875)
	8,392,341	7,338,399
Decrease:		
Expenses	8,349,256	7,282,311
Transfers – tangible capital assets purchased	51,881	124,111
	8,401,137	7,406,422
Net changes for the year	(8,796)	(68,023)
Balance, end of year	\$ 2,212,127	\$ 2,220,923

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

**NOTE 9 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. Changes to deferred capital revenue are as follows:

	Deferred Capital 2015	Unspent Capital 2015	Total Deferred Capital Revenue 2015	Total Deferred Capital Revenue 2014
Balance, beginning of year	\$103,230,541	\$4,242,126	\$107,472,667	\$103,495,149
Changes for the year:				
Increase:				
Transfer from Unspent – Capital Additions	760,244	-	760,244	3,755,441
Transfer from Unspent – Work in Progress	10,571,050	-	10,571,050	4,409,716
Provincial Grants – Ministry of Education	-	11,429,158	11,429,158	8,249,479
Investment income	-	46,520	46,520	49,550
Transfer from AFG - Seismic	-	-	-	153,875
	11,331,294	11,475,678	22,806,972	16,618,061
Decrease:				
Amortization of Deferred Capital	4,535,954	-	4,535,954	4,475,386
Capital additions – transfer to Deferred Capital	-	760,244	760,244	3,755,441
Work in Progress – transfer to Deferred Capital	-	10,571,050	10,571,050	4,409,716
Site Purchases - transfer to Revenue	-	-	-	-
	4,535,954	11,331,294	15,867,248	12,640,543
Net changes for the year	6,795,340	144,384	6,939,724	3,977,518
Balance, end of year	\$110,025,881	\$4,386,510	\$114,412,391	\$107,472,667



**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

**NOTE 10 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.

	2015	2014
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$ 1,936,905	\$ 2,024,205
Service Cost	133,295	132,953
Interest Cost	63,770	60,941
Benefit Payments	(237,694)	(168,655)
Actuarial (Gain) Loss	141,979	(112,539)
Accrued Benefit Obligation – March 31	\$ 2,038,255	\$ 1,936,905
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation – March 31	\$ 2,038,255	\$ 1,936,905
Market Value of Plan Assets – March 31	-	-
Funded Status – Surplus (Deficit)	(2,038,255)	(1,936,905)
Employer Contributions After Measurement Date	57,342	15,336
Benefits Expense After Measurement Date	(49,087)	(49,266)
Unamortized Net Actuarial (Gain) Loss	373,442	267,226
Accrued Benefit Asset (Liability) – June 30	\$ (1,656,558)	\$ (1,703,609)
<b>Components of Net Benefit Expense</b>		
Service Cost – July 1 to March 31	\$ 99,971	\$ 99,715
Service Cost- April 1 to June 30	37,395	33,324
Interest Cost – July 1 to March 31	47,827	45,706
Interest Cost – April 1 to June 30	11,692	15,942
Amortization of Net Actuarial (Gain)/Loss	35,764	48,268
Net Benefit Expense (Income)	\$ 232,650	\$ 242,955
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability – July 1	\$ 1,703,609	\$ 1,626,589
Net expense for Fiscal Year	232,650	242,955
Employer Contributions – July 1 to March 31	(222,358)	(150,599)
Employer Contributions – April 1 to June 30	(57,342)	(15,336)
Accrued Benefit Liability – June 30	\$ 1,656,558	\$ 1,703,609

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

**NOTE 10 EMPLOYEE FUTURE BENEFITS** *(Continued)*

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

	2015	2014
Discount Rate – April 1	3.25%	3.00%
Discount Rate – March 31	2.25%	3.25%
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	9.0 years	9.0 years

**NOTE 11 CAPITAL LEASE OBLIGATIONS**

The School District has entered into various capital lease agreements for vehicles and equipment. All of these capital leases are financed through the Municipal Finance Authority, which charges interest at prime less 1.0%. The principal repayments due are as follows:

2016	\$ 564,974
2017	518,008
2018	311,895
2019	140,881
2020	9,534
	<u>\$1,545,292</u>

Total interest on leases for the year was \$35,564 (2014: \$35,776).

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

**NOTE 12 TANGIBLE CAPITAL ASSETS**

**Net Book Value:**

	Net Book Value 2015	Net Book Value 2014
Sites	\$ 15,683,278	\$ 15,635,776
Buildings	113,178,027	117,557,639
Buildings – work in progress	16,088,582	5,517,532
Furniture & Equipment	1,251,267	1,361,205
Vehicles	2,244,903	2,449,839
Computer Software	75,855	178,084
Computer Hardware	1,483,699	1,262,398
<b>Total</b>	<b>\$ 150,005,611</b>	<b>\$ 143,962,473</b>

**June 30, 2015**

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2015
Sites	\$15,635,776	\$354,602	\$307,100	\$ -	\$15,683,278
Buildings	225,098,295	701,967	150,000	-	225,650,262
Buildings – work in progress	5,517,532	10,571,050	-	-	16,088,582
Furniture & Equipment	2,649,033	163,121	11,080	-	2,801,074
Vehicles	4,140,229	220,092	881,609	-	3,478,712
Computer Software	511,145	-	282,532	-	228,613
Computer Hardware	2,290,736	754,943	263,401	-	2,782,278
<b>Total</b>	<b>\$255,842,746</b>	<b>\$12,765,775</b>	<b>\$1,895,722</b>	<b>\$ -</b>	<b>\$266,712,799</b>

	Opening Accumulated Amortization	Additions	Disposals	Total 2015
Buildings	\$107,540,656	\$5,081,579	\$150,000	\$112,472,235
Furniture & Equipment	1,287,828	273,059	11,080	1,549,807
Vehicles	1,690,390	425,028	881,609	1,233,809
Computer Software	333,061	102,229	282,532	152,758
Computer Hardware	1,028,338	533,642	263,401	1,298,579
<b>Total</b>	<b>\$111,880,273</b>	<b>\$6,415,537</b>	<b>\$1,588,622</b>	<b>\$116,707,188</b>

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

**NOTE 12 TANGIBLE CAPITAL ASSETS (Continued)**

June 30, 2014

	Opening Cost	Additions	Disposals	Transfers (WIP)	Total 2014
Sites	\$14,837,632	\$817,463	\$19,319	\$ -	\$15,635,776
Buildings	220,148,193	3,394,602	3,000	1,558,500	225,098,295
Buildings -- work in progress	2,666,316	4,409,716	-	(1,558,500)	5,517,532
Furniture & Equipment	2,603,044	250,499	204,510	-	2,649,033
Vehicles	3,806,925	635,768	302,464	-	4,140,229
Computer Software	541,130	141,518	171,503	-	511,145
Computer Hardware	1,955,495	690,688	355,447	-	2,290,736
<b>Total</b>	<b>\$246,558,735</b>	<b>\$10,340,254</b>	<b>\$1,056,243</b>	<b>\$ -</b>	<b>\$255,842,746</b>

	Opening Accumulated Amortization	Additions	Disposals	Total 2014
Buildings	\$102,522,005	\$5,021,651	\$3,000	\$107,540,656
Furniture & Equipment	1,219,511	272,827	204,510	1,287,828
Vehicles	1,580,373	412,481	302,464	1,690,390
Computer Software	382,186	122,378	171,503	333,061
Computer Hardware	923,617	460,168	355,447	1,028,338
<b>Total</b>	<b>\$106,627,692</b>	<b>\$6,289,505</b>	<b>\$1,036,924</b>	<b>\$111,880,273</b>

- Buildings -- work in progress having a value of \$16,088,582 (2014: \$5,517,532) have not been amortized. Amortization of these assets will commence when the asset is put into service.

**NOTE 13 PREPAID EXPENSES**

	2015	2014
Software and Licenses	\$ 138,137	\$ 163,864
Insurance	-	45,599
Other	2,413	7,982
	<b>\$ 140,550</b>	<b>\$ 217,445</b>

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

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**NOTE 14    DISPOSAL OF SITES AND BUILDINGS**

a) Former Princess Royal Elementary School

During the year former Princess Royal Elementary School was sold for net proceeds of \$863,973. The school building has been fully amortized and the cost of the land being \$304,600. As the purchase price was funded by the School District, all the proceeds have been allocated to local capital.

b) Five Acres Junior Learning Alternative School

During the year Five Acres Junior Learning Alternative School was sold for net proceeds of \$327,828. The land was purchased for \$2,500 in 1950. The building has been fully amortized. As the purchase price was funded by the School District, all the proceeds have been allocated to local capital.

**Dispositions**

<u>Property</u>	<u>Proceeds</u>	<u>Cost</u>	<u>Gain</u>
Former Princess Royal Elementary School	\$ 863,973	\$ 304,600	\$ 559,373
Five Acres Junior Learning Alternative School	327,828	2,500	325,328
	<u>\$ 1,191,801</u>	<u>\$ 307,100</u>	<u>\$ 884,701</u>

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

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**NOTE 15      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 represent plan members and employers and are responsible for managing the pension plans including investing assets and administering benefits. The pension plans are multi-employer defined benefit pension plans. Basic pension benefits provided are based on a formula. As at December 31, 2013, the Teachers' Pension Plan has about 45,000 active members and approximately 33,000 retired members. As at December 31, 2013 the Municipal Pension Plan has about 182,000 active members, of which approximately 24,000 are 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 any amortization of any funding deficit.

The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2011 indicated a \$855 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2014 with results available in 2015. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2012 indicated a \$1.370 billion funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the Plan.

The School District paid \$11,536,826 for employer contributions to these plans in the year ended June 30, 2015 (2014: \$11,094,273).

**NOTE 16      INTERFUND TRANSFERS**

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2015, were as follows:

- A transfer in the amount of \$847,307 was made from the operating fund to the capital fund for capital purchases made during the year.
- A transfer in the amount of \$108,200 was made from the operating fund to the capital fund for capital purchases committed to during the year.
- A transfer in the amount of \$51,881 was made from the special purpose fund to the capital fund for capital purchase made during the year.
- A transfer in the amount of \$664,200 was made from the operating fund to the capital fund for capital lease commitments made during the year.
- A transfer in the amount of \$3,105,000 was made from the operating fund to the capital fund to fund future strategic capital investments.

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2015**

**NOTE 17 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 18 NANAIMO-LADYSMITH SCHOOLS FOUNDATION**

The School District and the Nanaimo-Ladysmith Schools Foundation (the "Foundation") have a mutually supportive relationship whereby the Foundation acts as a fundraising agency for the students in School District No. 68, and the School District provided the Foundation with financial and administrative support. The Foundation is a separate legal entity, has its own Board of Directors and is a registered charity under the provisions of the Income Tax Act of Canada.

The School District provided contributions of \$163,446 (2014: \$142,055) for administrative assistance and support to the Foundation and also provided office space free of charge. The Foundation provided miscellaneous grants directly to Schools.

**NOTE 19 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.

Contractual obligations	2016	2017
Future operating lease payments	\$ 136,700	\$ 13,700
Wellington Seismic Project	5,169,317	-
Other	711,797	-
	<u>\$ 6,017,814</u>	<u>\$ 13,700</u>

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

**NOTE 20 BUDGET FIGURES**

Budget figures included in the financial statements were approved by the Board through the adoption of an amended annual budget on February 25, 2015. The amended budget is used for comparison purposes, as these are based on actual student enrollments. The difference between the two budgets is as follows:

	2015 Amended	2015 Preliminary	Difference
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	\$115,824,018	\$116,435,580	\$ (611,562)
Other	210,000	170,000	40,000
Tuition	2,803,294	2,483,250	320,044
Other Revenue	5,163,885	5,010,733	153,152
Rentals and Leases	514,333	616,558	(102,225)
Investment Income	167,000	152,000	15,000
Amortization of Deferred Capital Revenue	4,549,849	4,559,533	(9,684)
<b>Total Revenue</b>	<b>129,232,379</b>	<b>129,427,654</b>	<b>(195,275)</b>
<b>Expenses</b>			
Instruction	104,152,924	103,432,488	720,436
District Administration	4,983,435	4,730,393	253,042
Operations and Maintenance	23,120,675	22,409,166	711,509
Transportation and Housing	1,868,131	1,856,394	11,737
Debt Services	67,300	72,100	(4,800)
<b>Total Expenses</b>	<b>134,192,465</b>	<b>132,500,541</b>	<b>1,691,924</b>
<b>Deficit for the year</b>	<b>(4,960,086)</b>	<b>(3,072,887)</b>	<b>(1,887,199)</b>
<b>Effects of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets	(10,550,000)	(13,550,000)	3,000,000
Amortization of Tangible Capital Assets	6,939,626	6,410,962	528,664
<b>Total Effect of change in Tangible Capital Assets</b>	<b>(3,610,374)</b>	<b>(7,139,038)</b>	<b>3,528,664</b>
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>	<b>\$(8,570,460)</b>	<b>\$(10,211,925)</b>	<b>\$1,641,465</b>



**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2015**

**NOTE 21 CONTINGENCIES**

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.

**NOTE 22 ASSET RETIREMENT OBLIGATION**

The District is subject to environmental laws and regulations enacted by the Province and local authorities.

The District currently provides educational programs in 40 schools. It also operates a number of administrative support buildings. Many of these schools and buildings were constructed prior to the implementation of current asbestos removal regulations and asbestos containing materials were utilized in their construction. The nature and extent of asbestos construction material varies from building to building.

Upon the retirement of these District buildings, either through demolition or sale, the District may incur removal costs or realize reduced sale proceeds because of the presence of asbestos. The District has made no provision for the financial impact of removal costs or reduced sale proceeds as they cannot be reasonably estimated due to the indeterminate nature and date of potential future retirements

**NOTE 23 LIABILITY FOR CONTAMINATED SITES**

Effective July 1, 2014, the District adopted PS 3260, Liability for Contaminated Sites. The standard was applied on a retroactive basis to July 1, 2013 and did not result in any adjustments to financial liabilities, tangible capital assets or accumulated surplus of the District.

Previously, no accounting policy existed to account for a liability for contaminated sites. Under the new policy, the District is required to recognize a liability for contaminated sites when economic benefits will be given up, as described in note 3(h). The District has made no financial provisions for contaminated sites.

**NOTE 24 EXPENSE BY OBJECT**

	2015	2014
Salaries	\$ 86,024,899	\$ 83,060,274
Benefits	22,959,249	21,732,579
Services and supplies	15,056,928	15,024,124
Interest	35,564	35,776
Amortization	6,415,537	6,289,505
	<u>\$ 130,492,177</u>	<u>\$ 126,142,258</u>

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

**NOTE 25 ACCUMULATED SURPLUS**

<b>OPERATING</b>	2015	2014
Internally Restricted (appropriated) by Board for:		
2015/16 Operating Budget	\$ 946,532	\$ 2,288,555
Staffing Contingencies	750,000	-
Replacement Cost Contingencies	750,000	-
School Supplies	222,990	260,478
Aboriginal Education Programs	177,651	315,667
Community Schools	166,181	140,254
Assessment Initiatives	100,000	384,000
Other	11,028	279,500
Subtotal Internally Restricted	3,124,382	3,668,454
Unrestricted Operating Surplus	1,998,761	4,169,155
Total Available for Future Operations	5,123,143	7,837,609
<b>CAPITAL</b>		
Investment in Tangible Capital Assets	37,798,124	38,048,913
Local Capital	6,358,086	2,248,410
Capital Surplus	44,156,210	40,297,323
<b>ACCUMULATED SURPLUS</b>	<b>\$ 49,279,353</b>	<b>\$ 48,134,932</b>

**NOTE 26 ECONOMIC DEPENDENCE**

The operations of the 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 27 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 and amounts receivable.

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.

**SCHOOL DISTRICT No. 68 (NANAIMO-LADYSMITH)**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2015**

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**NOTE 27 RISK MANAGEMENT** *(Continued)*

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.

b) Market risk :

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

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The School District is exposed to interest rate risk through its investments. It is management's opinion that the School District is not exposed to significant interest rate risk.

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. 68 (Nanaimo-Ladysmith)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2015

Schedule 1 (Unaudited)

	Operating Fund	Special Purpose Fund	Capital Fund	2015 Actual	2014 Actual
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	7,837,609		40,297,323	48,134,932	42,972,788
<b>Changes for the year</b>					
Surplus (Deficit) for the year	2,010,241	51,881	(917,701)	1,144,421	5,162,144
Interfund Transfers				-	
Tangible Capital Assets Purchased	(847,307)	(51,881)	899,188	-	
Local Capital	(3,877,400)		3,877,400	-	
<b>Net Changes for the year</b>	<b>(2,714,466)</b>	<b>-</b>	<b>3,858,887</b>	<b>1,144,421</b>	<b>5,162,144</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>5,123,143</b>	<b>-</b>	<b>44,156,210</b>	<b>49,279,353</b>	<b>48,134,932</b>

# School District No. 68 (Nanaimo-Ladysmith)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2015

	2015 Budget (Note 20)	2015 Actual	2014 Actual
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	109,786,715	110,694,284	110,136,986
Other	210,000	186,169	236,561
Tuition	2,803,294	3,761,297	2,765,062
Other Revenue	2,420,613	2,284,296	2,862,464
Rentals and Leases	514,333	430,259	578,997
Investment Income	111,000	345,756	235,437
<b>Total Revenue</b>	<b>115,845,955</b>	<b>117,702,061</b>	<b>116,815,507</b>
<b>Expenses</b>			
Instruction	96,009,288	93,801,234	90,770,790
District Administration	4,983,435	4,965,326	5,028,581
Operations and Maintenance	15,578,110	15,247,779	14,949,272
Transportation and Housing	1,868,131	1,677,481	1,690,699
<b>Total Expense</b>	<b>118,438,964</b>	<b>115,691,820</b>	<b>112,439,342</b>
<b>Operating Surplus (Deficit) for the year</b>	<b>(2,593,009)</b>	<b>2,010,241</b>	<b>4,376,165</b>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>3,657,209</b>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(400,000)	(847,307)	(398,477)
Local Capital	(664,200)	(3,877,400)	(674,600)
<b>Total Net Transfers</b>	<b>(1,064,200)</b>	<b>(4,724,707)</b>	<b>(1,073,077)</b>
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>(2,714,466)</b>	<b>3,303,088</b>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>7,837,609</b>	<b>4,534,521</b>
<b>Operating Surplus (Deficit), end of year</b>		<b>5,123,143</b>	<b>7,837,609</b>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted (Note 25)		<b>3,124,382</b>	<b>3,668,454</b>
Unrestricted		<b>1,998,761</b>	<b>4,169,155</b>
<b>Total Operating Surplus (Deficit), end of year</b>		<b>5,123,143</b>	<b>7,837,609</b>

# School District No. 68 (Nanaimo-Ladysmith)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2015

	2015 Budget (Note 20) \$	2015 Actual \$	2014 Actual \$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	112,448,175	112,984,200	111,407,348
AANDC/LEA Recovery	(1,431,674)	(1,346,950)	(1,640,363)
Strike Savings Recovery	(3,590,588)	(3,397,413)	
Other Ministry of Education Grants			
Labour Settlement Funding	2,065,802	2,065,802	
Pay Equity	160,000	160,000	160,000
Funding for Graduated Adults		32,256	53,021
Carbon Tax Rebate	135,000	101,210	131,312
District Entered		95,179	25,668
<b>Total Provincial Grants - Ministry of Education</b>	<b>109,786,715</b>	<b>110,694,284</b>	<b>110,136,986</b>
<b>Provincial Grants - Other</b>	<b>210,000</b>	<b>186,169</b>	<b>236,561</b>
<b>Tuition</b>			
Offshore Tuition Fees	2,803,294	3,761,297	2,765,062
<b>Total Tuition</b>	<b>2,803,294</b>	<b>3,761,297</b>	<b>2,765,062</b>
<b>Other Revenues</b>			
Other School District/Education Authorities	528,436	505,681	533,287
LEA/Direct Funding from First Nations	1,321,881	1,150,804	1,640,363
Miscellaneous			
Cafeteria Revenue	205,000	211,078	202,308
BC Hydro Energy Manager & Fortis BC Energy Specialist	74,164	41,203	80,000
Settlement Workers in Schools		85,100	
VIU Secondment		16,533	79,003
Other	291,132	273,897	327,503
<b>Total Other Revenue</b>	<b>2,420,613</b>	<b>2,284,296</b>	<b>2,862,464</b>
<b>Rentals and Leases</b>	<b>514,333</b>	<b>430,259</b>	<b>578,997</b>
<b>Investment Income</b>	<b>111,000</b>	<b>345,756</b>	<b>235,437</b>
<b>Total Operating Revenue</b>	<b>115,845,955</b>	<b>117,702,061</b>	<b>116,815,507</b>

# School District No. 68 (Nanaimo-Ladysmith)

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object  
Year Ended June 30, 2015

	2015 Budget (Note 20) \$	2015 Actual \$	2014 Actual \$
<b>Salaries</b>			
Teachers	50,794,117	50,187,367	48,251,919
Principals and Vice Principals	5,903,050	5,907,710	5,928,722
Educational Assistants	7,762,364	7,633,781	7,949,447
Support Staff	11,243,372	11,386,903	11,546,589
Other Professionals	3,067,621	3,427,759	3,154,766
Substitutes	4,733,917	3,677,020	3,438,615
<b>Total Salaries</b>	<b>83,504,441</b>	<b>82,220,540</b>	<b>80,270,058</b>
<b>Employee Benefits</b>	<b>21,766,002</b>	<b>22,027,997</b>	<b>21,019,610</b>
<b>Total Salaries and Benefits</b>	<b>105,270,443</b>	<b>104,248,537</b>	<b>101,289,668</b>
<b>Services and Supplies</b>			
Services	2,622,031	2,419,609	2,472,808
Student Transportation	139,763	101,155	108,080
Professional Development and Travel	830,203	699,111	688,956
Rentals and Leases	50,038	19,532	15,844
Dues and Fees	404,925	456,072	488,728
Insurance	329,396	314,677	303,132
Supplies	6,336,126	5,244,635	4,619,487
Utilities	2,456,039	2,188,492	2,452,639
<b>Total Services and Supplies</b>	<b>13,168,521</b>	<b>11,443,283</b>	<b>11,149,674</b>
<b>Total Operating Expense</b>	<b>118,438,964</b>	<b>115,691,820</b>	<b>112,439,342</b>

# School District No. 68 (Nanaimo-Ladysmith)

Operating Expense by Function, Program and Object

Year Ended June 30, 2015

Schedule 2C (Unaudited)

	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	41,629,653	1,098,677	282,065	31,010		2,666,578	45,707,983
1.03 Career Programs	38,086		116,167			1,542	155,795
1.07 Library Services	1,096,172			233,929		43,565	1,373,666
1.08 Counselling	910,270					3,916	914,186
1.10 Special Education	5,258,812	258,483	6,322,528			457,658	12,297,461
1.30 English Language Learning	298,239	34,304				5,677	338,220
1.31 Aboriginal Education	765,710	47,728	842,622	45,198		33,410	1,734,668
1.41 School Administration	38,164	4,344,753		2,399,939		175,614	6,958,470
1.62 Off Shore Students	152,261	120,563	2,819	73,261	113,485	13,985	476,374
1.64 Other			27,265	3,373			30,638
<b>Total Function 1</b>	<b>50,187,367</b>	<b>5,904,508</b>	<b>7,593,466</b>	<b>2,786,710</b>	<b>113,485</b>	<b>3,401,925</b>	<b>69,987,461</b>
<b>4 District Administration</b>							
4.11 Educational Administration		3,202		170,523	1,141,679		1,315,404
4.40 School District Governance				51,483	249,197		300,680
4.41 Business Administration				671,284	1,059,075	2,204	1,732,563
<b>Total Function 4</b>	<b>-</b>	<b>3,202</b>	<b>-</b>	<b>893,290</b>	<b>2,449,951</b>	<b>2,204</b>	<b>3,348,647</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration			40,315	456,088	509,654	38,717	1,044,774
5.50 Maintenance Operations				5,733,055	225,508	188,116	6,146,679
5.52 Maintenance of Grounds				619,146			619,146
5.56 Utilities				63,355	37,672		101,027
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>40,315</b>	<b>6,871,644</b>	<b>772,834</b>	<b>226,833</b>	<b>7,911,626</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration				49,103	91,489		140,592
7.70 Student Transportation				786,156		46,058	832,214
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>835,259</b>	<b>91,489</b>	<b>46,058</b>	<b>972,806</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>50,187,367</b>	<b>5,907,710</b>	<b>7,633,781</b>	<b>11,386,903</b>	<b>3,427,759</b>	<b>3,677,020</b>	<b>82,220,540</b>



# School District No. 68 (Nanaimo-Ladysmith)

Operating Expense by Function, Program and Object

Year Ended June 30, 2015

Schedule 2C (Unaudited)

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2015 Actual	2015 Budget (Note 20)	2014 Actual
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	45,707,983	12,221,783	57,929,766	3,048,069	60,977,835	63,342,122	58,284,648
1.03 Career Programs	155,795	44,025	199,820	224,617	424,437	449,234	393,100
1.07 Library Services	1,373,666	396,623	1,770,289	72,088	1,842,377	2,094,079	2,098,182
1.08 Counselling	914,186	245,188	1,159,374	2,663	1,162,037	1,261,430	1,188,572
1.10 Special Education	12,297,461	3,658,293	15,955,754	266,871	16,222,625	15,954,991	15,892,272
1.30 English Language Learning	338,220	94,591	432,811	1,227	434,038	362,718	537,144
1.31 Aboriginal Education	1,734,668	456,661	2,191,329	273,647	2,464,976	2,642,625	2,222,951
1.41 School Administration	6,958,470	1,797,224	8,755,694	127,398	8,883,092	8,547,376	9,073,343
1.62 Off Shore Students	476,374	125,617	601,991	704,522	1,306,513	1,142,629	982,978
1.64 Other	30,638	6,166	36,804	46,500	83,304	212,084	97,600
<b>Total Function 1</b>	<b>69,987,461</b>	<b>19,046,171</b>	<b>89,033,632</b>	<b>4,767,602</b>	<b>93,801,234</b>	<b>96,009,288</b>	<b>90,770,790</b>
<b>4 District Administration</b>							
4.11 Educational Administration	1,315,404	246,607	1,562,011	103,734	1,665,745	1,507,202	1,481,917
4.40 School District Governance	300,680	60,664	361,344	301,304	662,648	614,977	646,759
4.41 Business Administration	1,732,563	417,827	2,150,390	486,543	2,636,933	2,861,256	2,899,905
<b>Total Function 4</b>	<b>3,348,647</b>	<b>725,098</b>	<b>4,073,745</b>	<b>891,581</b>	<b>4,965,326</b>	<b>4,983,435</b>	<b>5,028,581</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	1,044,774	223,771	1,268,545	469,092	1,737,637	1,575,992	1,551,491
5.50 Maintenance Operations	6,146,679	1,622,439	7,769,118	2,238,063	10,007,181	10,195,366	9,694,655
5.52 Maintenance of Grounds	619,146	145,816	764,962	314,197	1,079,159	1,100,932	1,007,894
5.56 Utilities	101,027	27,077	128,104	2,295,698	2,423,802	2,705,820	2,695,232
<b>Total Function 5</b>	<b>7,911,626</b>	<b>2,019,103</b>	<b>9,930,729</b>	<b>5,317,050</b>	<b>15,247,779</b>	<b>15,578,110</b>	<b>14,949,272</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	140,592	29,161	169,753	57,188	226,941	195,013	217,387
7.70 Student Transportation	832,214	208,464	1,040,678	409,862	1,450,540	1,673,118	1,473,312
<b>Total Function 7</b>	<b>972,806</b>	<b>237,625</b>	<b>1,210,431</b>	<b>467,050</b>	<b>1,677,481</b>	<b>1,868,131</b>	<b>1,690,699</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>							
<b>Total Functions 1 - 9</b>	<b>82,220,540</b>	<b>22,027,997</b>	<b>104,248,537</b>	<b>11,443,283</b>	<b>115,691,820</b>	<b>118,438,964</b>	<b>112,439,342</b>

# School District No. 68 (Nanaimo-Ladysmith)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2015

	2015 Budget (Note 20) \$	2015 Actual \$	2014 Actual \$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	6,037,303	5,548,813	4,232,652
Other		41,710	189,281
Other Revenue	2,743,272	2,810,614	2,966,101
Investment Income	16,000		18,388
<b>Total Revenue</b>	<u>8,796,575</u>	<u>8,401,137</u>	<u>7,406,422</u>
<b>Expenses</b>			
Instruction	8,143,636	7,742,050	6,887,957
Operations and Maintenance	602,939	607,206	394,354
<b>Total Expense</b>	<u>8,746,575</u>	<u>8,349,256</u>	<u>7,282,311</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>50,000</u>	<u>51,881</u>	<u>124,111</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(50,000)	(51,881)	(124,111)
<b>Total Net Transfers</b>	<u>(50,000)</u>	<u>(51,881)</u>	<u>(124,111)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>	<u>-</u>	<u>-</u>	<u>-</u>

**School District No. 68 (Nanaimo-Ladysmith)**

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2015

	Annual Facility Grant	Learning Improvement Fund	Aboriginal Education Technology	Special Education Equipment	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community-LINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Deferred Revenue, beginning of year	175,000	112,797	53,197	136,363	1,121,865	-	55,615	73,877	154,337
Add: Restricted Grants									
Provincial Grants - Ministry of Education	602,939	2,268,786	-	27,470	2,549,407	256,000	71,050	217,640	2,168,926
Other					16,475				
Investment Income									
Less: Allocated to Revenue	602,939	2,268,786	-	27,470	2,565,882	256,000	71,050	217,640	2,168,926
Strike Savings Recovery	607,206	2,381,583	4,417	18,690	2,597,166	256,000	45,236	239,686	2,108,792
Deferred Revenue, end of year	170,733	-	48,780	145,143	1,090,581	-	81,429	49,406	207,516
<b>Revenues</b>									
Provincial Grants - Ministry of Education	607,206	2,268,786	4,417	18,690	2,597,166	256,000	45,236	239,686	2,108,792
Provincial Grants - Other									
Other Revenue	607,206	112,797	4,417	18,690	2,597,166	256,000	45,236	239,686	2,108,792
<b>Expenses</b>									
Salaries									
Teachers		1,376,113						33,360	313,483
Principals and Vice Principals						17,431			
Educational Assistants		437,913			5,886	179,101			1,127,669
Support Staff									16,830
Substitutes		140,011			13,466		5,512	43,770	36,749
Employee Benefits		1,954,037			19,352	196,532	5,512	77,130	1,494,731
Services and Supplies	607,206	425,567			4,838	49,815	894	23,756	409,877
	607,206	2,179	4,417	18,690	2,542,115	9,653	38,830	117,800	204,184
	607,206	2,381,583	4,417	18,690	2,566,305	256,000	45,236	218,666	2,108,792
<b>Net Revenue (Expense) before Interfund Transfers</b>	-	-	-	-	30,861	-	-	21,020	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased					(30,861)			(21,020)	
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

**School District No. 68 (Nanaimo-Ladysmith)**

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2015

	Service Delivery Transformation	Other Ministries	Other Misc Grants	TOTAL
	\$	\$	\$	\$
Deferred Revenue, beginning of year	-	41,710	296,162	2,220,923
Add: Restricted Grants				
Provincial Grants - Ministry of Education	82,938			5,695,749
Other			140,090	2,689,497
Investment Income				16,475
Less: Allocated to Revenue	82,938	-	140,090	8,401,721
Strike Savings Recovery	-	41,710	100,651	8,401,137
<b>Deferred Revenue, end of year</b>	<b>82,938</b>	<b>-</b>	<b>355,601</b>	<b>2,212,127</b>
<b>Revenues</b>				
Provincial Grants - Ministry of Education		41,710		5,548,813
Provincial Grants - Other			100,651	41,710
Other Revenue		41,710	100,651	2,810,614
<b>Expenses</b>				
Salaries				
Teachers		26,206		1,749,162
Principals and Vice Principals				17,431
Educational Assistants		608		1,751,177
Support Staff				16,830
Substitutes			30,251	269,759
Employee Benefits		26,814	30,251	3,804,359
Services and Supplies		10,723	6,002	931,252
		4,173	64,398	3,613,645
		41,710	100,651	8,349,256
<b>Net Revenue (Expense) before Interfund Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51,881</b>
<b>Interfund Transfers</b>				
Tangible Capital Assets Purchased				(51,881)
<b>Net Revenue (Expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# School District No. 68 (Nanaimo-Ladysmith)

Schedule 4 (Unaudited)

## Schedule of Capital Operations

Year Ended June 30, 2015

	2015 Budget (Note 20) \$	2015 Actual			2014 Actual \$
		Invested in Tangible Capital Assets \$	Local Capital \$	Fund Balance \$	
<b>Revenues</b>					
Provincial Grants					
Other Revenue				-	7,791
Rentals and Leases			70,556	70,556	84,669
Investment Income	40,000		42,189	42,189	15,930
Gain (Loss) on Disposal of Tangible Capital Assets	-	884,701		884,701	2,498,697
Amortization of Deferred Capital Revenue	4,549,849	4,535,954		4,535,954	4,475,386
<b>Total Revenue</b>	<b>4,589,849</b>	<b>5,420,655</b>	<b>112,745</b>	<b>5,533,400</b>	<b>7,082,473</b>
<b>Expenses</b>					
Operations and Maintenance				-	95,324
Amortization of Tangible Capital Assets					
Operations and Maintenance	6,939,626	6,415,537		6,415,537	6,289,505
Debt services					
Capital Lease Interest	67,300		35,564	35,564	35,776
<b>Total Expense</b>	<b>7,006,926</b>	<b>6,415,537</b>	<b>35,564</b>	<b>6,451,101</b>	<b>6,420,605</b>
<b>Capital Surplus (Deficit) for the year</b>	<b>(2,417,077)</b>	<b>(994,882)</b>	<b>77,181</b>	<b>(917,701)</b>	<b>661,868</b>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	450,000	899,188		899,188	522,588
Local Capital	664,200		3,877,400	3,877,400	674,600
<b>Total Net Transfers</b>	<b>1,114,200</b>	<b>899,188</b>	<b>3,877,400</b>	<b>4,776,588</b>	<b>1,197,188</b>
<b>Other Adjustments to Fund Balances</b>					
District Portion of Proceeds on Disposal		(1,191,801)	1,191,801	-	
Tangible Capital Assets Purchased from Local Capital		438,471	(438,471)	-	
Principal Payment					
Capital Lease		598,235	(598,235)	-	
<b>Total Other Adjustments to Fund Balances</b>		<b>(155,095)</b>	<b>155,095</b>	<b>-</b>	
<b>Total Capital Surplus (Deficit) for the year</b>	<b>(1,302,877)</b>	<b>(250,789)</b>	<b>4,109,676</b>	<b>3,858,887</b>	<b>1,859,056</b>
<b>Capital Surplus (Deficit), beginning of year</b>		<b>38,048,913</b>	<b>2,248,410</b>	<b>40,297,323</b>	<b>38,438,267</b>
<b>Capital Surplus (Deficit), end of year</b>		<b>37,798,124</b>	<b>6,358,086</b>	<b>44,156,210</b>	<b>40,297,323</b>

# School District No. 68 (Nanaimo-Ladysmith)

Tangible Capital Assets

Year Ended June 30, 2015

Schedule 4A. (Unaudited)

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
Cost, beginning of year	15,635,776	225,098,295	2,649,033	4,140,229	511,145	2,290,736	250,325,214
Changes for the Year							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw		621,875		138,369			760,244
Operating Fund			132,260	22,676		692,371	847,307
Special Purpose Funds			30,861			21,020	51,881
Local Capital	354,602	80,092		3,777			438,471
Capital Leases				55,270		41,552	96,822
Decrease:							
Disposed of	307,100	150,000		220,092		754,943	2,194,725
Deemed Disposals			11,080	881,609	282,532	263,401	457,100
Cost, end of year	307,100	150,000	11,080	881,609	282,532	263,401	1,438,622
Work in Progress, end of year	15,683,278	225,650,262	2,801,074	3,478,712	228,613	2,782,278	250,624,217
Cost and Work in Progress, end of year	15,683,278	241,738,844	2,801,074	3,478,712	228,613	2,782,278	16,088,582
Accumulated Amortization, beginning of year							
Changes for the Year							
Increase: Amortization for the Year		107,540,656	1,287,828	1,690,390	333,061	1,028,338	111,880,273
Decrease:							
Disposed of		5,081,579	273,059	425,028	102,229	533,642	6,415,537
Deemed Disposals		150,000					150,000
Accumulated Amortization, end of year		112,472,235	1,549,807	1,233,809	152,758	1,298,579	116,707,188
Tangible Capital Assets - Net	15,683,278	129,266,609	1,251,267	2,244,903	75,855	1,483,699	150,005,611

**School District No. 68 (Nanaimo-Ladysmith)**

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2015

	<b>Buildings</b>	<b>Furniture and Equipment</b>	<b>Computer Software</b>	<b>Computer Hardware</b>	<b>Total</b>
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>	5,517,532				5,517,532
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	10,571,050				10,571,050
	10,571,050	-	-	-	10,571,050
<b>Net Changes for the Year</b>	10,571,050	-	-	-	10,571,050
<b>Work in Progress, end of year</b>	16,088,582	-	-	-	16,088,582

# School District No. 68 (Nanaimo-Ladysmith)

Schedule 4C (Unaudited)

Deferred Capital Revenue  
Year Ended June 30, 2015

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	96,450,819	1,262,190		97,713,009
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	760,244			760,244
	760,244	-	-	760,244
Decrease:				
Amortization of Deferred Capital Revenue	4,500,348	35,606		4,535,954
	4,500,348	35,606	-	4,535,954
<b>Net Changes for the Year</b>	(3,740,104)	(35,606)	-	(3,775,710)
<b>Deferred Capital Revenue, end of year</b>	92,710,715	1,226,584	-	93,937,299
<b>Work in Progress, beginning of year</b>	5,517,532			5,517,532
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	10,571,050			10,571,050
	10,571,050	-	-	10,571,050
<b>Net Changes for the Year</b>	10,571,050	-	-	10,571,050
<b>Work in Progress, end of year</b>	16,088,582	-	-	16,088,582
<b>Total Deferred Capital Revenue, end of year</b>	108,799,297	1,226,584	-	110,025,881



# School District No. 68 (Nanaimo-Ladysmith)

Changes in Unspent Deferred Capital Revenue  
Year Ended June 30, 2015

Schedule 4D (Unaudited)

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
Balance, beginning of year	3,025	4,114,722	-	124,379	-	4,242,126
Changes for the Year						
Increase:						
Provincial Grants - Ministry of Education Investment Income	11,429,158	46,520	-	-	-	11,429,158
	11,429,158	46,520	-	-	-	11,475,678
Decrease:						
Transferred to DCR - Capital Additions	760,244	-	-	-	-	760,244
Transferred to DCR - Work in Progress	10,571,050	-	-	-	-	10,571,050
	11,331,294	-	-	-	-	11,331,294
Net Changes for the Year	97,864	46,520	-	-	-	144,384
Balance, end of year	100,889	4,161,242	-	124,379	-	4,386,510

**SCHOOL DISTRICT NO. 68 (NANAIMO-LADYSMITH)**  
**Statement of Financial Information (SOFI)**  
**Fiscal Year Ended June 30, 2015**

**SCHEDULE OF DEBT**

Information on all long term debt is included in the School District Audited Financial Statements.

**SCHOOL DISTRICT NO. 68 (NANAIMO-LADYSMITH)**  
**Statement of Financial Information (SOFI)**  
**Fiscal Year Ended June 30, 2015**

**SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS**

School District No. 68 (Nanaimo-Ladysmith) has not given any guarantee or indemnity under the Guarantees and Indemnities Regulation.

**SCHOOL DISTRICT NO. 68(NANAIMO-LADYSMITH)  
YEAR ENDED JUNE 30, 2015  
SCHEDULE OF REMUNERATION AND EXPENSES**

	Total Remuneration	Total Expenses
<b>TRUSTEES</b>		
ALLEN, DONNA J G	\$ 7,209.13	\$ 536.28
BARD, WILLIAM (BILL) R	7,209.13	2,677.37
BOB, NATASHA	9,392.79	2,899.67
BRENNAN, JAMES H	16,506.92	2,565.95
BRZOVIC, TANIA ANE	9,342.79	2,016.71
CURLEY, NANCY I	7,209.13	11.00
HIGGINSON, STEPHANIE K.	9,342.79	1,917.28
HOWLAND, KIMBERLEE S	7,209.13	-
KIMLER, SCOTT T.	9,342.79	3,047.28
NEARY, DOROTHY A	8,078.66	-
RAE, STEVEN G.	10,473.18	3,516.04
ROBINSON, JAMES (BILL) W	16,506.92	3,542.07
ROUTLEY, NOAH J O	9,342.79	1,125.64
SAUNDERS, TERRYLYNN	7,209.13	489.24
SOLOMON, JEFFREY	9,342.79	1,260.72
WELCH, SHARON R	7,209.13	-
<b>Total</b>	<b>\$ 150,927.20</b>	<b>\$ 25,605.25</b>

**LIST OF EMPLOYEES WHOSE REMUNERATION EXCEEDS \$75,000.00**

AITKEN, STACY D	\$ 81,895.59	\$ -
AL-HAJJ, TERESA	81,850.80	-
ANDERSON, KERRY	81,740.01	-
ANDREWS, RAYMOND K	81,850.36	727.82
ANDRUSKI-COLLINS, SHARYN	90,783.28	781.25
ANGELUCCI, CHRISTINE M	81,101.66	26.70
ANSELL, CHRISTINA M	97,585.46	391.54
APLAND, SHANNON	80,591.81	627.17
ARMSTRONG, CINDY L	85,086.58	31.24
ARRUDA, ANTONIO	84,705.28	-
AUSMUS, LISA M	77,061.79	32.50
BAILEY, JILLIAN	120,561.80	444.56
BAILEY, NAOMI	81,539.49	-
BAIRD, IAIN A	81,437.92	-
BAIRD, MICHAEL	84,267.99	-
BAKER, EMILY	79,480.00	509.63
BALDWIN, LINDA E	84,539.29	2,804.04
BALL, MICHAEL J	90,952.17	113.04
BARNUM, KELLY	81,837.66	-

Note: Remuneration represents actual money paid to a trustee or employee and would include such items as salary, retroactive salary adjustments and taxable benefits such as medical plans.

**SCHOOL DISTRICT NO. 68(NANAIMO-LADYSMITH)  
YEAR ENDED JUNE 30, 2015  
SCHEDULE OF REMUNERATION AND EXPENSES**

	Total Remuneration	Total Expenses
BARTLETT, RICKI	101,447.12	807.82
BEEDIE, MOYA	78,243.38	99.75
BEESTON, DEREK A	100,801.69	6,437.92
BEGIN, LUC	77,463.19	-
BELEZNAY, SHELLEY	81,209.04	86.31
BELL, RONDA	108,851.96	48,694.63
BERGMAN, KATHY	102,139.57	934.46
BERKEY, ANDREA	84,257.73	-
BILLINGSLEY, DONA	80,500.52	2,889.88
BIRCH, CHRIS	79,990.89	-
BLAIN, JOHN R L	150,332.76	12,293.33
BOHM, CHRISTINE	102,149.34	506.42
BOSTON, THOMAS R	81,494.26	196.10
BOUDREAU, MARCY	78,727.07	-
BOURKE, PAUL L	81,903.83	3.31
BOYD, HEATHER LOUISE	81,451.85	-
BOYKO, ROBERT	84,651.69	-
BRADBURY, ROBERT F	79,980.08	-
BRAYDEN, ANN-MARIE L.	81,028.44	-
BRICK, DARREN	102,109.39	2,566.81
BROOKER, KATHLEEN	77,661.14	-
BROOKS, ROBERT	101,880.75	487.63
BROWN, E. LYNN	84,101.28	1,437.61
BRYCE, TONY DAVID	79,388.60	18.27
BUNNAH, DIANE	85,411.31	2,978.44
BURNS, VIRGINIA	81,369.67	-
BUTTERWORTH, DEBRA	79,553.49	-
CARROLL, M. JANE	96,678.40	8,121.34
CARUSO, ANTONIA	84,103.04	2,054.40
CARVER, J. MURRAY	80,660.38	-
CHANTRELL, GARY	75,713.26	57.94
CHAPMAN, HEATHER	82,097.38	-
CHARLES, DIANE C	102,139.66	688.34
CHRISTENSEN, JANE E	78,549.46	-
CHRISTIANSON, SCOTT D	84,822.39	1,934.99
CIZERON, ERIC	81,915.73	-
CLOUTHIER, WAYNE D	81,892.81	366.91
COLEMAN, KIRK	81,747.35	16.85
COLLINS, TONIA A	90,671.80	69.25
COMPANION, DANIEL	81,850.87	-
COMPANION, JEANNINE	77,399.66	-

Note: Remuneration represents actual money paid to a trustee or employee and would include such items as salary, retroactive salary adjustments and taxable benefits such as medical plans.

**SCHOOL DISTRICT NO. 68(NANAIMO-LADYSMITH)  
YEAR ENDED JUNE 30, 2015  
SCHEDULE OF REMUNERATION AND EXPENSES**

	Total Remuneration	Total Expenses
COOPER, DAVID	102,139.58	19.80
CORNTHWAITE, JOANNA	81,392.16	20.41
COSENS, JENNIFER L	81,903.02	-
COX, DANN	82,918.58	198.93
COX, JAMES	80,024.13	2,257.34
CRANE, DARLENE	93,396.95	4,458.84
CRAVEN, SARA K	81,892.83	-
CRONAN, LANNY	81,833.27	-
CUNNIAN, JOHN D	77,063.21	1,957.79
CURRELL, BRUCE L	81,850.34	97.57
CUSSON, RENE PAUL FRANC	81,160.13	-
CYR, JENNIFER	80,629.72	-
DAVIE, TIM	124,069.48	3,001.07
DAVIS, THOMAS A	81,850.36	-
DAWSON, KIMBERLEY	81,629.35	162.68
DEAN, LAWRENCE(LARRY)	102,139.61	522.54
DENDES, EVANGELOS	83,330.80	3.25
DENT, MARGARET A	81,395.37	-
DER, RUSSELL	81,721.37	893.01
DEWARLE, JESSICA L	78,827.19	1,966.91
DHILLON, ROBBIE	102,139.66	545.69
DICKIE, DARREN L	101,544.29	115.00
DIRKSEN, WILLIAM C.	88,106.63	2,689.72
DODD, SUZANNE	80,094.26	685.04
DUTTON, DAVID W	81,816.30	-
EBY, JOHN	83,612.98	211.71
EGGLESTONE, GARY	84,394.81	-
ELLIS, LISA M	80,021.48	-
ELWOOD, STEPHEN	81,582.47	48.48
ENGLISH, DOUG A	102,169.62	632.97
ESLIGER, J ROBERT	133,323.14	8,537.59
FLEMING, AMY O	81,206.39	626.30
FLETT, DONNA M.E.	81,206.30	-
FOSTER, TANYA A	76,039.47	255.41
FOWLER, CATHERINE	80,003.17	20.33
FRASER, ELAINE JOY	76,054.37	-
FREEDMAN, LORNE	83,330.07	-
FREY, LISA D	102,148.38	744.66
FRIER, DARLENE	81,850.35	377.91
FULTON, JODI	79,629.66	54.60
FUNKE ROBINSON, KIRSTIN A	79,635.71	479.07

Note: Remuneration represents actual money paid to a trustee or employee and would include such items as salary, retroactive salary adjustments and taxable benefits such as medical plans.

**SCHOOL DISTRICT NO. 68(NANAIMO-LADYSMITH)  
YEAR ENDED JUNE 30, 2015  
SCHEDULE OF REMUNERATION AND EXPENSES**

	Total Remuneration	Total Expenses
FURLAN, VANESSA L	81,573.19	-
GARRETT, CHERYL	81,189.60	-
GATES, DAVID A	81,625.83	-
GATES, SUSAN	81,750.02	44.64
GEISLER, ROBYN L	79,337.21	-
GILL, NIRMAL	81,703.91	30.92
GIRARD, CAROL	104,722.35	165.61
GOERTZEN, REGINALD	82,907.35	-
GOLDSMITH, KATHRYN	76,108.00	67.67
GRAHAM, DEBORAH E	81,792.20	-
GRANT, ANNE	81,611.89	116.29
GRANT, JULIE	79,868.78	-
GRAY, ROBYN	132,435.97	11,358.57
GREEN, JUSTIN R	81,938.08	682.49
GREENWAY, RUSSELL	76,463.55	-
GRUBB, ROBYN	81,721.66	95.49
HAACK, CINDY LEAH	82,510.76	535.82
HACKWOOD, BRIAN	88,361.60	947.69
HALFYARD, GREGG	102,139.61	38.61
HAMBLEY, MAUREEN	97,354.64	4,202.50
HANNON, MEGAN	75,473.33	-
HARDY, MAREILE	79,208.66	55.56
HARRISON, LAURA	81,266.40	-
HART, KIM	105,944.30	4,693.48
HART, RICHARD NEIL	81,904.44	828.45
HASENAUER, JEFF	90,793.10	571.96
HEWITT, PETER	102,460.30	241.94
HIBBERSON, TAMMY L	79,370.87	-
HOBAN, ROBERT (ROB) L	100,801.69	783.02
HODSON, ALEXANDRA	102,425.43	-
HOLDEN, SUSAN C	84,819.41	302.73
HOLLAND, KENNETH G	80,673.16	110.58
HOLME, JENNIFER	78,466.10	1,002.30
HUGHES, BRETT	78,626.65	-
HUNEALT, RODNEY	79,374.68	-
HUTCHINSON, DAVID	102,184.66	7,971.39
INGALLS, MICHAEL	75,518.43	-
INSCHO, JEREMY	81,791.45	7.85
IRVING, MICHAEL	81,850.35	41.90
IVERSON, SHANNON	80,555.85	100.23
JAKOBSEN, KATHLEEN MARIE	77,618.05	-

Note: Remuneration represents actual money paid to a trustee or employee and would include such items as salary, retroactive salary adjustments and taxable benefits such as medical plans.

**SCHOOL DISTRICT NO. 68(NANAIMO-LADYSMITH)  
YEAR ENDED JUNE 30, 2015  
SCHEDULE OF REMUNERATION AND EXPENSES**

	Total Remuneration	Total Expenses
JAMES, KAREN	81,727.02	-
JAMES, MICHELLE R	81,386.20	1,126.61
JOBE, CHAD W	88,962.79	13.64
JOHNSON, DARCY E C	81,012.47	44.50
JOHNSON, GLENN ALLEN	77,666.55	-
JUBINVILLE, EILEEN	98,776.02	976.49
KAWAGUCHI, JANET L	81,693.04	-
KEENLEYSIDE, DEBORAH	75,017.53	12.76
KELT, CATHY A	80,436.64	45.89
KENNEDY, JANICE L	80,967.23	7.85
KENNEDY, MICHELLE JEANETTE	79,520.00	-
KLOPPENBURG, JEAN M	79,162.10	54.10
KRAEKER, THERESA	101,396.88	2,143.22
KRAL, JAMES K	80,030.38	723.76
KRUKS, JANE M	90,246.43	207.11
KYRYTOW, LEONA	81,781.07	-
LAVERY, ALANA LYNN	80,569.59	-
LAVERY, SCOTT	80,942.70	12.60
LECHTHALER, TAUNYA	81,296.91	85.72
LENNOX, BRIAN	82,731.56	268.76
LETOURNEAU, CRAIG	81,895.44	243.96
LETOURNEAU, DARRELL ROBERT	85,324.15	4,108.69
LETTINGTON, MATTHEW	78,406.80	-
LETWIN, KIM E	76,343.70	50.93
LEUNG, AMY J	83,175.18	4,734.59
LINTOTT, CHADWICK (CHAD) K	117,893.63	1,151.65
LOEWEN, TIMOTHY	75,041.46	-
LONG, BEVERLY D	84,495.74	-
LORENZ, ELIZABETH CATHARINE	76,471.11	-
LOUGHEED-MERCIER, KATHLEEN M	78,875.95	-
LUNDINE, MICHAEL P	102,216.94	350.63
LUSSIER, ROBERT	75,832.65	-
MACDONALD, KYLE G	77,618.01	-
MACK, CHRISTOPHER	83,036.65	-
MACK, TANYA	81,895.59	73.24
MAITLAND, GARY	80,813.92	130.75
MALENICA, ZVONKO	76,188.21	165.54
MALLET, HOWARD L	79,814.70	402.46
MANSBRIDGE, JANET	81,436.14	-
MARK, CAREY	79,247.69	482.22
MARK, JUSTIN	81,220.81	312.75

Note: Remuneration represents actual money paid to a trustee or employee and would include such items as salary, retroactive salary adjustments and taxable benefits such as medical plans.



**SCHOOL DISTRICT NO. 68(NANAIMO-LADYSMITH)  
YEAR ENDED JUNE 30, 2015  
SCHEDULE OF REMUNERATION AND EXPENSES**

	Total Remuneration	Total Expenses
MARSHALL, DEBORAH L	113,977.28	274.43
MARUSIC, STACY	101,992.16	211.25
MASON, THOMAS	101,880.75	284.00
MASSEY, LOUISE C	86,528.84	-
MAZURENKO, LAURA	83,019.70	0.75
MAZZEI, TERRY D	102,028.13	570.02
MCAFFEE-KUFFLER, PAULA	81,945.84	505.66
MCBRIDE, KERRY	81,692.95	-
MCCAW, MARY ELIZABETH	80,968.69	-
MCDONALD, LINDA	81,703.94	-
MCGONIGLE, DIANE	97,585.47	2,752.44
MCKAY, PATRICIA MARGARET	101,625.74	709.99
MCPHERSON, EDWARD G	81,382.32	-
MCRAE, NICOLE	77,378.85	2,233.36
MCWHINNIE, HEIDI	75,439.83	247.65
MEMBERY, RONALD	75,131.20	-
MERCIER, RAYNALD	75,863.26	-
MERRITT, SUSAN A	75,061.79	-
MILFORD, SHANNON	81,552.75	39.29
MIRON, SUSAN A	79,900.88	226.78
MOQUIN, LOUISE	77,712.22	75.40
MOSLIN, DONALD J	82,685.84	-
MOSLIN, NORA	81,206.38	-
MOULD, JANELLE	82,066.61	-
MOUNTAIN, PATRICIA S	83,355.89	1,356.87
MOYNIHAN, MICHAEL T	81,206.57	-
MULLETT, SUSAN	81,289.47	-
MURPHY, GLEN	79,269.52	25.75
MYHRER, GUNNAR V	83,385.40	82.01
NEEDHAM, KIM	75,931.44	45.80
NELSON, DAVID	82,300.79	451.79
NGO, CYNTHIA A	81,340.06	-
NICKS, DALE	76,191.86	135.00
NIELSEN, JANELLE	80,034.88	32.50
NIELSEN, WENDY	79,770.38	181.33
NIXON, CHARLES (DAVID) D	115,625.09	6,596.74
NIXON, PAUL	79,980.09	-
NOBLE, ANNETTE	100,949.08	71.94
O'HARA, CLINTON D	81,793.90	-
OLDHAM, CATHERINE G	81,583.24	71.83
OLSEN, MARGARET A	101,880.73	639.45

Note: Remuneration represents actual money paid to a trustee or employee and would include such items as salary, retroactive salary adjustments and taxable benefits such as medical plans.

**SCHOOL DISTRICT NO. 68(NANAIMO-LADYSMITH)  
YEAR ENDED JUNE 30, 2015  
SCHEDULE OF REMUNERATION AND EXPENSES**

	Total Remuneration	Total Expenses
ORTON, ELISA	81,726.82	-
ORTON, RYAN	81,949.42	569.48
PABBIES, MONECA	81,070.89	-
PAISLEY, MARISA	80,592.66	-
PAKOSZ, MARTIN	81,094.48	339.66
PARKER, MARTHA E	81,898.99	-
PARSLEY, LORILEE I	81,510.30	-
PASCOE, JAMES W	90,783.35	958.07
PEACE, TANYA M	90,672.62	16.84
PEDERSEN, TINA	76,430.59	-
PEPLER, KIMBERLY M	83,666.16	110.70
PERKINS, DONALD GEORGE	81,251.35	-
PISTOR, KEVIN T	84,557.99	-
PITTAWAY, DORTE	75,430.82	-
POULIN, FABIAN	81,905.06	-
POULIN, JACQUELINE	100,949.08	1,545.59
PREVOST, DAVID	84,499.30	1,181.93
PROCTOR, KAREN	113,134.37	206.30
PROCTOR, NATASCHA	75,881.26	12.00
PYE, DURWIN	75,144.70	-
RADCLIFFE, MARISA	82,207.18	71.33
RAYNER, SONA	81,692.99	-
REIMER, DONNA	89,390.68	426.41
REYNOLDS, CATHERINE	79,568.70	149.61
REYNOLDS, TAMMY	81,426.16	41.50
ROBB, ANITA J	80,924.68	250.00
ROBERTS, GRAHAM	119,273.10	12,640.83
ROBERTSON, D. MARK	81,705.97	-
ROBERTSON, SCOTT	76,230.46	-
ROBINSON, JENNIFER M	81,509.64	-
ROBINSON, LISA	102,139.60	74.15
ROBINSON, STEPHANIE	82,154.31	-
ROKEBY, THOMAS	80,024.23	25.10
ROSENAU, J MARK	80,070.22	-
ROUNIS, BILL	113,289.95	170.00
ROUNIS, LENE DAWN	81,894.57	-
RYYNANEN, BETH P	76,269.57	-
SABO, PETER	118,031.31	3,762.08
SANSOUCY-JONES, ELIZABETH	81,692.96	-
SAYWELL, SCOTT BRADLEY	133,967.01	7,963.47
SCHULTZ, JEFFREY	81,895.61	-

Note: Remuneration represents actual money paid to a trustee or employee and would include such items as salary, retroactive salary adjustments and taxable benefits such as medical plans.

**SCHOOL DISTRICT NO. 68(NANAIMO-LADYSMITH)  
YEAR ENDED JUNE 30, 2015  
SCHEDULE OF REMUNERATION AND EXPENSES**

	Total Remuneration	Total Expenses
SERTIC, ANDJELKO	81,639.69	249.94
SHEEHAN, NANCY E	81,206.32	116.42
SIGMUND, VERA E	82,259.37	51.84
SILVERTON, MIKE	82,505.21	11.10
SIMARD, LINDA	75,800.84	-
SINGH, DHANOOK D	76,552.51	-
SKIPPER, COLLEEN	81,552.63	26.29
SMITH, JOSEPH	80,453.18	-
SMITH, MICHELLE	80,541.99	22.99
SNEDDON, SHONA	90,671.85	656.81
SORENSEN, NATALIE	84,367.31	741.80
SPENCER, PETER	81,949.52	18.15
SPOHN, BRENT D	84,499.33	1,697.14
SPROSTON, STEVE	105,221.22	2,434.84
STEEL, GEOFFREY	101,992.18	1,158.86
STEPHENS, STEPHANIE J	80,635.47	26.29
STEVENSON, NATHAN	77,285.60	43.03
STEVENSON, ROBERT E JR	76,025.58	113.03
STREET, DAVE	105,301.34	1,704.65
SUNDE, LISA	80,652.29	226.06
SUTTON, TAUNIA	76,202.02	4,301.85
TAIT, LAURA	116,533.49	9,033.68
TAYLOR, BOBBIE-JEAN	81,790.72	32.50
TAYLOR, WILLIAM	81,850.33	362.20
THOMPSON, DANIEL JAMES	76,316.36	3,635.14
THOMPSON, KAREN LESLEY	76,230.56	-
THOMPSON, STEVEN D	117,775.51	481.49
TISSINGTON, LYNN	81,383.71	5.08
TOLSMA, MELISSA	81,485.53	-
TOMIYAMA, JOANNE	84,822.57	-
TOOLE, KIRSTEN MARIE	79,740.12	181.59
TRAVERS, DAVID	101,945.03	260.30
TRICK, PATRICIA	125,646.93	4,088.29
TURIN, PHIL	90,711.92	2,407.55
TURNER, RANDI	81,494.26	-
TYCE, CLARICE	78,886.34	-
TYE, JUDITH	81,771.98	9.00
UVANILE, JANIS R	81,692.99	104.80
VAN HORNE, DAVID	81,895.58	-
VAN RYSSEL, PAUL F	78,768.33	21,657.57
VARNER, NEIL P	80,085.46	1,182.14

Note: Remuneration represents actual money paid to a trustee or employee and would include such items as salary, retroactive salary adjustments and taxable benefits such as medical plans.

**SCHOOL DISTRICT NO. 68(NANAIMO-LADYSMITH)  
YEAR ENDED JUNE 30, 2015  
SCHEDULE OF REMUNERATION AND EXPENSES**

	Total Remuneration	Total Expenses
VOSSHANS, COLLEEN	79,381.76	117.84
WALKER, KRISTINE	77,600.83	-
WALTERHOUSE, CHRISTINE A	79,277.24	1,117.60
WARE-JUD, MADELEINE	81,747.27	148.20
WARREN, KENNETH	81,165.59	96.08
WEBB, JOSEFINA	75,398.81	486.22
WEIGHILL, SHAUN RICHARD	75,984.14	-
WHITE, RANDALL	82,940.56	-
WILCOX, TRINA L	82,237.67	-
WILKIE, JILL CORUNNA	102,028.16	98.32
WILSON, ANTHONY	81,895.59	-
WINCHELL, LESLEY	83,376.14	-
WOOD, DENISE	80,645.35	-
WOOD, KIP	81,850.35	-
WOODHOUSE, KENNETH M	78,509.66	-
YAMAMURA, JOHN	79,195.72	-
YOUNG, CHARLES FRANKLIN	75,236.10	-
YOUNG, COLETTE	90,690.59	1,265.75
YOUNG, PATRICK D	102,270.27	50.76
YOUNG, SUSANN	100,949.18	575.29
YOUNK, KARINA	102,149.37	22.86
ZIEMANSKI, REBECCA L	80,759.64	391.77
ZUYDERDUYN, ROY M	81,227.28	-
<b>Total employees over \$75,000</b>	<b>28,259,488.58</b>	<b>294,501.12</b>
<b>Total employees equal to or under \$75,000</b>	<b>61,191,877.28</b>	<b>209,692.58</b>
<b>Total trustees</b>	<b>150,927.20</b>	<b>25,605.25</b>
<b>Employer portion EI and CPP</b>	<b>5,073,502.96</b>	
<b>TOTAL</b>	<b>\$ 94,675,796.02</b>	<b>\$ 529,798.95</b>

Note: Remuneration represents actual money paid to a trustee or employee and would include such items as salary, retroactive salary adjustments and taxable benefits such as medical plans.

**SCHOOL DISTRICT NO. 68 (NANAIMO-LADYSMITH)**  
**Statement of Financial Information (SOFI)**  
**Fiscal Year Ended June 30, 2015**

**STATEMENT OF SEVERANCE AGREEMENTS**

There was one severance agreement made between School District No. 68 (Nanaimo-Ladysmith) and its non-unionized employees during fiscal year 2015.

This agreement represents 18 months' compensation.

**SCHOOL DISTRICT NO. 68(NANAIMO-LADYSMITH)  
YEAR ENDED JUNE 30, 2015  
STATEMENT OF PAYMENT FOR THE PROVISION OF GOODS AND SERVICES**

**A. LIST OF SUPPLIERS WHERE PAYMENTS EXCEED \$25,000.00**

0952712 B.C. LTD.	\$	32,424.00
ALLIANCE ENGINEERING WORKS LTD.		1,148,067.28
AMAZON.CA		56,338.88
APPLE CANADA INC.		133,008.90
AROUND THE WORLD TRAVEL		71,020.00
ARTSTARTS IN SCHOOLS		45,496.10
AURORA ROOFING		249,917.11
B. & C. FOOD DISTRIBUTORS		70,564.00
B.C. FERRY SERVICES INC.		62,802.89
B.C. HYDRO & POWER AUTHORITY		972,695.35
BARAGAR ENTERPRISES LTD.		34,991.25
BC TECHNOLOGY FOR LEARNING SOCIETY		58,309.65
BEDROCK REDI-MIX LTD.		130,482.91
BELFOR (CANADA) INC.		248,455.87
BELL CANADA		149,314.32
BRAND XPRESS		42,560.10
BRITISH COLUMBIA SCHOOL TRUSTEES		47,935.85
BUDGET RENT A CAR		26,320.22
BULL, HOUSSER & TUPPER		25,032.90
CAMP QWANOES		33,001.79
CAMPBELL & FAIRWEATHER		86,350.00
CANADA-CUBA SPORTS & CULTURAL		46,086.00
CANCOR CUTTING & CORING LTD.		66,966.74
CANEM SYSTEMS LTD.		580,220.35
CAPERNEWAY HARBOUR		27,665.15
CHEVRON CANADA LTD.		348,885.31
CITY OF NANAIMO		233,037.47
CLEARVIEW GRINDING LTD.		35,748.72
CLOVERDALE PAINT INC.		33,658.27
COAST WHOLESALE APPLIANCES LP		39,399.55
CONCISE SYSTEMS CORP.		611,030.90
COSTCO WHOLESALE		64,764.12
DAFCO FILTRATION GROUP CORPORATION		29,108.02
DALCON CONSTRUCTION (2001) LTD.		229,451.25
DELL CANADA INC		123,803.91
DYNAMIC SPECIALTY VEHICLES LTD.		183,511.13
EMCO CORPORATION		39,701.92
ESC AUTOMATION INC.		64,686.77
FANG TEAROE ENT. LTD.		25,400.00
FOLLETT SCHOOL SOLUTIONS, INC.		27,657.76
FOOTPRINTS SECURITY PATROL INC.		148,571.61
FORTISBC-NATURAL GAS		783,260.05

**SCHOOL DISTRICT NO. 68(NANAIMO-LADYSMITH)**  
**YEAR ENDED JUNE 30, 2015**  
**STATEMENT OF PAYMENT FOR THE PROVISION OF GOODS AND SERVICES**

**A. LIST OF SUPPLIERS WHERE PAYMENTS EXCEED \$25,000.00**

FRASER VALLEY INDUSTRIES LTD.	169,159.03
FRESHPOINT - NANAIMO	30,161.95
FRIESENS CORPORATION	71,518.67
FUTURE SHOP	29,680.10
FUTUREBOOK PRINTING INC.	50,741.01
G & G ROOFING LTD.	316,508.98
GAVIN A HALL MASONRY 1986 LTD.	289,617.03
GFS BRITISH COLUMBIA	165,611.41
GOROSH CRANES LTD.	28,452.38
GRAND & TOY LTD.	315,958.32
GUILLEVIN INTERNATIONAL	81,790.50
GWIL INDUSTRIES INC.	159,670.35
H.L. DEMOLITION & WASTE MANAGE	234,554.25
HAARSMA WASTE INNOVATIONS INC.	112,911.52
HARRIS & COMPANY	73,966.61
HENDERSON RECREATION EQUIPMENT	31,826.98
HEROLD ENGINEERING LTD.	39,366.93
HOLDFAST METALWORKS LTD.	803,649.56
HOULE ELECTRIC LIMITED	104,769.00
INSURANCE CORPORATION OF B.C.	35,418.79
INVISION WEB	31,811.46
ISLAND AGGREGATES LTD.	35,590.77
ISLAND CLEANING SUPPLIES	28,980.00
KMBR ARCHITECTS	624,045.01
KNIGHTWAY MOBILE HAULERS INC.	33,600.00
LMS REINFORCING STEEL GROUP	77,175.00
LONDON DRUGS	37,982.76
LONG & MCQUADE	32,527.26
LONG VIEW SYSTEMS CORPORATION	87,410.40
MACDONALD & LAWRENCE TIMBER FRAMING LTD.	108,638.20
MCGREGOR AND THOMPSON HARDWARE	35,376.48
MIDLAND TOOLS	43,362.00
MILNER GROUP VENTURES INC.	58,811.73
MNP	37,209.38
MVP ATHLETIC SUPPLIES	29,364.87
NANAIMO CHILD DEVELOPMENT	91,409.50
NANAIMO DISTRICT TEACHERS ASSN	277,888.00
NANAIMO DRY GRAD SOCIETY	46,818.00
NELSON EDUCATION LTD	83,190.14
NEW IMAGE INTERIORS	64,233.26
NEWCASTLE ENGINEERING LTD.	56,453.46
NORTH CEDAR IMPROVEMENT DIST.	40,555.23

**SCHOOL DISTRICT NO. 68(NANAIMO-LADYSMITH)  
YEAR ENDED JUNE 30, 2015  
STATEMENT OF PAYMENT FOR THE PROVISION OF GOODS AND SERVICES**

**A. LIST OF SUPPLIERS WHERE PAYMENTS EXCEED \$25,000.00**

NS3	30,864.00
NSAA (PRO-D)	58,000.00
ONO TRADING CO., CANADA LTD.	31,900.14
PACIFIC BLUE CROSS	2,188,563.17
PACIFICSPORT REGIONAL SPORT	53,840.49
PAYPAL	35,179.66
PEARSON EDUCATION CANADA	104,999.37
PENSION CORPORATION - MUNICIPAL	2,441,071.03
PENSION CORPORATION - TEACHERS	9,132,157.21
PINO-LITE GLASS 2010 LTD.	269,467.70
PLANET CLEAN (NANAIMO) LTD.	284,799.60
PRICE'S ALARM SYSTEMS LTD.	36,722.70
PUBLIC EDUCATION BENEFITS TRUS	1,724,210.14
QUALITY FOODS	102,820.39
REAL CANADIAN SUPERSTORE	37,896.34
REGIONAL DISTRICT OF NANAIMO	44,714.21
REVENUE SERVICES OF BRITISH CO	1,874,941.10
ROCKY POINT ENGINEERING LTD.	52,998.76
RON'S DRYWALL LTD.	281,686.53
SCHAFFERS EQUIPMENT	46,393.17
SCHOLASTIC BOOK FAIRS	33,138.27
SCHOLASTIC CANADA LTD.	28,765.92
SCHOOLSPEC	28,612.72
SHANAHAN'S LIMITED PARTNERSHIP	59,389.17
SHARP ELECTRONICS	138,581.67
SHEPELL-FGI	68,375.31
SHERET LTD., ANDREW	35,769.77
SLEGG BUILDING MATERIALS LTD.	88,385.81
SMITH TRANSPORTATION	30,203.13
SNUNEYMUX FIRST NATIONS	33,356.77
SOFTCHOICE CORPORATION	84,495.77
SRB EDUCATION SOLUTIONS INC.	182,201.48
STAPLES	138,511.18
STRONG NATIONS PUBLISHING INC.	44,682.34
STRUCTURLAM PRODUCTS LP	498,909.61
STUDENTGUARD HEALTH INSURANCE	131,885.75
SUPERIOR EXCAVATING LTD.	540,012.50
SYSCO VICTORIA	48,060.17
TEACHER'S FILE LTD.	55,590.39
TEL MOBILITY	103,547.20
THYSSENKRUPP ELEVATOR	56,437.19
TILlicum LELUM ABORIGINAL	65,560.75



**SCHOOL DISTRICT NO. 68(NANAIMO-LADYSMITH)  
YEAR ENDED JUNE 30, 2015  
STATEMENT OF PAYMENT FOR THE PROVISION OF GOODS AND SERVICES**

**A. LIST OF SUPPLIERS WHERE PAYMENTS EXCEED \$25,000.00**

TORO MARKETING	63,657.84
TOWN OF LADYSMITH	42,827.53
U OF T PRESS DISTRIBUTION	27,067.67
UNIGLOBE SPECIALTY TRAVEL LTD.	32,067.00
UNITECH CONSTRUCTION MANAGEMEN	859,122.51
UNITED RENTALS CANADA, INC.	105,149.90
VANCOUVER ISLAND CONFERENCE CENTRE	65,469.82
VANCOUVER ISLAND UNIVERSITY	364,305.58
VANCOUVER SCHOOL BOARD	38,290.50
WAL-MART SUPERCENTE	27,686.95
WAYWEST MECHANICAL LTD.	1,404,402.74
WESCO DISTRIBUTION-CANADA, INC.	117,375.32
WESTCOR SERVICES LIMITED	44,944.20
WESTERN CAMPUS RESOURCES	62,755.43
WESTWOOD METALS LTD.	68,323.45
WINDSOR PLYWOOD	67,423.56
WINGREN FLOOR & SUPPLY CO.LTD.	28,394.07
WINROC	25,681.86
WOLSELEY CANADA	73,728.33
WORKSAFE BC	377,154.40
XU, MANMAN	27,900.00
ZONAR SYSTEMS	44,254.58

TOTAL FOR SUPPLIERS WHERE PAYMENTS EXCEED \$25,000.00	37,871,152.47
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**B. SUPPLIERS PAID \$25,000.00 OR LESS**

TOTAL FOR SUPPLIERS WHERE PAYMENTS ARE UNDER \$25,000.00	7,341,756.67
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<b>TOTAL PAYMENTS FOR GOODS AND SERVICES</b>	<b>\$ 45,212,909.14</b>
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**SCHOOL DISTRICT NO. 68(NANAIMO-LADYSMITH)  
YEAR ENDED JUNE 30, 2015  
RECONCILIATION OF PAYMENTS TO AUDITED FINANCIAL STATEMENTS**

**SCHEDULE OF PAYMENTS**

TOTAL REMUNERATION WITH EMPLOYER CPP/EI	\$ 94,675,796.02
TOTAL EMPLOYEE EXPENSES	529,798.95
PAYMENTS FOR GOODS AND SERVICES	<u>\$ 45,212,909.14</u>

<b>TOTAL PAYMENTS</b>	<u>140,418,504.11</u>
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**RECONCILIATION ITEMS**

NONCASH ITEMS	
ACCRUAL DIFFERENCES, RECOVERIES AND OTHER	(3,904.57)
PAYMENTS INCLUDE:	
HOLDBACKS	490,715.33
TAXABLE BENEFITS	(1,768,770.19)
GST REBATE	(661,236.78)
INTERNATIONAL STUDENTS HOMESTAY AND MEDICAL	<u>(1,632,892.90)</u>
	<u>(3,576,089.11)</u>

<b>TOTAL RECONCILED ITEMS</b>	<u>136,842,415.00</u>
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<b>FINANCIAL STATEMENT EXPENDITURES</b>	130,492,177.00
LESS AMORTIZATION	(6,415,537.00)
PLUS CAPITAL PURCHASES (excluding Capital Leases)	<u>12,765,775.00</u>
	<u>\$ 136,842,415.00</u>

<b>BALANCE</b>	<u><u>-</u></u>
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