

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019**
[Education Act (formerly School Act), Sections 139, 140, 244]

The Palliser School Division

Legal Name of School Jurisdiction

101, 3305 - 18 Avenue North Lethbridge AB T1H 5S1

Mailing Address

(403) 328-4111 (403) 380-6890 dexter.durfey@pallisersd.ab.ca

Contact Numbers and Email Address

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of The Palliser School Division presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong system of budgetary control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors were given full access to school jurisdiction records.

Declaration of Management and Board Chair

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position, results of operations, remeasurement gains and losses, changes in net financial assets (debt), and cash flows for the year in accordance with Canadian Public Sector Accounting Standards.

BOARD CHAIR

Robert Strauss
Name

Original Signed by Chair
Signature

SUPERINTENDENT

Dave Driscoll
Name

Original Signed by Superintendent
Signature

SECRETARY-TREASURER OR TREASURER

Dexter Durfey
Name

Original Signed by Secretary-Treasurer
Signature

November 26, 2019

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: EDC.FRA@gov.ab.ca
PHONE: Ash: (780) 415-8940; Jianan: (780) 427-3855 FAX: (780) 422-6996

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	3
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF OPERATIONS	5
STATEMENT OF CASH FLOWS	6
STATEMENT OF CHANGE IN NET DEBT	7
STATEMENT OF REMEASUREMENT GAINS AND LOSSES	8
SCHEDULE 1: SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS	9
SCHEDULE 2: SCHEDULE OF DEFERRED CONTRIBUTIONS	11
SCHEDULE 3: SCHEDULE OF PROGRAM OPERATIONS	12
SCHEDULE 4: SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE	13
SCHEDULE 5: SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS	14
SCHEDULE 6: SCHEDULE OF TANGIBLE CAPITAL ASSETS	15
SCHEDULE 7: SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES	16
SCHEDULE 8: UNAUDITED SCHEDULE OF FEES	17
SCHEDULE 9: UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING	18
SCHEDULE 10: UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES	19
SCHEDULE 11: UNAUDITED SCHEDULE OF NUTRITION PROGRAM EXPENDITURES	20
NOTES TO THE FINANCIAL STATEMENTS	21

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	3
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF OPERATIONS	5
STATEMENT OF CASH FLOWS	6
STATEMENT OF CHANGE IN NET DEBT	7
STATEMENT OF REMEASUREMENT GAINS AND LOSSES	8
SCHEDULE 1: SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS	9
SCHEDULE 2: SCHEDULE OF DEFERRED CONTRIBUTIONS	11
SCHEDULE 3: SCHEDULE OF PROGRAM OPERATIONS	12
SCHEDULE 4: SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE	13
SCHEDULE 5: SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS	14
SCHEDULE 6: SCHEDULE OF TANGIBLE CAPITAL ASSETS	15
SCHEDULE 7: SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES	16
NOTES TO THE FINANCIAL STATEMENTS	17
SCHEDULE 8: UNAUDITED SCHEDULE OF FEES	30
SCHEDULE 9: UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING	31
SCHEDULE 10: UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES	32
SCHEDULE 11: UNAUDITED SCHEDULE OF NUTRITION PROGRAM EXPENDITURES	33

STATEMENT OF FINANCIAL POSITION
As at August 31, 2019 (in dollars)

		2019	2018 RECLASS (NOTE 29)
FINANCIAL ASSETS			
Cash and cash equivalents	(Schedule 5; Note 3)	\$ 6,090,310	\$ 6,875,774
Accounts receivable (net after allowances)	(Note 4)	\$ 1,817,749	\$ 1,177,517
Portfolio investments			
Operating	(Schedule 5; Note 5)	\$ 137,653	\$ 131,998
Endowments	(Schedules 1 & 5; Note 20)	\$ 87,908	\$ 87,232
Inventories for resale		\$ -	\$ -
Other financial assets	(Note 6)	\$ -	\$ -
Total financial assets		\$ 8,133,620	\$ 8,272,521
LIABILITIES			
Bank indebtedness	(Note 9)	\$ -	\$ -
Accounts payable and accrued liabilities	(Note 10)	\$ 3,826,262	\$ 3,997,917
Deferred contributions	(Note 11)	\$ 40,299,613	\$ 40,417,182
Employee future benefits liabilities	(Note 12)	\$ 286,300	\$ 316,700
Liability for contaminated sites	(Note 13)	\$ -	\$ -
Other liabilities	(Note 14)	\$ -	\$ -
Debt			
Supported: Debentures	(Note 15)	\$ -	\$ 92,917
Unsupported: Debentures	(Note 15)	\$ -	\$ -
Mortgages and capital loans	(Note 15)	\$ -	\$ -
Capital leases	(Note 16)	\$ 598,057	\$ -
Total liabilities		\$ 45,010,232	\$ 44,824,716
Net debt		\$ (36,876,612)	\$ (36,552,195)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Schedule 6)	\$ 45,140,602	\$ 43,858,653
Inventory of supplies		\$ 4,903	\$ 28,203
Prepaid expenses	(Note 17)	\$ 1,104,115	\$ 616,720
Other non-financial assets	(Note 18)	\$ -	\$ -
Total non-financial assets		\$ 46,249,620	\$ 44,503,576
Accumulated surplus	(Schedule 1; Note 19)	\$ 9,373,008	\$ 7,951,381
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 9,373,008	\$ 7,951,381
Accumulated remeasurement gains (losses)		\$ -	\$ -
		\$ 9,373,008	\$ 7,951,381
Contractual rights	(Note 7)		
Contingent assets	(Note 8)		
Contractual obligations	(Note 21)		
Contingent liabilities	(Note 22)		

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF OPERATIONS
For the Year Ended August 31, 2019 (in dollars)

	Budget 2019	Actual 2019	Actual 2018
REVENUES			
Government of Alberta	\$ 91,658,881	\$ 92,334,035	\$ 90,151,779
Federal Government and First Nations	\$ 450,000	\$ 463,045	\$ 409,126
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 1,312,585	\$ 978,709	\$ 1,349,296
Other sales and services	\$ 1,398,667	\$ 1,905,945	\$ 2,934,623
Investment income	\$ 75,000	\$ 139,955	\$ 118,001
Gifts and donations	\$ 111,500	\$ 108,650	\$ 112,591
Rental of facilities	\$ 153,900	\$ 224,572	\$ 346,913
Fundraising	\$ 525,000	\$ 600,299	\$ 904,817
Gains on disposal of capital assets	\$ -	\$ 544,502	\$ 27,591
Other revenue (Note 23)	\$ 669,993	\$ 1,463,162	\$ 23,921
Total revenues	\$ 96,355,526	\$ 98,762,874	\$ 96,378,658
EXPENSES			
Instruction - ECS	\$ 3,590,911	\$ 3,957,610	\$ 3,857,372
Instruction - Grades 1 - 12	\$ 74,754,046	\$ 75,041,168	\$ 75,308,511
Plant operations and maintenance (Schedule 4)	\$ 10,595,322	\$ 10,551,935	\$ 10,389,316
Transportation	\$ 3,995,000	\$ 4,188,287	\$ 4,129,505
Board & system administration	\$ 3,154,453	\$ 3,189,951	\$ 3,720,725
External services	\$ 265,794	\$ 412,972	\$ 760,990
Total expenses	\$ 96,355,526	\$ 97,341,923	\$ 98,166,419
Operating surplus (deficit)	\$ -	\$ 1,420,951	\$ (1,787,761)
Accumulated operating surplus (deficit) at beginning of year		\$ 7,951,381	\$ 9,739,142
Accumulated operating surplus (deficit) at end of year	\$ -	\$ 9,372,332	\$ 7,951,381

The accompanying notes and schedules are part of these financial statements.

Note: Please input "(Restated)" where Actual 2018 comparatives are not as presented in the finalized 2017/2018 Audited Financial Statements filed with Alberta Education.

AOS = AOS on Statement of Financial Position	\$ (676)
Endowment change in value	\$ 676
Variance	\$ -

STATEMENT OF CASH FLOWS
For the Year Ended August 31, 2019 (in dollars)

	2019	2018 RECLASS
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ 1,420,951	\$ (1,787,761)
Add (Deduct) items not affecting cash:		
Amortization of tangible capital assets	\$ 2,910,799	\$ 2,737,185
Net (gain)/loss on disposal of tangible capital assets	\$ (544,502)	\$ (27,591)
Transfer of tangible capital assets (from)/to other entities	\$ (1,555,284)	\$ -
(Gain)/Loss on sale of portfolio investments	\$ -	\$ -
Expended deferred capital revenue recognition	\$ (1,952,841)	\$ (1,840,236)
Deferred capital revenue write-down / adjustment	\$ -	\$ -
Donations in kind	\$ -	\$ -
	\$ 279,123	\$ (918,403)
(Increase)/Decrease in accounts receivable	\$ (640,232)	\$ (348,304)
(Increase)/Decrease in inventories for resale	\$ -	
(Increase)/Decrease in other financial assets	\$ -	\$ -
(Increase)/Decrease in inventory of supplies	\$ 23,300	
(Increase)/Decrease in prepaid expenses	\$ (487,395)	\$ 369,384
(Increase)/Decrease in other non-financial assets	\$ -	\$ (17,330)
Increase/(Decrease) in accounts payable, accrued and other liabilities	\$ (171,655)	\$ 2,363,400
Increase/(Decrease) in deferred revenue (excluding EDCC)	\$ 1,835,272	\$ 1,413,478
Increase/(Decrease) in employee future benefit liabilities	\$ (30,400)	\$ (31,100)
Other - Rounding	\$ -	\$ -
Total cash flows from operating transactions	\$ 808,013	\$ 2,831,125
B. CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	\$ (2,511,103)	\$ (2,493,967)
Net proceeds from disposal of unsupported capital assets	\$ 758,141	\$ 53,373
Revenue recognition Land Asset - Non cash transaction	\$ (340,000)	\$ -
Total cash flows from capital transactions	\$ (2,092,962)	\$ (2,440,594)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ (5,655)	\$ 59
Proceeds on sale of portfolio investments	\$ -	\$ -
Other - Endowment change in value	\$ -	\$ 787
Other - Reclass Endowment from Cash to Portfolio Investment	\$ -	\$ (87,232)
Total cash flows from investing transactions	\$ (5,655)	\$ (86,386)
D. FINANCING TRANSACTIONS		
Debt issuances	\$ -	\$ -
Debt repayments	\$ (92,917)	\$ (175,518)
Other factors affecting debt	\$ -	\$ -
Capital lease issuances	\$ 598,057	\$ -
Capital lease payments	\$ -	\$ -
Other (describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from financing transactions	\$ 505,140	\$ (175,518)
Increase (decrease) in cash and cash equivalents	\$ (785,464)	\$ 128,627
Cash and cash equivalents, at beginning of year	\$ 6,875,774	\$ 6,747,147
Cash and cash equivalents, at end of year	\$ 6,090,310	\$ 6,875,774

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF CHANGE IN NET DEBT
For the Year Ended August 31, 2019 (in dollars)

	Budget 2019	2019	2018
Operating surplus (deficit)	\$ -	\$ 1,420,951	\$ (1,787,761)
Effect of changes in tangible capital assets			
Acquisition of tangible capital assets	\$ -	\$ (2,171,103)	\$ (3,051,654)
Amortization of tangible capital assets	\$ -	\$ 2,910,799	\$ 2,737,185
Net (gain)/loss on disposal of tangible capital assets	\$ -	\$ (544,502)	\$ (27,591)
Net proceeds from disposal of unsupported capital assets	\$ -	\$ 758,141	\$ 53,373
Write-down carrying value of tangible capital assets	\$ -	\$ -	\$ -
Transfer of tangible capital assets (from)/to other entities	\$ -	\$ (1,895,284)	\$ -
Other changes Reclass of unsupported Land	\$ -	\$ (340,000)	\$ -
Total effect of changes in tangible capital assets	\$ -	\$ (1,281,949)	\$ (288,687)
Acquisition of inventory of supplies	\$ -	\$ 23,300	
Consumption of inventory of supplies	\$ -	\$ -	
(Increase)/Decrease in prepaid expenses	\$ -	\$ (487,395)	\$ 369,384
(Increase)/Decrease in other non-financial assets	\$ -	\$ -	\$ (17,330)
Net remeasurement gains and (losses)	\$ -	\$ -	\$ -
Other changes Endowments	\$ -	\$ 676	\$ 787
Decrease (increase) in net debt	\$ -	\$ (324,417)	\$ (1,723,607)
Net debt at beginning of year	\$ -	\$ (36,552,195)	\$ (34,828,588)
Net debt at end of year	\$ -	\$ (36,876,612)	\$ (36,552,195)

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF CHANGE IN NET DEBT
For the Year Ended August 31, 2019 (in dollars)

	2019	2018
Operating surplus (deficit)	\$ 1,420,951	\$ (1,787,761)
Effect of changes in tangible capital assets		
Acquisition of tangible capital assets	\$ (2,171,103)	\$ (3,051,654)
Amortization of tangible capital assets	\$ 2,910,799	\$ 2,737,185
Net (gain)/loss on disposal of tangible capital assets	\$ (544,502)	\$ (27,591)
Net proceeds from disposal of unsupported capital assets	\$ 758,141	\$ 53,373
Write-down carrying value of tangible capital assets	\$ -	\$ -
Transfer of tangible capital assets (from)/to other entities	\$ (1,895,284)	\$ -
Other changes Reclass of unsupported Land	\$ (340,000)	\$ -
Total effect of changes in tangible capital assets	\$ (1,281,949)	\$ (288,687)
Acquisition of inventory of supplies	\$ 23,300	\$ -
Consumption of inventory of supplies	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ (487,395)	\$ 369,384
(Increase)/Decrease in other non-financial assets	\$ -	\$ (17,330)
Net remeasurement gains and (losses)	\$ -	\$ -
Other changes Endowments	\$ 676	\$ 787
Decrease (increase) in net debt	\$ (324,417)	\$ (1,723,607)
Net debt at beginning of year	\$ (36,552,195)	\$ (34,828,588)
Net debt at end of year	\$ (36,876,612)	\$ (36,552,195)

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF REMEASUREMENT GAINS AND LOSSES
For the Year Ended August 31, 2019 (in dollars)

	2019	2018
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ -	\$ -
Derivatives	\$ -	\$ -
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ -	\$ -
Derivatives	\$ -	
Other	\$ -	\$ -
Other Adjustment (Describe)	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -
Accumulated remeasurement gains (losses) at beginning of year	\$ -	\$ -
Accumulated remeasurement gains (losses) at end of year	\$ -	\$ -

The accompanying notes and schedules are part of these financial statements.

SCHEDULE 1**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2019 (in dollars)**

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2018	\$ 7,951,381	\$ -	\$ 7,951,381	\$ 5,671,681	\$ 87,232	\$ (0)	\$ 1,669,918	\$ 522,550
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2018	\$ 7,951,381	\$ -	\$ 7,951,381	\$ 5,671,681	\$ 87,232	\$ (0)	\$ 1,669,918	\$ 522,550
Operating surplus (deficit)	\$ 1,420,951		\$ 1,420,951			\$ 1,420,951		
Board funded tangible capital asset additions				\$ 1,110,867		\$ -	\$ (598,057)	\$ (512,810)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ (33,439)		\$ -		\$ 33,439
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year	\$ -	\$ -						
Endowment expenses & disbursements	\$ (992)		\$ (992)		\$ (992)	\$ -		
Endowment contributions	\$ -		\$ -		\$ -	\$ -		
Reinvested endowment income	\$ 1,668		\$ 1,668		\$ 1,668	\$ -		
Direct credits to accumulated surplus (Describe)	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -			\$ (2,910,799)		\$ 2,910,799		
Capital revenue recognized	\$ -			\$ 1,952,841		\$ (1,952,841)		
Debt principal repayments (unsupported)	\$ -			\$ -		\$ -		
Additional capital debt or capital leases	\$ -			\$ -		\$ -		
Net transfers to operating reserves	\$ -					\$ (846,166)	\$ 846,166	
Net transfers from operating reserves	\$ -					\$ 276,492	\$ (276,492)	
Net transfers to capital reserves	\$ -					\$ (1,809,235)		\$ 1,809,235
Net transfers from capital reserves	\$ -					\$ -		\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2019	\$ 9,373,008	\$ -	\$ 9,373,008	\$ 5,791,151	\$ 87,908	\$ (0)	\$ 1,641,535	\$ 1,852,414

SCHEDULE 1

**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2019 (in dollars)**

	INTERNALLY RESTRICTED RESERVES BY PROGRAM									
	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		External Services	
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2018	\$ 1,371,199	\$ 191,506	\$ 175,194	\$ 235,146	\$ 100,000	\$ 347,675	\$ -	\$ (251,777)	\$ 23,525	\$ -
Prior period adjustments:										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2018	\$ 1,371,199	\$ 191,506	\$ 175,194	\$ 235,146	\$ 100,000	\$ 347,675	\$ -	\$ (251,777)	\$ 23,525	\$ -
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ (598,057)	\$ (5,652)	\$ -	\$ (213,581)	\$ -	\$ (293,577)	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ 33,439		\$ -		\$ -		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ -		\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year										
Endowment expenses & disbursements										
Endowment contributions										
Reinvested endowment income										
Direct credits to accumulated surplus (Describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets										
Capital revenue recognized										
Debt principal repayments (unsupported)										
Additional capital debt or capital leases										
Net transfers to operating reserves	\$ 452,751		\$ -		\$ 378,169		\$ -		\$ 15,246	
Net transfers from operating reserves	\$ -		\$ (153,106)		\$ -		\$ (100,562)		\$ (22,824)	
Net transfers to capital reserves		\$ 295,228		\$ 79,665		\$ 993,033		\$ 441,309		\$ -
Net transfers from capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2019	\$ 1,225,893	\$ 481,082	\$ 22,088	\$ 134,669	\$ 478,169	\$ 1,047,131	\$ (100,562)	\$ 189,532	\$ 15,947	\$ -

**SCHEDULE OF DEFERRED CONTRIBUTIONS
(EXTERNALLY RESTRICTED CONTRIBUTIONS ONLY)
for the Year Ended August 31, 2019 (in dollars)**

	Other GoA Ministries excluding Infrastructure						Gov't of Canada	Donations and grants from others	Other	Total other sources	Total
	Alberta Education	Alberta Infrastructure	FCSP Grant	Description 2	Description 3	Total Other GoA Ministries					
Deferred Contributions (DC)											
Balance at Aug 31, 2018	\$ 1,146,943	\$ 6,102	\$ -	\$ -	\$ -	\$ 6,102		\$ -	\$ 1,055,719	\$ 1,055,719	\$ 2,208,764
Prior period adjustments - please explain:	-	-	-	-	-	-	-	-	-	-	-
Adjusted ending balance Aug. 31, 2018	\$ 1,146,943	\$ 6,102	\$ -	\$ -	\$ -	\$ 6,102	\$ -	\$ -	\$ 1,055,719	\$ 1,055,719	\$ 2,208,764
Received during the year (excluding investment income)	1,486,412	-	141,405	-	-	141,405	-	-	2,511,821	2,511,821	4,139,638
transfer (to) grant/donation revenue (excluding investment income)	(1,478,539)	(6,102)	(126,737)	-	-	132,839	-	-	(2,663,954)	2,663,954	4,275,332
Investment earnings	-	-	-	-	-	-	-	-	-	-	-
Received during the year	-	-	-	-	-	-	-	-	-	-	-
Transferred to investment income	-	-	-	-	-	-	-	-	-	-	-
Transferred (to) from UDCC	(982,829)	-	-	-	-	-	-	-	-	-	982,829
Transferred directly (to) EDCC	-	-	-	-	-	-	-	-	-	-	-
Transferred (to) from others - please explain:	-	-	-	-	-	-	-	-	-	-	-
DC Closing balance at Aug 31, 2019	\$ 171,987	\$ -	\$ 14,668	\$ -	\$ -	\$ 14,668	\$ -	\$ -	\$ 903,586	\$ 903,586	\$ 1,090,241
Unspent Deferred Capital Contributions (UDCC)											
Balance at Aug 31, 2018		\$ 21,447	\$ -	\$ -	\$ -	21,447.00	\$ -	\$ -	\$ -	\$ -	\$ 21,447
Prior period adjustments - please explain:	-	-	-	-	-	-	-	-	-	-	-
Adjusted ending balance Aug. 31, 2018	\$ -	\$ 21,447	\$ -	\$ -	\$ -	\$ 21,447	\$ -	\$ -	\$ -	\$ -	\$ 21,447
Received during the year (excluding investment income)	-	13,498	-	-	-	13,498	-	-	-	-	13,498
UDCC Receivable	-	401,521	-	-	-	401,521	-	-	-	-	401,521
transfer (to) grant/donation revenue (excluding investment income)	-	-	-	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-	-	-	-
Received during the year	-	663	-	-	-	663	-	-	-	-	663
Transferred to investment income	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposition of supported capital/ Insurance proceeds (and related interest)	-	-	-	-	-	-	-	-	-	-	-
Transferred from (to) DC	\$ 982,829	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	982,829
Transferred from (to) EDCC	(982,829)	(417,407)	-	-	-	417,407	-	-	-	-	1,400,236
Transferred (to) from others- please explain:	-	-	-	-	-	-	-	-	-	-	-
UDCC Closing balance at Aug 31, 2019	\$ -	\$ 19,722	\$ -	\$ -	\$ -	\$ 19,722	\$ -	\$ -	\$ -	\$ -	\$ 19,722
Expended Deferred Capital Contributions (EDCC)											
Balance at Aug 31, 2018	\$ 1,161,670	\$ 37,025,301	\$ -	\$ -	\$ -	\$ 37,025,301	\$ -	\$ -	\$ -	\$ -	\$ 38,186,971
Prior period adjustments - please explain:	-	-	-	-	-	-	-	-	-	-	-
Adjusted ending balance Aug. 31, 2018	\$ 1,161,670	\$ 37,025,301	\$ -	\$ -	\$ -	\$ 37,025,301	\$ -	\$ -	\$ -	\$ -	\$ 38,186,971
Donated tangible capital assets	-	-	-	-	-	-	-	-	-	-	-
Alberta Infrastructure managed projects	-	1,895,284	-	-	-	1,895,284	-	-	-	-	1,895,284
Transferred from DC	-	-	-	-	-	-	-	-	-	-	-
Transferred from UDCC	982,829	417,407	-	-	-	417,407	-	-	-	-	1,400,236
Amounts recognized as revenue (Amortization of EDCC)	(162,961)	(1,789,880)	-	-	-	1,789,880	-	-	-	-	1,952,841
Disposal of supported capital assets	-	-	-	-	-	-	-	-	-	-	-
Transferred (to) from others - please explain:	-	(340,000)	-	-	-	340,000	-	-	-	-	340,000
Reclass unreported	-	-	-	-	-	-	-	-	-	-	-
EDCC Closing balance at Aug 31, 2019	\$ 1,981,538	\$ 37,208,112	\$ -	\$ -	\$ -	\$ 37,208,112	\$ -	\$ -	\$ -	\$ -	\$ 39,189,650

**SCHEDULE OF PROGRAM OPERATIONS
for the Year Ended August 31, 2019 (in dollars)**

REVENUES	2019							2018
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
	ECS	Grades 1 - 12						
(1) Alberta Education	\$ 4,741,671	\$ 69,857,576	\$ 8,588,221	\$ 3,663,823	\$ 3,234,357	\$ -	\$ 90,085,648	\$ 89,617,754
(2) Alberta Infrastructure	\$ -	\$ -	\$ 1,718,285	\$ -	\$ 71,595	\$ -	\$ 1,789,880	\$ -
(3) Other - Government of Alberta	\$ -	\$ 426,777	\$ 15,509	\$ -	\$ 16,221	\$ -	\$ 458,507	\$ 534,025
(4) Federal Government and First Nations	\$ -	\$ 446,375	\$ -	\$ -	\$ 16,670	\$ -	\$ 463,045	\$ 409,126
(5) Other Alberta school authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(9) Fees	\$ -	\$ 978,709	\$ -	\$ -	\$ -	\$ -	\$ 978,709	\$ 1,349,296
(10) Other sales and services	\$ 117,761	\$ 1,128,831	\$ 33,777	\$ 423,902	\$ 59,247	\$ 142,427	\$ 1,905,945	\$ 2,934,623
(11) Investment income	\$ -	\$ 134,917	\$ -	\$ -	\$ 5,038	\$ -	\$ 139,955	\$ 118,001
(12) Gifts and donations	\$ -	\$ 92,122	\$ 16,528	\$ -	\$ -	\$ -	\$ 108,650	\$ 112,591
(13) Rental of facilities	\$ -	\$ 29,348	\$ 26,509	\$ -	\$ 164,992	\$ 3,723	\$ 224,572	\$ 346,913
(14) Fundraising	\$ -	\$ 600,299	\$ -	\$ -	\$ -	\$ -	\$ 600,299	\$ 904,817
(15) Gains on disposal of tangible capital assets	\$ -	\$ 7,381	\$ 6,866	\$ 25,222	\$ 505,033	\$ -	\$ 544,502	\$ 27,591
(16) Other revenue	\$ -	\$ 841,094	\$ -	\$ -	\$ 340,000	\$ 282,068	\$ 1,463,162	\$ 23,921
(17) TOTAL REVENUES	\$ 4,859,432	\$ 74,543,429	\$ 10,405,695	\$ 4,112,947	\$ 4,413,153	\$ 428,218	\$ 98,762,874	\$ 96,378,658
EXPENSES								
(18) Certificated salaries	\$ 2,137,015	\$ 44,890,229	\$ -	\$ -	\$ 625,521	\$ -	\$ 47,652,765	\$ 47,193,250
(19) Certificated benefits	\$ 282,412	\$ 10,249,737	\$ -	\$ -	\$ 95,114	\$ -	\$ 10,627,263	\$ 10,627,142
(20) Non-certificated salaries and wages	\$ 1,116,839	\$ 10,086,152	\$ 1,560,011	\$ 2,019,604	\$ 1,245,169	\$ 324,774	\$ 16,352,549	\$ 16,888,439
(21) Non-certificated benefits	\$ 198,567	\$ 2,469,084	\$ 377,968	\$ 220,703	\$ 291,683	\$ 78,221	\$ 3,636,226	\$ 3,680,414
(22) SUB - TOTAL	\$ 3,734,833	\$ 67,695,202	\$ 1,937,979	\$ 2,240,307	\$ 2,257,487	\$ 402,995	\$ 78,268,803	\$ 78,389,245
(23) Services, contracts and supplies	\$ 215,326	\$ 7,032,345	\$ 6,580,201	\$ 1,531,608	\$ 782,025	\$ 9,977	\$ 16,151,482	\$ 17,015,275
(24) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 1,952,841	\$ -	\$ -	\$ -	\$ 1,952,841	\$ 1,840,236
(25) Amortization of unsupported tangible capital assets	\$ 7,451	\$ 313,621	\$ 72,799	\$ 416,087	\$ 148,000	\$ -	\$ 957,958	\$ 896,949
(26) Supported interest on capital debt	\$ -	\$ -	\$ 7,917	\$ -	\$ -	\$ -	\$ 7,917	\$ 23,475
(27) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(28) Other interest and finance charges	\$ -	\$ -	\$ 198	\$ 285	\$ 2,439	\$ -	\$ 2,922	\$ 1,239
(29) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(30) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(31) TOTAL EXPENSES	\$ 3,957,610	\$ 75,041,168	\$ 10,551,935	\$ 4,188,287	\$ 3,189,951	\$ 412,972	\$ 97,341,923	\$ 98,166,419
(32) OPERATING SURPLUS (DEFICIT)	\$ 901,822	\$ (497,739)	\$ (146,240)	\$ (75,340)	\$ 1,223,202	\$ 15,246	\$ 1,420,951	\$ (1,787,761)

SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE
for the Year Ended August 31, 2019 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2019 TOTAL Operations and Maintenance	2018 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ 890,484	\$ 533,918	\$ -	\$ -	\$ 135,609			\$ 1,560,011	\$ 1,821,278
Uncertificated benefits	\$ 239,215	\$ 98,512	\$ -	\$ -	\$ 40,242			\$ 377,969	\$ 250,972
Sub-total Remuneration	\$ 1,129,699	\$ 632,430	\$ -	\$ -	\$ 175,851			\$ 1,937,980	\$ 2,072,250
Supplies and services	\$ 1,987,938	\$ 2,080,250	\$ -	\$ 1,234,308	\$ 164,460			\$ 5,466,956	\$ 5,331,173
Electricity			\$ 476,191					\$ 476,191	\$ 469,680
Natural gas/heating fuel			\$ 221,414					\$ 221,414	\$ 230,358
Sewer and water			\$ 105,531					\$ 105,531	\$ 101,325
Telecommunications			\$ 3,649					\$ 3,649	\$ 9,100
Insurance					\$ 226,118			\$ 226,118	\$ 121,064
ASAP maintenance & renewal payments							\$ -	\$ -	\$ -
Amortization of tangible capital assets									
Supported							\$ 1,952,841	\$ 1,952,841	\$ 1,840,236
Unsupported						\$ 72,798		\$ 72,798	\$ 105,106
Total Amortization						\$ 72,798	\$ 1,952,841	\$ 2,025,639	\$ 1,945,342
Interest on capital debt									
Supported							\$ 7,917	\$ 7,917	\$ 23,475
Unsupported						\$ -		\$ -	\$ -
Lease payments for facilities				\$ 80,342				\$ 80,342	\$ 85,240
Other interest charges						\$ 198		\$ 198	\$ 309
Losses on disposal of capital assets						\$ -		\$ -	\$ -
TOTAL EXPENSES	\$ 3,117,637	\$ 2,712,680	\$ 806,785	\$ 1,314,650	\$ 566,429	\$ 72,996	\$ 1,960,758	\$ 10,551,935	\$ 10,389,316
SQUARE METRES									
School buildings								96,092.0	96,092.0
Non school buildings								6,169.0	6,169.0

Note:

Custodial: All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.

Maintenance: All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed IMR & Modular Unit relocations, as they are reported on separately.

Utilities & Telecommunications: All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

Expensed IMR & Modular Unit Relocation & Lease Pmts: All operational expenses associated with non-capitalized Infrastructure Maintenance Renewal projects, modular unit (portable) relocation, and payments on leased facilities.

Facility Planning & Operations Administration: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project 'administration', administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.

Unsupported Amortization & Other Expenses: All expenses related to unsupported capital assets amortization and interest on unsupported capital debt.

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

**SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS
for the Year Ended August 31, 2019 (in dollars)**

<u>Cash & Cash Equivalents</u>	2019			2018
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash		\$ 6,090,310	\$ 6,090,310	\$ 6,875,774
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Other, including GIC's	0.00%	-	-	-
Total cash and cash equivalents	0.00%	\$ 6,090,310	\$ 6,090,310	\$ 6,875,774

See Note 3 for additional detail.

<u>Portfolio Investments</u>	2019			2018	
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
Interest-bearing securities					
Deposits and short-term securities	0.00%	\$ -	\$ -	\$ -	\$ -
Bonds and mortgages	4.30%	117,254	120,887	120,887	117,254
	4.30%	117,254	120,887	120,887	117,254
Equities					
Canadian equities	4.30%	\$ 172	\$ 379	\$ 379	\$ 172
Global developed equities	4.30%	6,151	4,040	4,040	6,151
Emerging markets equities	0.00%	-	-	-	-
Private equities	0.00%	-	-	-	-
Pooled investment funds	0.00%	-	-	-	-
Total fixed income securities	4.30%	6,323	4,419	4,419	6,323
Other					
Cash and Cash Equivalents	4.30%	\$ 8,421	\$ 12,347	\$ 12,347	\$ 8,421
Cash and Cash Equivalents	0.00%	87,232	87,908	87,908	87,232
Cash and Cash Equivalents	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Total equities	0.53%	95,653	100,255	100,255	95,653
Total portfolio investments	2.62%	\$ 219,230	\$ 225,561	\$ 225,561	\$ 219,230

See Note 5 for additional detail.

Portfolio investments

Operating

Cost
Unrealized gains and losses

Endowments

Cost
Unrealized gains and losses
Deferred revenue

Total portfolio investments

	2019	2018
Cost	\$ 124,543	\$ 124,543
Unrealized gains and losses	13,110	7,455
	137,653	131,998
Cost	\$ -	\$ -
Unrealized gains and losses	-	-
Deferred revenue	87,908	87,232
	87,908	87,232
Total portfolio investments	\$ 225,561	\$ 219,230

The following represents the maturity structure for portfolio investments based on principal amount:

	2019	2018
Under 1 year	0.0%	0.0%
1 to 5 years	0.0%	0.0%
6 to 10 years	100.0%	100.0%
11 to 20 years	0.0%	0.0%
Over 20 years	0.0%	0.0%
	<u>100.0%</u>	<u>100.0%</u>

SCHEDULE 6

School Jurisdiction Code: 2255

**SCHEDULE OF TANGIBLE CAPITAL ASSETS
for the Year Ended August 31, 2019 (in dollars)**

Tangible Capital Assets	2019						2018
	Land	Work In Progress*	Buildings**	Equipment	Vehicles	Computer Hardware & Software	Total
Estimated useful life			25-50 Years	5-10 Years	5-10 Years	3-5 Years	
Historical cost							
Beginning of year	\$ 340,000	\$ 588,965	\$ 71,952,968	\$ 3,006,692	\$ 8,541,555	\$ 653,023	\$ 85,083,203
Prior period adjustments	-	-	-	-	-	-	897,778
Additions	-	2,188,861	1,368,526	808,360	40,640	-	4,406,387
Transfers in (out)	-	-	-	-	-	-	-
Less disposals including write-offs	(180,200)	-	-	(41,368)	(576,264)	-	(797,832)
Historical cost, August 31, 2019	\$ 159,800	\$ 2,777,826	\$ 73,321,494	\$ 3,773,684	\$ 8,005,931	\$ 653,023	\$ 88,691,758
Accumulated amortization							
Beginning of year	\$ -	\$ -	\$ 33,060,475	\$ 2,228,269	\$ 5,487,548	\$ 448,258	\$ 41,224,550
Prior period adjustments	-	-	-	-	-	-	-
Amortization	-	-	1,989,182	251,373	551,197	119,047	2,910,799
Other additions	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	(7,929)	(576,264)	-	(584,193)
Accumulated amortization, August 31, 2019	\$ -	\$ -	\$ 35,049,657	\$ 2,471,713	\$ 5,462,481	\$ 567,305	\$ 43,551,156
Net Book Value at August 31, 2019	\$ 159,800	\$ 2,777,826	\$ 38,271,837	\$ 1,301,971	\$ 2,543,450	\$ 85,718	\$ 45,140,602
Net Book Value at August 31, 2018	\$ 340,000	\$ 588,965	\$ 38,892,493	\$ 778,423	\$ 3,054,007	\$ 204,765	\$ 43,858,653

	2019	2018
Total cost of assets under capital lease	\$ 598,057	\$ -
Total amortization of assets under capital lease	\$ 33,225	\$ -

*Work in Progress includes \$2,452,971 in infrastructure managed new school, expected to be open on September 1, 2020. An additional \$324,855 in work-in-progress is in respect to mechanical upgrading at division office, with phase 1 completion expected June 2020.

SCHEDULE 7

School Jurisdiction Code: 2255

**SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES
for the Year Ended August 31, 2019 (in dollars)**

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits	Expenses
Strauss, Robert (Chair)	1.00	\$14,040	\$860	\$0			\$0	\$4,973
Laternus, Debbie (Vice-Chair)	1.00	\$18,150	\$5,513	\$0			\$0	\$2,625
Bexete, Lorelei	1.00	\$17,120	\$5,486	\$0			\$0	\$7,483
Boras, Don	1.00	\$21,678	\$1,136	\$0			\$0	\$9,115
Cassie, Kristine	1.00	\$16,500	\$875	\$0			\$0	\$3,270
Rutledge, Sharon	1.00	\$19,180	\$99	\$0			\$0	\$4,437
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
Subtotal	6.00	\$106,668	\$13,969	\$0			\$0	\$31,903
Driscoll, Dave (Superintendent)	1.00	\$217,262	\$55,687	\$0	\$0	\$0	\$0	\$19,690
	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Durfey, Dexter (Secretary-Treasurer)	1.00	\$190,858	\$48,371	\$0	\$0	\$0	\$0	\$14,249
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated		\$47,435,503	\$10,571,575	\$0	\$0	\$0	\$0	
School based	495.11							
Non-School based	8.00							
Non-certificated		\$16,062,108	\$3,574,681	\$0	\$0	\$0	\$0	
Instructional	319.94							
Plant Operations & Maintenance	28.17							
Transportation	37.00							
Other	21.36							
TOTALS	917.58	\$64,012,399	\$14,264,283	\$0	\$0	\$0	\$0	\$65,842

SCHEDULE 8

**UNAUDITED SCHEDULE OF FEES
for the Year Ending August 31, 2019 (in dollars)**

	Actual Fees Collected 2017/2018	Budgeted Fee Revenue 2018/2019	(A) Actual Fees Collected 2018/2019	(B) Unexpended September 1, 2018*	(C) Funds Raised to Defray Fees 2018/2019	(D) Expenditures 2018/2019	(A) + (B) + (C) - (D) Unexpended Balance at August 31, 2019*
Transportation Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Basic Instruction Fees							
Basic instruction supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fees to Enhance Basic Instruction							
Technology user fees	\$232,517	\$230,585	\$227,381	\$0	\$0	\$822,865	\$0
Alternative program fees	\$103,592	\$105,000	\$83,028	\$0	\$0	\$83,028	\$0
Fees for optional courses	\$186,894	\$185,000	\$200,599	\$0	\$0	\$392,272	\$0
Activity fees	\$300,230	\$222,000	\$32,517	\$0	\$0	\$78,716	\$0
Early childhood services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other fees to enhance education	\$4,287	\$15,000	\$2,139	\$8,735	\$0	\$2,139	\$8,735
Non-Curricular fees							
Extracurricular fees	\$300,197	\$305,000	\$300,985	\$0	\$0	\$341,230	\$0
Non-curricular travel	\$158,768	\$185,000	\$76,695	\$0	\$0	\$104,948	\$0
Lunch supervision and noon hour activity fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-curricular goods and services	\$62,811	\$45,000	\$55,365	\$18,292	\$0	\$49,866	\$23,791
Other Fees	\$0	\$20,000	\$0	\$0	\$0	\$0	\$0
TOTAL FEES	\$1,349,296	\$1,312,585	\$978,709	\$27,027	\$0	\$1,875,064	\$32,526

*Unexpended balances cannot be less than \$0

Please disclose amounts paid by parents of students that are recorded as "Other sales and services", "Fundraising", or "Other revenue" (rather than fee revenue):	Actual 2019	Actual 2018
Cafeteria sales, hot lunch, milk programs	\$168,094	\$155,916
Special events, graduation, tickets	\$71,352	\$74,336
International and out of province student revenue	\$682,124	\$576,325
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$210,165	\$232,378
Adult education revenue	\$0	\$0
Preschool	\$117,761	\$118,324
Child care & before and after school care	\$112,427	\$182,262
Lost item replacement fee	\$18,043	\$18,598
Other (Describe)	\$0	\$0
Other (Describe)	\$0	\$0
Other (Describe)	\$0	\$0
TOTAL	\$1,379,966	\$1,358,139

UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING for the Year Ended August 31, 2019 (in dollars)					
	PROGRAM AREA				
	First Nations, Metis & Inuit (FNMI)	ECS Program Unit Funding (PUF)	English as a Second Language (ESL)	Inclusive Education	Small Schools by Necessity (Revenue only)
Funded Students in Program	102	102	1,791		
Federally Funded Students	50				
REVENUES					
Alberta Education allocated funding	\$ 120,166	\$ 1,930,090	\$ 2,117,635	\$ 5,304,716	\$ 1,334,160
Other funding allocated by the board to the program	\$ -	\$ 797	\$ -	\$ 447,686	\$ -
TOTAL REVENUES	\$ 120,166	\$ 1,930,887	\$ 2,117,635	\$ 5,752,402	\$ 1,334,160
EXPENSES (Not allocated from BASE, Transportation, or other funding)					
Instructional certificated salaries & benefits	\$ -	\$ 1,544,149	\$ 597,580	\$ 1,263,849	
Instructional non-certificated salaries & benefits	\$ 116,626	\$ 209,504	\$ 1,124,301	\$ 4,852,908	
SUB TOTAL	\$ 116,626	\$ 1,753,653	\$ 1,721,881	\$ 6,116,757	
Supplies, contracts and services	\$ 2,040	\$ 152,696	\$ 8,758	\$ 182,301	
Program planning, monitoring & evaluation	\$ 1,500	\$ 24,538	\$ 20,617	\$ 56,316	
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -	
Administration (administrative salaries & services)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 120,166	\$ 1,930,887	\$ 1,751,256	\$ 6,355,374	
NET FUNDING SURPLUS (SHORTFALL)	\$ -	\$ -	\$ 366,379	\$ (602,972)	

SCHEDULE 10

UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES for the Year Ended August 31, 2019 (in dollars)								
EXPENSES	Allocated to Board & System Administration				Allocated to Other Programs			TOTAL
	Salaries & Benefits	Supplies & Services	Other	TOTAL	Salaries & Benefits	Supplies & Services	Other	
Office of the superintendent	\$ 329,482	\$ 24,734	\$ -	\$ 354,216	\$ -	\$ -	\$ -	\$ 354,216
Educational administration (excluding superintendent)	\$ 464,997	\$ 59,736	\$ -	\$ 524,733	\$ -	\$ -	\$ -	\$ 524,733
Business administration	\$ 672,448	\$ 133,748	\$ -	\$ 806,196	\$ -	\$ -	\$ -	\$ 806,196
Board governance (Board of Trustees)	\$ 120,637	\$ 140,824	\$ -	\$ 261,461	\$ -	\$ -	\$ -	\$ 261,461
Information technology	\$ -	\$ 215,770	\$ -	\$ 215,770	\$ -	\$ -	\$ -	\$ 215,770
Human resources	\$ 253,660	\$ 15,131	\$ -	\$ 268,791	\$ -	\$ -	\$ -	\$ 268,791
Central purchasing, communications, marketing	\$ 179,958	\$ 21,385	\$ -	\$ 201,343	\$ -	\$ -	\$ -	\$ 201,343
Payroll	\$ 168,971	\$ 10,087	\$ -	\$ 179,058	\$ -	\$ -	\$ -	\$ 179,058
Administration - insurance			\$ 9,742	\$ 9,742			\$ -	\$ 9,742
Administration - amortization			\$ 148,000	\$ 148,000			\$ -	\$ 148,000
Administration - other (admin building, interest)			\$ 153,307	\$ 153,307			\$ -	\$ 153,307
Administration - admin building custodial	\$ 67,334	\$ -	\$ -	\$ 67,334	\$ -	\$ -	\$ -	\$ 67,334
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 2,257,487	\$ 621,415	\$ 311,049	\$ 3,189,951	\$ -	\$ -	\$ -	\$ 3,189,951

School Jurisdiction Code: **2255**

SCHEDULE 11

Average Estimated # of Students Served Per Meal: 636.00

**UNAUDITED SCHEDULE OF NUTRITION PROGRAM EXPENDITURES
for the Year Ending August 31, 2019**

	Budget 2019	2019
REVENUES		
Alberta Education - current	\$ 166,000	\$ 166,000
Alberta Education - prior year	\$ 55,000	\$ 36,871
Other Funding	\$ -	\$ -
TOTAL REVENUES	\$ 221,000	\$ 202,871
EXPENSES		
Salaries & Benefits		
Meal Supervisor/Cook/support Worker	\$ 56,000	\$ 47,595
Support Worker - Training	\$ -	\$ 433
Other (please describe)	\$ -	\$ -
Other (please describe)	\$ -	\$ -
Other (please describe)	\$ -	\$ -
Subtotal: Salaries & Benefits	\$ 56,000	\$ 48,028
Food Supplies \$2/meal x 55 Students x 183 days	\$ 125,000	\$ 126,690
Small Kitchenware		
Measuring cups & measuring spoons	\$ 500	\$ -
Plates, bowls & cups	\$ 4,000	\$ 1,470
Utensils	\$ 1,500	\$ 2,101
Other - Bags, Wraps & foil	\$ -	\$ 759
Other - Pots, scale, kettles	\$ -	\$ 875
Subtotal: Small Kitchenware	\$ 6,000	\$ 5,205
Non-Capitalized Assets		
Microwave	\$ -	\$ 183
Refrigerator	\$ 6,000	\$ 6,944
Toaster	\$ -	\$ 1,040
Stove	\$ -	\$ -
Tables	\$ 1,000	\$ -
Dishwasher	\$ 11,000	\$ -
Carts to move food	\$ 1,000	\$ -
Freezer	\$ -	\$ 1,463
Salad bar	\$ -	\$ -
Other (Blender, water dispenser, delivery)	\$ -	\$ 6,184
Subtotal: Non-capitalized Assets	\$ 19,000	\$ 15,814
Training (e.g. food safety training, food prep courses, workshops, training materials)	\$ 1,500	\$ -
Contracted Services (please describe)		
Vendor / Company	\$ -	\$ -
Food Delivery	\$ -	\$ -
Vendor Profit	\$ -	\$ -
Subtotal: Contracted Services	\$ -	\$ -
Other Expenses		
Kitchen aprons	\$ 500	\$ 81
Family / Nutritional education nights	\$ 5,000	\$ 53
Cleaning and sanitation supplies	\$ 1,000	\$ 2,207
Travel & accommodation for Cohort B meetings	\$ -	\$ 134
Other (please describe)	\$ 7,000	\$ -
Subtotal: Other Expenses	\$ 13,500	\$ 2,475
TOTAL EXPENSES	\$ 221,000	\$ 198,212
ANNUAL SURPLUS/DEFICIT	\$ -	\$ 4,659

**BOARD AND SYSTEM ADMINISTRATION (FOR INFORMATION ONLY - NOT PART OF FINANCIAL STATEMENTS)
2018/2019 EXPENSES UNDER (OVER) MAXIMUM LIMIT**

2255

TOTAL EXPENSES (Net of rental revenue from central administration building) \$97,176,931

Enter Number of Net Enrolled Students (adjusted for adult & underage students): 8,918

Enter Number of Funded (ECS) Children (headcount): 722

"C" if Charter School []

STEP 1

Calculation of maximum expense limit percentage for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 3.6% 3.60%

If "Total Net Enrolled Students" are 2,000 and less = 5.4%

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .00045 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .00045 = 0.675% plus 3.6% = maximum expense limit of 4.275%).

STEP 2

A. Calculate maximum expense limit amounts for Board and System Administration expenses

Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES \$3,498,370

B. Considerations for Charter Schools and Small School Boards:

If charter schools and small school boards,

The amount of Small Board Administration funding (*Funding Manual* Section 1.13) \$0

2018/2019 MAXIMUM EXPENSE LIMIT (the greater of A or B above) \$3,498,370

Actual Board & System Administration from Line 30 of "Schedule of Program Operations"
net of rental income (Board & System Administration Column) \$3,024,959

Amount Overspent \$0

(Explain reason(s) for over-expenditure if amount overspent in cell "I38" is greater than zero).

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the Education Act, Statutes of Alberta, 2012, Chapter E-0.3.

The School Division receives instruction and support allocations under Education Grants Regulation (AR 120/2008). The regulation allows for setting of conditions and use of grant monies. The School Division is limited on certain funding allocations and administration expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the Canadian public sector accounting standards (PSAS). The financial statements, in management's opinion, have been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Basis for Financial Reporting

Valuation of Financial Assets and Liabilities

The organization's financial assets and liabilities are generally measured as follows:

<u>Financial Statement Component</u>	<u>Measurement</u>
Cash and cash equivalents	Cost
Accounts receivable	Lower of cost or net recoverable value
Inventories of supplies	Cost – Using FIFO method
Portfolio investments	Fair value and amortized cost
Accounts payable and accrued liabilities	Cost
Debt	Amortized cost

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets are the school jurisdiction's financial claims on external organizations and individuals at the year end.

Cash and Cash Equivalents

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

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

a) **Basis for Financial Reporting (continued)**

Accounts Receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Portfolio Investments

The School Division has investments in GIC's, term deposits, bonds, equity instruments and mutual funds that have no maturity date or a maturity date of greater than three months. GIC's, term deposits and investments not quoted in an active market are reported at cost or amortized cost.

Scholarship Endowment Funds are included in Financial Assets in the Consolidated Statement of Financial Position. Contributions and income pertaining to scholarship endowment funds are recognized on the Statement of Operations and must be held in perpetuity in accordance with the agreement with the donor.

Liabilities

Liabilities are present obligations of the school jurisdiction to external organizations and individuals arising from past transactions or events occurring before the year-end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities include unearned revenue collected from external organizations and individuals for which goods and services have yet to be provided.

Deferred Contributions

Deferred contributions includes contributions received for operations which have stipulations that meet the definition of a liability per Public Sector Accounting Standard (PSAS) PS 3200. These contributions are recognized by the School District once it has met all eligibility criteria to receive the contributions. When stipulations 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.

Deferred revenue also includes contributions for capital expenditures, unexpended and expended. Unexpended Deferred Capital Contributions (UDCC) represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the jurisdiction, but the related expenditure has not been made at year-end. These contributions must also have stipulations that meet the definition of a liability per PS 3200 when expended.

Expended Deferred Capital Contributions (EDCC) represent externally restricted supported capital funds that have been expended but have yet to be amortized over the useful life of the related capital asset. Amortization over the useful life of the related capital asset is due to certain stipulations related to the contributions that require that the school jurisdiction to use the asset in a prescribed manner over the life of the associated asset.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

a) Basis for Financial Reporting (continued)

Employee Future Benefits

The Division participates in the Local Authorities Pension Plan. This is a multi-employer defined benefit plan that provides pensions for the Division's participating employees, based on years of service and earnings. Defined contribution plan accounting is applied to a multi-employer defined benefit plan for which the Division has insufficient information to apply defined benefit plan accounting. Pension costs included in these financial statements include the amount of employer contributions required for its employees during the year, based on rates which are expected to provide for benefits payable under the pension plan. The Division's portion of this pension plans' deficit or surplus is not recorded by the Division.

The Division participates in the Alberta Teachers' Retirement Fund. This is a multi-employer defined benefit plan that provides pensions for the Division's participating employees, based on years of service and earnings. Defined contribution plan accounting is applied for this multi-employer defined benefit plan. Pension costs included in these financial statements include the amount of employer contributions required for its employees during the year, based on rates which are expected to provide for benefits payable under the pension plan. The Division's portion of this pension plans' deficit or surplus is not recorded by the Division.

For the Alberta Teachers' Retirement fund pension, costs include the Provincial contributions made on behalf of the Division for current service employees during the year.

The Division provides a defined benefit Senior Executive Retirement Plan to certain senior employees. Costs of these benefits are actuarially determined using the projected benefit method prorated on service; an interest rate based on the Division's cost of borrowing and management's best estimate of expected costs and benefit coverage period. Net actuarial recoveries and deficiencies of the benefit obligation are amortized over the expected average remaining service life of the employees. Current service costs in the actuarial present value of the benefits earned in the fiscal period and applicable adjustments to prior year due to changes in the underlying assumptions. The Plan is unfunded.

Liability for contaminated sites

Contaminated sites are a result of contamination of a chemical, organic or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment. The liability is recognized net of any expected recoveries. A liability for remediation of contaminated sites normally results from an operation(s) that is no longer in productive use and is recognized when all of the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the school jurisdiction 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 PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

a) **Basis for Financial Reporting (continued)**

Asset Retirement Obligations

The School Division has determined that it has a conditional asset retirement obligation relating to certain school sites. These obligations will be discharged in the future by funding through the Government of Alberta. The School Division believes that there is insufficient information to estimate the fair value of the asset retirement obligation because the settlement date or the range of potential settlement dates has not been determined and information is not available to apply an expected present value technique.

Non-Financial Assets

Non-financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

- are normally employed to deliver government services;
- may be consumed in the normal course of operations; and
- are not for sale in the normal course of operations.

Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost, including amounts directly related to the acquisition, design, construction, development, or betterment of the asset. 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 at the date of donation, except in circumstances where fair value cannot be reasonably determined, when they are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at original cost less accumulated amortization.
- Construction-in-progress is recorded as a transfer to the applicable asset class at substantial completion.
- Buildings include site and leasehold improvements as well as assets under capital lease.
- Sites and buildings 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. For supported assets, the write-downs are accounted for as reductions to Expended Deferred Capital Contributions (EDCC).
- Buildings that are demolished or destroyed are written-off.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

a) Basis for Financial Reporting (continued)

Tangible Capital Assets (continued)

- 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 Board 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. A schedule of repayments and amount of interest on the leases is provided in Note 14.
- Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Equipment	3 - 10 years
Vehicles	5 - 10 years
New Buildings	25 - 35 years
Modernizations	5 - 25 years

Inventories of Supplies

Inventories of supplies are valued at the lower of cost and replacement cost. Cost is determined on a first-in, first-out basis.

Prepaid Expenses

Prepaid expenses are recognized at cost and amortized based on the terms of the agreement or using a methodology that reflects use of the resource.

Operating and Capital Reserves

Certain amounts are internally or externally restricted for future operating or capital purposes. Transfers to and from reserves are recorded when approved by the Board of Trustees. Capital reserves are restricted to capital purposes and may only be used for operating purposes with approval by the Minister of Education. Reserves are disclosed in the Schedule of Changes in Accumulated Surplus.

Revenue Recognition

Revenues are recorded on an accrual basis. Instruction and support allocations are recognized in the year to which they relate. Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Volunteers contribute a considerable number of hours per year to schools to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Contributed services are not recognized in the financial statements.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

a) Basis for Financial Reporting (continued)

Revenue Recognition (continued)

Eligibility criteria are criteria that the School District has to meet in order to receive certain contributions. Stipulations describe what the School District must perform in order to keep the contributions. Contributions without eligibility criteria or stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity. Contributions with eligibility criteria but without stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity and all eligibility criteria have been met.

Contributions with stipulations are recognized as revenue in the period the stipulations are met, except when and to the extent that the contributions give rise to an obligation that meets the definition of a liability in accordance with *PS 3200*. Such liabilities are recorded as deferred contributions.

Expenses

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

Allocation of Costs

- Actual salaries of personnel assigned to two or more programs are allocated based on the time spent in each program.
- 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

Program Reporting

The Division's operations have been segmented as follows:

- **ECS Instruction:** The provision of Early Childhood Services education instructional services that fall under the basic public education mandate.
- **Grade 12 Instruction:** The provision of instructional services for grades 1 - 12 that fall under the basic public education mandate.
- **Plant Operations and Maintenance:** The operation and maintenance of all school buildings and maintenance shop facilities.
- **Transportation:** The provision of regular and special education bus services (to and from school), whether contracted or board operated, including transportation facility expenses.
- **Board & System Administration:** The provision of board governance and system-based / central office administration.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

a) Basis for Financial Reporting (continued)

Program Reporting (continued)

- **External Services:** All projects, activities, and services offered outside the public education mandate for ECS children and students in grades 1-12. Services offered beyond the mandate for public education are to be self-supporting, and Alberta Education funding may not be utilized to support these programs.

The allocation of revenues and expenses are reported by program, source, and object on the Schedule of Program Operations. Respective instruction expenses include the cost of certificated teachers, non-certificated teaching assistants as well as a proportionate share of supplies & services, school administration & instruction support, and system instructional support.

Trusts Under Administration

The School Division has property that has been transferred or assigned to it to be administered or directed by a trust agreement or statute. The Division holds title to the property for the benefit of the beneficiary. Trusts under administration have been excluded from the financial reporting of the Division. A summary of Trust balances is listed in Note 22.

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 Division recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, bank indebtedness, accounts payable and accrued liabilities, debt and other liabilities. Unless otherwise noted, it is management's opinion that the Division is not exposed to significant credit and liquidity risks, or market risk, which includes currency, interest rate and other price risks.

Portfolio investments in equity instruments quoted in an active market and derivatives are recorded at fair value. All other financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of items in the cost or amortized cost upon initial recognition. The gain or loss arising from de-recognition of a financial instrument is recognized in the Statement of Operations. Impairment losses such as write-downs or write-offs are reported in the Statement of Operations.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

a) **Basis for Financial Reporting (continued)**

Measurement Uncertainty

The preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits recognized or disclosed.

Employee future benefits have been recognized as \$286,300 in these financial statements and could be subject to measurement uncertainty. This amount has been presented fairly under *Section 3250 of the Public Sector Accounting Board (PSAB 3250)* by Morneau Shepell.

Future Accounting Changes

The Public Sector Accounting Board has issued the following accounting standards:

- **PS 3280 Asset Retirement Obligations (effective September 1, 2021)**
Effective April 1, 2021, this standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.
- **PS 3400 Revenue (effective September 1, 2022)**
This standard provides guidance on how to account for and report on revenue, and specifically, it addresses revenue arising from exchange transactions and unilateral transactions.

Management is currently assessing the impact of these standards on the financial statements

3. CASH AND TEMPORARY INVESTMENTS

Cash and cash equivalents at Aug 31, 2019 includes \$6,090,310 (2018 - \$6,875,774)

Cash and cash equivalents includes school generated funds on hand at August 31, 2019 of \$733,730 (2018 - \$714,592).

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

4. ACCOUNTS RECEIVABLE

	2019			2018
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Grants	\$ -	\$ -	\$ -	\$ 93,644
Alberta Education - Capital	-	-	-	92,917
Government of Alberta Ministry - Infrastructure	443,403	-	443,403	-
Government of Alberta Ministry - STEP Grant	7,875	-	7,875	-
Federal government	78,217	-	78,217	105,279
Other	1,288,254	-	1,288,254	885,677
Total	<u>\$1,817,749</u>	<u>\$ -</u>	<u>\$1,817,749</u>	<u>\$1,177,517</u>

5. PORTFOLIO INVESTMENTS

The composition, fair value and annual market yield on portfolio investments are as follows:

	2019	2018
SERP Account with Manulife Investments	\$ 137,653	\$ 131,998
Endowments	\$ 87,908	\$ 87,232

The average effective yields of the fixed income mutual funds were 4.3% (2018 – 0.76%). These investments have no set date of maturity.

The Financial statements for 2018 have been reclassified to reflect the recognition of Endowments under Portfolio Investments, previously included in Cash & Cash equivalents to meet current year reporting model.

6. OTHER FINANCIAL ASSETS

The Division at this time holds no other financial assets.

7. CONTRACTUAL RIGHTS

Contractual rights are rights of the division to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

The Board and System Administration has entered into contracts with tenants for the rental of designated facilities located at 3305 – 18th Ave North Lethbridge Alberta. The contractual rights for the terms of these leases are as follows:

	2019	2018
Facility Rental Income	69,540	82,540
Total	<u>\$ 69,540</u>	<u>\$ 82,540</u>

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

7. CONTRACTUAL RIGHTS (CONTINUED)

Estimated amounts that will be received or receivable for each of the next five years and thereafter are as follows, based on currently signed contracts only:

	Facility Rental Income	
2019-2020	\$	69,540
2020-2021	\$	33,540
2021-2022	\$	33,540
2022-2023	\$	27,540
2023-2024	\$	-
Total	\$	164,160

8. CONTINGENT ASSETS

No Contingent Assets currently exist within the Division.

9. BANK INDEBTEDNESS

The Division has negotiated a line of credit with Royal Bank of Canada (RBC) in the amount of \$600,000 that bears interest at the bank's prime rate plus 0.30%. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the Division. There was no balance outstanding on the line of credit at August 31, 2019 (2018 – nil). Prime rate at August 31, 2019 was 3.95% (2018 – 3.70%).

In compliance with the Education Act's Borrowing Regulation 4(1),4(2), the Board has approved securing short-term lending in the 2019/2020 school year to finance the Palliser Center Upgrade, Phase 1. Administration expects this amount not to exceed \$1,900,000, though the Board motion does not include a ceiling amount. Current interest rate is Prime + 0% during the construction period, with an opportunity to convert to a fixed rate upon completion. RBC is unable to provide a fixed rate at this time, with anticipated completion being June 2020.

10. ACCOUNTS PAYABLE

	2019	2018
Alberta Education - RCSDs	\$ 1,122	\$ 659
Contractual central PD funds payable	540,190	482,190
Accrued vacation pay liability	359,579	424,360
Other salaries & benefit costs	23,146	21,184
Payroll remittances payable (receivable)	219	(968)
Other trade payables and accrued liabilities	2,664,707	3,070,492
Unearned Revenue	-	-
Other school fee revenue not collected at school level	234,299	-
Unearned rental revenue	3,000	-
Total	<u>\$ 3,826,262</u>	<u>\$ 3,997,917</u>

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

11. DEFERRED CONTRIBUTIONS

SOURCE AND GRANT OR FUND TYPE	DEFERRED CONTRIBUTIONS as at Aug. 31, 2018	ADD: 2018/2019 Restricted Funds Received/ Receivable	DEDUCT: 2018/2019 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2018/2019 Adjustments for Returned Funds	DEFERRED CONTRIBUTIONS as at Aug. 31, 2019
Unexpended deferred operating contributions					
Alberta Education:					
Infrastructure Maintenance Renewal	1,053,155	1,293,436	(2,217,137)	-	129,454
Building Collaboration Grant	29,941	-	(29,941)	-	-
IFNE Grant	26,976	26,976	(16,078)	-	37,874
Nutrition Grant	36,871	166,000	(198,212)	-	4,659
Other Government of Alberta:					
KAHS Modernization funds (Infrastructure)	6,102	-	(6,102)	-	-
FCSP Grant (In Trust)	-	141,405	(126,737)	-	14,668
Other Deferred Contributions:					
School Generated Funds	714,592	2,481,330	(2,462,192)	-	733,730
Other	341,126	30,491	(201,761)	-	169,856
Total unexpended deferred operating contributions	\$ 2,208,763	\$ 4,139,638	\$ (5,258,160)	\$ -	\$ 1,090,241
Unexpended deferred capital contributions	21,447	415,681	(417,406)	-	19,722
Expended deferred capital contributions	37,025,302	2,405,608	(2,222,798)	-	37,208,112
Expended deferred capital IMR Revenue	1,161,670	982,829	(162,961)	-	1,981,538
Total	\$ 40,417,182	\$ 7,943,756	\$ (8,061,325)	\$ -	\$ 40,299,613

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

12. BENEFIT PLANS

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

Current and past service costs of the Alberta Teachers' Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, the School Division does not make pension contributions for certificated staff. The Government portion of the current service contribution to the Alberta Teachers' Retirement Fund on behalf of the jurisdiction is included in both revenues and expenses. For the school year ended August 31, 2019, the amount contributed by the Government was \$5,389,852 (2018 \$5,232,277).

The school board participates in a multi-employer pension plan, the Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of \$760,042 for the year ended August 31, 2019 (2018 \$870,491). At December 31, 2018, the Local Authorities Pension Plan reported a surplus of \$3,469,347,000 (2017, a surplus of \$4,835,515,000).

The school division provides non-contributory defined benefit supplementary retirement benefits to its executives.

The jurisdiction participates in the multi-employer supplementary integrated pension plan (SiPP) for members of senior administration. The plan provides a supplement to the LAPP or ATRF pension to a full 5% of pensionable earnings to a maximum of \$147,222 in 2018 and \$151,278 in 2019 annual earnings. The annual expenditure for this pension plan is equivalent to the annual contributions of \$7,496 for the year ended August 31, 2019 (2018 - \$7,336)

The non-registered supplemental executive retirement plan (SERP) is administered by the jurisdiction and provides an annual retirement benefits average of 5.22% of total employee earnings. The cost of SERP is by the jurisdiction and is actuarially determined using the projected accrued benefit cost method with proration of service costs.

The school division does not have sufficient plan information on the LAPP/SiPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recognized for the LAPP/SiPP is comprised of employer contributions to the plan that are required for its employees during the year, which are calculated based on actuarially pre-determined amounts that are expected to provide the plan's future benefits.

The accrued benefit obligation is the obligation related to the Senior Executive Retirement Plan. The obligation has been determined through an actuarial report from Morneau Shepell dated September 28, 2018 using a measurement date of August 31, 2018.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

12. BENEFIT PLANS (CONTINUED)

Reconciliation of the funded status of the Benefit Plan to the amounts recorded in the financial statements:

	2019	2018
Registered supplemental executive retirement plan	286,300	316,700
Total	<u>\$ 286,300</u>	<u>\$ 316,700</u>

13. LIABILITY FOR CONTAMINATED SITES

Contaminated sites are a result of contamination being introduced into the air, soil, water, or sediment of a chemical, organic, or radioactive material, or live organism that exceeds an environmental standard. The school jurisdiction has performed remediation analysis at all school sites and contamination does not exceed environmental standards. Asbestos abatement will be required upon adjustments to existing assets however no immediate remediation is required.

14. OTHER LIABILITIES

Asset retirement obligations represent legal obligations associated with the retirement of a tangible long-lived asset that result from its acquisition, construction, development or normal operation. The Division has a legal obligation to remove hazardous material located under the sale of the central office building upon its disposal. A liability, however, has not been recognized because the fair value cannot be reasonably estimated at this time.

15. DEBT

	2019	2018
Supported debentures have been paid in full at August 31, 2019	\$ -	\$ 92,917
Previously held at interest rates between 7.5% to 11.6%.		
Payments were made annually supported by Alberta Education		
Total Debt	<u>\$ -</u>	<u>\$ 92,917</u>

16. CAPITAL LEASES

Capital leases are funded by the school jurisdiction and are composed of the following:

	2019	2018
Obligations under capital lease #1		
Technology Equipment - Due 2022	598,057	-
with net book value \$598,057		
pledged as collateral		
Total	<u>\$ 598,057</u>	<u>\$ -</u>

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

16. CAPITAL LEASES (CONTINUED)

	Total
2019-2020	199,661
2020-2021	199,661
2021-2022	199,661
Total Payments	598,983
Less amount representing interest	926
Total	<u>\$ 598,057</u>

17. PREPAID EXPENSES

	2019	2018
Prepaid Consumables & Services	1,104,115	616,720
Total	<u>\$ 1,104,115</u>	<u>\$ 616,720</u>

18. OTHER NON-FINANCIAL ASSETS

No other non-financial assets currently exist within the Division.

19. ACCUMULATED SURPLUS

Detailed information related to accumulated surplus is available on the Schedule of Changes in Accumulated Surplus. Accumulated surplus may be summarized as follows:

	2019	2018
Unrestricted surplus	\$ -	\$ -
Operating reserves	1,641,535	1,669,918
Accumulated surplus (deficit) from operations	1,641,535	1,669,918
Investment in tangible capital assets	5,791,151	5,671,681
Capital reserves	1,852,414	522,550
Endowments	87,908	87,232
Accumulated surplus (deficit)	<u>\$ 9,373,008</u>	<u>\$ 7,951,381</u>

20. ENDOWMENTS

Endowments represent principal and accumulated interest amounts contributed for student scholarships. The conditions of the endowment agreements are such that principal amounts must be held in perpetuity in accordance with stipulations placed by the contributor. To meet the current year reporting model Endowments are listed in portfolio assets. 100% of Endowments are being held in interest bearing Trust accounts with RBC.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

21. CONTRACTUAL OBLIGATIONS

	2020	2019
Building projects ⁽¹⁾	\$ 10,658,062	\$ -
Building leases ⁽²⁾	23,700	-
Service providers ⁽³⁾	445,300	632,849
Hardware Leasing	388,485	205,109
Other	-	-
Total	\$ 11,515,547	\$ 837,958

(1) Building projects: The division is committed to capital expenditures of \$8,676,378 for the Modernization and F&E of Huntsville school. It is anticipated that it will be 100% supported by Alberta Infrastructure. The division is also committed to further capital expenditures to be completed at Coalhurst High School of \$27,757 to be funded through IMR funding. An additional \$1,953,927 will be spent on Central Office mechanical and plumbing upgrades, which will be fully funded by board funds through the procurement of a lending agreement detailed in Note 9.

(2) Building leases: The division is committed to lease office space to house the Vulcan Outreach Program to June 2024, for which annual rental of \$23,700 is recovered annually.

(3) Service Providers: As at August 31, 2019 the jurisdiction has \$1,570,196 (2018 - \$2,077,950) in contractual service agreements.

	Building Projects	Building Leases	Service Providers	Hardware Leasing
2019-2020	\$ 10,658,062	\$ 23,700	\$ 445,300	\$ 388,485
2020-2021	-	23,700	316,528	302,823
2021-2022	-	23,700	243,428	269,546
2022-2023	-	23,700	243,428	47,667
2023-2024	-	23,700	243,428	-
Thereafter	-	-	243,428	-
Total	\$ 10,658,062	\$ 118,500	\$ 1,735,540	\$ 1,008,521

The Division has also signed effective January 1, 2019, an electrical agreement with Direct Energy for the provision of electrical commodity services for Palliser school buildings at a fixed rate per MWH consumed with an end date of December 31, 2023. In addition, Palliser signed a new 3 year mobility agreement with Bell Mobility as the provider of cellular telephone coverage for the period of June 16, 2017 through to June 16, 2020.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

22. CONTINGENT LIABILITIES

The division is a member of Alberta School Boards Insurance Exchange (ASBIE). Under the terms of its membership, the division could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. The division's share of the pool as at December 31, 2018 is \$308,312.

Subsequent to the year ended August 31, 2019, notice has been given to ASBIE members that property insurance rates for the 2019-2020 school year will see a 274% increase over prior year. In addition a 50% increase on liability insurance is also expected.

The School District has been named in 3 (2018 - 3) claims, 3 (2018 - 3) of which the outcome is not determinable. Of these indeterminable claims 2 (2018 - 2) have specified amounts totaling \$536,365 (2018 - \$536,365). The remaining 1 (2018 - 1) claim has no amounts specified. No accruals have been made at this time. The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

23. OTHER REVENUE

	2019	2018
Society Salary Rebillables*	\$ 841,094	\$ -
External Salary Rebillables*	282,068	-
Deferred Capital Revenue - Land	340,000	-
Other	-	23,921
Total	\$ 1,463,162	\$ 23,921

*Note: These items were reported under other sales and services in 2018.

24. TRUSTS UNDER ADMINISTRATION

The school division administers trust funds on behalf of the beneficiaries specified in the agreement or statute. These amounts are held on behalf of others with no power of appropriation and, therefore, are not reported in these financial statements, with the exception of scholarship trusts which are held as a trust liability and are recognized as scholarship revenue and expense upon qualified payouts.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

24. TRUSTS UNDER ADMINISTRATION (CONTINUED)

At August 31, 2019 trust funds under administration were as follows:

	2019	2018
Scholarship trusts	131,910.00	139,531.00
Southwest RCSD (Banker Board)	230,876.00	172,965.00
Calgary and Area RCSD (Banker Board)	844,063.00	875,661.00
Southern Alberta Children Advocacy Centre	14,668.00	-
Other trusts (please specify)	-	-
Total	<u>\$1,221,517</u>	<u>\$1,188,157</u>

25. SCHOOL GENERATED FUNDS

	2019	2018
School Generated Funds, Beginning of Year	\$ 714,592	\$ 653,788
Gross Receipts:		
Fees	1,320,793	1,027,871
Fundraising	576,083	902,213
Gifts and donations	126,127	103,948
Grants to schools*	-	-
Other sales and services*	458,327	461,208
Total gross receipts	2,481,330	2,495,240
Total Related Expenses and Uses of Funds*	867,826	1,242,017
Total Direct Costs Including Cost of Goods Sold to Raise Funds*	1,594,366	1,192,419
School Generated Funds, End of Year	<u>\$ 733,730</u>	<u>\$ 714,592</u>
Balance included in Deferred Revenue	\$ 733,730	\$ 714,592
Balance included in Accounts Payable		
Balance included in Accumulated Surplus (Operating Reserves)	\$ -	\$ -

*Note: These items were reported incorrectly in the 2018 Notes to Financial Statements. Other sales and services of \$461,208 were listed under Grants to Schools and use of funds and total direct costs were reported in reverse. In order to have an accurate comparable these classifications were corrected.

26. RELATED PARTY TRANSACTIONS

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta Consolidate Financial Statements. Related parties also include key management personnel in division and their close family members.

All entities that are consolidated in the accounts of the Government of Alberta are related parties of school jurisdictions. These include government departments, health authorities, post-secondary institutions and other school jurisdiction in Alberta

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

26. RELATED PARTY TRANSACTIONS (CONTINUED)

	Balances		Transactions	
	Financial Assets (at cost or net realizable value)	Liabilities (at amortized cost)	Revenues	Expenses
Government of Alberta (GOA):				
Alberta Education				
Accounts receivable / Accounts payable	\$ 17,474	\$ -		
Prepaid expenses / Deferred operating revenue	-	171,987		
Unexpended deferred capital revenue		-		
Expended deferred capital revenue		1,981,538	162,961	
Grant revenue & expenses			86,831,369	
ATRF payments made on behalf of district			5,232,277	
Other revenues & expenses			108,874	108,874
Other Alberta school jurisdictions	6,954	-	81,057	3,430
Transfer of schools to / from other school			-	-
Alberta Treasury Board and Finance (Principal)	-			
Alberta Treasury Board and Finance (Accrued)	-		7,917	
Alberta Health Services	-	-	-	375
Post-secondary institutions	1,662	-	115,886	92,190
Alberta Infrastructure				
Alberta Infrastructure	443,403	-	-	-
Unexpended deferred capital revenue		19,722		
Expended deferred capital revenue		37,208,112	1,789,880	
Culture & Tourism				
Other GOA ministry - Labor	7,875	-	-	-
Other GOA ministries - RCSD	14,660	-	-	-
Govemt Business Enterprises - ATB Financial	386,867	-	-	-
TOTAL 2018/2019	\$ 878,895	\$ 39,381,359	\$94,330,221	\$ 204,869
TOTAL 2017/2018	\$ 246,728	\$ 38,332,429	\$95,200,308	\$ 10,652

27. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

28. BUDGET AMOUNTS

The budget was prepared by the School Division and approved by the Board of Trustees on May 15, 2018. It is presented for information purposes only.

29. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the 2018/2019 presentation requirements.

THE PALLISER SCHOOL DIVISION

Notes to Financial Statements

Year ended August 31, 2019

30. ACCUMULATED OPERATING SURPLUS (AOS) DIFFERENCE

	F/S BALANCE
AOS as per Statement of Financial Postion	\$ 9,373,008
AOS as per Statement of Operations	\$ 9,372,332
Difference	<u>\$ 676</u>

The above difference is the result of Endowment transactions which took place during the reporting period which are not accounted for in the Statement of Operations.