

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

The Board of Trustees of Rocky View School Division No. 41

Legal Name of School Jurisdiction

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Contact Numbers and Email Address

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of The Board of Trustees of Rocky View School Division No. 41 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

Fiona Gilbert

Name

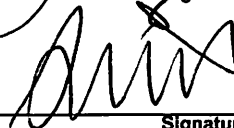


Signature

SUPERINTENDENT

Gregory Luterbach

Name



Signature

SECRETARY-TREASURER OR TREASURER

Larry Paul

Name



Signature

November 28, 2019

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
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Independent auditor's report

To the Members of the Board of Trustees of Rocky View School Division No. 41

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Board of Trustees of Rocky View School Division No. 41 (the Jurisdiction) as at August 31, 2019 and the results of its operations, its cash flows, its changes in net debt and its remeasurement gains and losses for the year then ended in accordance with Canadian Public Sector Accounting Standards (PSAS).

What we have audited

The Jurisdiction's financial statements comprise:

- the statement of financial position as at August 31, 2019;
 - the statement of operations for the year then ended;
 - the statement of cash flows for the year then ended;
 - the statement of changes in net debt for the year then ended;
 - the statement of remeasurement gains and losses for the year then ended;
 - the notes to the financial statements, which include a summary of significant accounting policies.
-

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

Independence

We are independent of the Jurisdiction in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Other matter – unaudited information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the square metres amounts included in schedule 4 and the FTE amounts included in schedule 7. Accordingly, we do not express an opinion on the square meters amounts included in schedule 4 and the FTE amounts included in schedule 7.

Comparative information

The financial statements of the Jurisdiction for the year ended August 31, 2018 were audited by another auditor who expressed an unmodified opinion on those statements on November 29, 2018.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Jurisdiction's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Jurisdiction or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit



evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Jurisdiction's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Jurisdiction's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Jurisdiction to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Calgary, Alberta

November 28, 2019

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

	2019	2018
<u>FINANCIAL ASSETS</u>		
Cash and cash equivalents (Schedule 5; Note 3)	\$ 31,922,690	\$ 19,858,526
Accounts receivable (net after allowances) (Note 4)	\$ 6,648,481	\$ 3,364,961
Portfolio investments		
Operating (Schedule 5; Note 5)	\$ 18,975,166	\$ 28,169,715
Endowments (Schedule 5; Note 5)	\$ 90,941	\$ 90,941
Total financial assets	\$ 57,637,278	\$ 51,484,143
<u>LIABILITIES</u>		
Accounts payable and accrued liabilities (Note 9)	\$ 22,969,311	\$ 21,585,996
Deferred contributions (Schedule 2; Note 10)	\$ 321,311,200	\$ 317,175,249
Debt		
Unsupported: Debentures (Note 12)	\$ 1,779,875	\$ 2,055,381
Total liabilities	\$ 346,060,386	\$ 340,816,626
Net debt	\$ (288,423,108)	\$ (289,332,483)
<u>NON-FINANCIAL ASSETS</u>		
Tangible capital assets (Schedule 6)	\$ 345,005,693	\$ 338,557,189
Inventory of supplies	\$ 88,266	\$ 75,476
Prepaid expenses (Note 13)	\$ 1,294,547	\$ 1,545,204
Total non-financial assets	\$ 346,388,506	\$ 340,177,869
Accumulated surplus (Schedule 1; Note 14)	\$ 57,965,398	\$ 50,845,385
Accumulating surplus / (deficit) is comprised of:		
Accumulated operating surplus (deficit)	\$ 57,599,198	\$ 50,845,385
Accumulated remeasurement gains (losses)	\$ 366,200	\$ -
	\$ 57,965,398	\$ 50,845,385
Contractual rights (Note 6)		
Contingent assets (Note 7)		
Contractual obligations (Note 15)		
Contingent liabilities (Note 16)		

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	\$ 265,184,201	\$ 268,043,942	\$ 256,341,416
Federal Government and First Nations	\$ 751,794	\$ 749,727	\$ 810,988
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees	\$ 10,623,634	\$ 6,673,482	\$ 7,234,979
Other sales and services	\$ 715,350	\$ 3,021,005	\$ 5,998,935
Investment income	\$ 230,000	\$ 888,362	\$ 565,999
Gifts and donations	\$ 850,000	\$ 1,867,700	\$ 1,148,082
Rental of facilities	\$ 186,200	\$ 340,045	\$ 317,417
Fundraising	\$ 1,277,501	\$ 1,635,355	\$ 2,084,447
Gains on disposal of capital assets	\$ 8,000	\$ -	\$ -
Other revenue (Note 17)	\$ -	\$ 2,048,824	\$ 2,631,633
Total revenues	\$ 279,826,680	\$ 285,268,442	\$ 277,133,896
EXPENSES			
Instruction - ECS	\$ 12,750,881	\$ 12,196,480	\$ 11,338,356
Instruction - Grades 1 - 12	\$ 205,769,550	\$ 201,402,114	\$ 198,332,366
Plant operations and maintenance (Schedule 4)	\$ 37,288,975	\$ 39,456,115	\$ 38,525,207
Transportation	\$ 16,206,831	\$ 17,618,002	\$ 17,581,997
Board & system administration	\$ 8,387,186	\$ 7,630,422	\$ 7,904,608
External services	\$ 190,785	\$ 211,496	\$ 208,246
Total expenses	\$ 280,594,208	\$ 278,514,629	\$ 273,890,780
Operating surplus (deficit)	\$ (767,528)	\$ 6,753,813	\$ 3,243,116
Accumulated operating surplus (deficit) at beginning of year	\$ 45,316,536	\$ 50,845,385	\$ 47,602,269
Accumulated operating surplus (deficit) at end of year	\$ 44,549,008	\$ 57,599,198	\$ 50,845,385

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

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

	2019	2018
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ 6,753,813	\$ 3,243,116
Add (Deduct) items not affecting cash:		
Amortization of tangible capital assets	\$ 15,028,207	\$ 14,885,453
Net (gain)/loss on disposal of tangible capital assets	\$ 8,950	\$ 10,729
Transfer of tangible capital assets (from)/to other entities	\$ -	\$ -
(Gain)/Loss on sale of portfolio investments	\$ 40,262	\$ -
Expended deferred capital contributions recognition	\$ (12,845,034)	\$ (12,631,046)
Deferred capital contributions write-down / adjustment	\$ -	\$ -
Donations in kind	\$ -	\$ -
	\$ -	\$ -
	\$ 8,986,198	\$ 5,508,252
(Increase)/Decrease in accounts receivable	\$ (3,283,520)	\$ 92,251
(Increase)/Decrease in inventories for resale	\$ -	\$ -
(Increase)/Decrease in other financial assets	\$ -	\$ 423
(Increase)/Decrease in inventory of supplies	\$ (12,790)	\$ 9,582
(Increase)/Decrease in prepaid expenses	\$ 250,657	\$ (355,160)
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Increase/(Decrease) in accounts payable, accrued and other liabilities	\$ 1,383,315	\$ (2,197,613)
Increase/(Decrease) in deferred contributions (excluding EDCC)	\$ 15,391,605	\$ 12,777,468
	\$ -	\$ -
Writeoff Endowment Fund	\$ -	\$ (423)
Total cash flows from operating transactions	\$ 22,715,465	\$ 15,834,780
B. CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	\$ (19,896,282)	\$ (20,458,873)
Net proceeds from disposal of unsupported capital assets	\$ -	\$ -
	\$ -	\$ -
Total cash flows from capital transactions	\$ (19,896,282)	\$ (20,458,873)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ (248,000)	\$ (10,990,149)
Proceeds on sale of portfolio investments	\$ 9,768,487	\$ 5,919,349
	\$ -	\$ -
	\$ -	\$ -
Total cash flows from investing transactions	\$ 9,520,487	\$ (5,070,800)
D. FINANCING TRANSACTIONS		
Debt issuances	\$ -	\$ -
Debt repayments	\$ (275,506)	\$ (262,428)
Other factors affecting debt (describe)	\$ -	\$ -
Capital lease issuances	\$ -	\$ -
Capital lease payments	\$ -	\$ -
Other (describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from financing transactions	\$ (275,506)	\$ (262,428)
Increase (decrease) in cash and cash equivalents	\$ 12,064,164	\$ (9,957,321)
Cash and cash equivalents, at beginning of year	\$ 19,858,526	\$ 29,815,847
Cash and cash equivalents, at end of year	\$ 31,922,690	\$ 19,858,526

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)	\$ 6,753,813	\$ 3,243,116
Effect of changes in tangible capital assets		
Acquisition of tangible capital assets	\$ (19,896,282)	\$ (20,458,873)
Amortization of tangible capital assets	\$ 15,028,207	\$ 14,885,453
Net (gain)/loss on disposal of tangible capital assets	\$ 8,950	\$ 10,729
Net proceeds from disposal of unsupported capital assets	\$ -	\$ -
Write-down carrying value of tangible capital assets	\$ -	\$ -
Transfer of tangible capital assets (from)/to other entities	\$ -	\$ -
Other changes ABIF Managed Assets	\$ (1,589,380)	\$ (1,407,951)
Total effect of changes in tangible capital assets	\$ (6,448,505)	\$ (6,970,642)
Acquisition of inventory of supplies	\$ (12,790)	\$ -
Consumption of inventory of supplies	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ 250,657	\$ (355,160)
(Increase)/Decrease in other non-financial assets	\$ -	\$ 9,582
Net remeasurement gains and (losses)	\$ 366,200	\$ -
Other changes	\$ -	\$ (423)
Decrease (increase) in net debt	\$ 909,375	\$ (4,073,527)
Net debt at beginning of year	\$ (289,332,483)	\$ (285,258,956)
Net debt at end of year	\$ (288,423,108)	\$ (289,332,483)

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	\$ 325,938	\$ -
Derivatives	\$ -	\$ -
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ 40,262	\$ -
Derivatives	\$ -	\$ -
Other	\$ -	\$ -
Other Adjustment (Describe)	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ 366,200	\$ -
Accumulated remeasurement gains (losses) at beginning of year	\$ -	\$ -
Accumulated remeasurement gains (losses) at end of year	\$ 366,200	\$ -

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	\$ 50,845,385	\$ -	\$ 50,845,385	\$ 31,624,993	\$ 90,941	\$ -	\$ 13,742,276	\$ 5,387,175
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2018	\$ 50,845,385	\$ -	\$ 50,845,385	\$ 31,624,993	\$ 90,941	\$ -	\$ 13,742,276	\$ 5,387,175
Operating surplus (deficit)	\$ 6,753,813		\$ 6,753,813			\$ 6,753,813		
Board funded tangible capital asset additions				\$ 2,841,417		\$ -	\$ (2,802,530)	\$ (38,887)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year	\$ 366,200	\$ 366,200						
Endowment expenses & disbursements	\$ -		\$ -		\$ -	\$ -		
Endowment contributions	\$ -		\$ -		\$ -	\$ -		
Reinvested endowment income	\$ -		\$ -		\$ -	\$ -		
Direct credits to accumulated surplus (Describe)	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -			\$ (15,028,207)		\$ 15,028,207		
Capital revenue recognized	\$ -			\$ 12,845,034		\$ (12,845,034)		
Debt principal repayments (unsupported)	\$ -			\$ 275,506		\$ (275,506)		
Additional capital debt or capital leases	\$ -			\$ -		\$ -		
Net transfers to operating reserves	\$ -					\$ (6,626,324)	\$ 6,626,324	
Net transfers from operating reserves	\$ -					\$ -	\$ -	
Net transfers to capital reserves	\$ -					\$ (2,949,198)		\$ 2,949,198
Net transfers from capital reserves	\$ -					\$ 914,042		\$ (914,042)
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2019	\$ 57,965,398	\$ 366,200	\$ 57,599,198	\$ 32,558,743	\$ 90,941	\$ -	\$ 17,566,070	\$ 7,383,444

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	\$ 11,083,235	\$ 2,222,870	\$ 2,658,794	\$ 2,081,960	\$ -	\$ 1,082,345	\$ -	\$ -	\$ 247	\$ -
Prior period adjustments:										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2018	\$ 11,083,235	\$ 2,222,870	\$ 2,658,794	\$ 2,081,960	\$ -	\$ 1,082,345	\$ -	\$ -	\$ 247	\$ -
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ (2,536,946)	\$ -	\$ (244,407)	\$ (38,887)	\$ (21,177)	\$ -	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ -		\$ -		\$ -		\$ -
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	\$ 6,298,399		\$ 306,995		\$ 21,177		\$ -		\$ (247)	
Net transfers from operating reserves	\$ -		\$ -		\$ -		\$ -		\$ -	
Net transfers to capital reserves		\$ 2,501,823		\$ 447,375		\$ -		\$ -		\$ -
Net transfers from capital reserves		\$ (850,000)		\$ (9,556)		\$ (54,486)		\$ -		\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2019	\$ 14,844,688	\$ 3,874,693	\$ 2,721,382	\$ 2,480,892	\$ -	\$ 1,027,859	\$ -	\$ -	\$ -	\$ -

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

	Other GoA Ministries excluding Infrastructure					Total Other GoA Ministries	Gov't of Canada	Donations and grants from others	Other	Total other sources
	Alberta Education	Alberta Infrastructure	Advanced Ed	RCSD	Other					
Deferred Contributions (DC)										
Balance at Aug 31, 2018	\$ 4,269,358	\$ 721,217	\$ 172,874	\$ -	\$ -	\$ 894,091	\$ -	\$ 712,327	\$ 199,419	\$ 911,746
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted ending balance Aug. 31, 2018	\$ 4,269,358	\$ 721,217	\$ 172,874	\$ -	\$ -	\$ 894,091	\$ -	\$ 712,327	\$ 199,419	\$ 911,746
Received during the year (excluding investment income)	\$ 15,121,589	\$ 1,024,307	\$ 198,656	\$ 959,238	\$ -	\$ 2,182,201	\$ -	\$ 809,416	\$ 358,497	\$ 1,167,913
transfer (to) grant/donation revenue (excluding investment income)	\$ (13,081,892)	\$ (1,745,524)	\$ (210,301)	\$ (955,534)	\$ -	\$ (2,911,359)	\$ -	\$ (1,188,678)	\$ (256,843)	\$ (1,445,521)
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Received during the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from UDCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (14,822)	\$ (14,822)
Transferred directly (to) EDCC	\$ (2,138,922)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DC Closing balance at Aug 31, 2019	\$ 4,170,133	\$ -	\$ 161,229	\$ 3,704	\$ -	\$ 164,933	\$ -	\$ 333,065	\$ 286,251	\$ 619,316

Unspent Deferred Capital Contributions (UDCC)

Balance at Aug 31, 2018	\$ -	\$ 1,052,037	\$ -	\$ -	\$ -	\$ 1,052,037	\$ -	\$ -	\$ 5,176,145	\$ 5,176,145
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted ending balance Aug. 31, 2018	\$ -	\$ 1,052,037	\$ -	\$ -	\$ -	\$ 1,052,037	\$ -	\$ -	\$ 5,176,145	\$ 5,176,145
Received during the year (excluding investment income)	\$ -	\$ 11,266,139	\$ -	\$ -	\$ -	\$ 11,266,139	\$ -	\$ -	\$ -	\$ -
UDCC Receivable	\$ -	\$ 3,092,534	\$ -	\$ -	\$ -	\$ 3,092,534	\$ -	\$ -	\$ -	\$ -
transfer (to) grant/donation revenue (excluding investment income)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Received during the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds on disposition of supported capital/ Insurance proceeds (and related interest)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from (to) DC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,822	\$ 14,822
Transferred from (to) EDCC	\$ -	\$ (14,291,717)	\$ -	\$ -	\$ -	\$ (14,291,717)	\$ -	\$ -	\$ (624,226)	\$ (624,226)
Transferred (to) from others- please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UDCC Closing balance at Aug 31, 2019	\$ -	\$ 1,118,993	\$ -	\$ -	\$ -	\$ 1,118,993	\$ -	\$ -	\$ 4,566,741	\$ 4,566,741

Expended Deferred Capital Contributions (EDCC)

Balance at Aug 31, 2018	\$ 2,242,890	\$ 299,817,814	\$ -	\$ -	\$ -	\$ 299,817,814	\$ -	\$ 1,269,149	\$ 1,542,019	\$ 2,811,168
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 1
Adjusted ending balance Aug. 31, 2018	\$ 2,242,890	\$ 299,817,814	\$ -	\$ -	\$ -	\$ 299,817,814	\$ -	\$ 1,269,149	\$ 1,542,020	\$ 2,811,169
Donated tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alberta Infrastructure managed projects	\$ -	\$ 1,589,380	\$ -	\$ -	\$ -	\$ 1,589,380	\$ -	\$ -	\$ -	\$ -
Transferred from DC	\$ 2,138,922	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from UDCC	\$ -	\$ 14,291,717	\$ -	\$ -	\$ -	\$ 14,291,717	\$ -	\$ -	\$ 624,226	\$ 624,226
Amounts recognized as revenue (Amortization of EDCC)	\$ -	\$ (12,815,663)	\$ -	\$ -	\$ -	\$ (12,815,663)	\$ -	\$ (2,025)	\$ (27,346)	\$ (29,371)
Disposal of supported capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EDCC Closing balance at Aug 31, 2019	\$ 4,381,812	\$ 302,883,248	\$ -	\$ -	\$ -	\$ 302,883,248	\$ -	\$ 1,267,124	\$ 2,138,900	\$ 3,406,024

**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	\$ 11,755,544	\$ 194,120,880	\$ 21,457,174	\$ 13,739,325	\$ 7,614,665	\$ -	\$ 248,687,588	\$ 240,494,551
(2) Alberta Infrastructure	\$ -	\$ -	\$ 16,590,331	\$ -	\$ -	\$ -	\$ 16,590,331	\$ 13,422,436
(3) Other - Government of Alberta	\$ 28,980	\$ 1,286,169	\$ -	\$ -	\$ -	\$ 170,625	\$ 1,485,774	\$ 1,233,798
(4) Federal Government and First Nations	\$ 37,589	\$ 620,707	\$ 91,431	\$ -	\$ -	\$ -	\$ 749,727	\$ 810,988
(5) Other Alberta school authorities	\$ -	\$ -	\$ -	\$ 1,280,249	\$ -	\$ -	\$ 1,280,249	\$ 1,190,631
(6) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(9) Fees	\$ 327,637	\$ 5,410,319	\$ -	\$ 935,526	\$ -	\$ -	\$ 6,673,482	\$ 7,234,979
(10) Other sales and services	\$ 211,331	\$ 1,440,916	\$ 1,318,153	\$ 9,734	\$ -	\$ 40,871	\$ 3,021,005	\$ 5,998,935
(11) Investment income	\$ 43,092	\$ 711,588	\$ 71,787	\$ 61,538	\$ 357	\$ -	\$ 888,362	\$ 565,999
(12) Gifts and donations	\$ 106,530	\$ 1,759,145	\$ 2,025	\$ -	\$ -	\$ -	\$ 1,867,700	\$ 1,148,082
(13) Rental of facilities	\$ -	\$ -	\$ 324,645	\$ -	\$ 15,400	\$ -	\$ 340,045	\$ 317,417
(14) Fundraising	\$ 93,379	\$ 1,541,976	\$ -	\$ -	\$ -	\$ -	\$ 1,635,355	\$ 2,084,447
(15) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(16) Other revenue	\$ -	\$ 2,048,824	\$ -	\$ -	\$ -	\$ -	\$ 2,048,824	\$ 2,631,633
(17) TOTAL REVENUES	\$ 12,604,082	\$ 208,940,524	\$ 39,855,546	\$ 16,026,372	\$ 7,630,422	\$ 211,496	\$ 285,268,442	\$ 277,133,896
EXPENSES								
(18) Certificated salaries	\$ 7,124,119	\$ 117,641,534	\$ -	\$ -	\$ 1,303,867	\$ -	\$ 126,069,520	\$ 122,927,670
(19) Certificated benefits	\$ 1,673,390	\$ 27,632,915	\$ -	\$ -	\$ 141,815	\$ -	\$ 29,448,120	\$ 28,780,895
(20) Non-certificated salaries and wages	\$ 1,577,234	\$ 26,045,076	\$ 9,162,986	\$ 823,372	\$ 3,991,425	\$ 92,295	\$ 41,692,388	\$ 39,319,670
(21) Non-certificated benefits	\$ 418,301	\$ 6,907,466	\$ 1,906,083	\$ 189,107	\$ 955,201	\$ 19,773	\$ 10,395,931	\$ 10,029,931
(22) SUB - TOTAL	\$ 10,793,044	\$ 178,226,991	\$ 11,069,069	\$ 1,012,479	\$ 6,392,308	\$ 112,068	\$ 207,605,959	\$ 201,058,166
(23) Services, contracts and supplies	\$ 1,306,552	\$ 21,575,272	\$ 15,263,245	\$ 16,604,671	\$ 677,661	\$ 99,428	\$ 55,526,829	\$ 57,630,898
(24) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 12,845,034	\$ -	\$ -	\$ -	\$ 12,845,034	\$ 12,631,046
(25) Amortization of unsupported tangible capital assets	\$ 85,157	\$ 1,406,204	\$ 263,248	\$ -	\$ 428,564	\$ -	\$ 2,183,173	\$ 2,254,407
(26) Supported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(27) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ 91,627	\$ -	\$ 91,627	\$ 108,224
(28) Other interest and finance charges	\$ 11,216	\$ 185,208	\$ 15,519	\$ 852	\$ 40,262	\$ -	\$ 253,057	\$ 197,310
(29) Losses on disposal of tangible capital assets	\$ 511	\$ 8,439	\$ -	\$ -	\$ -	\$ -	\$ 8,950	\$ 10,729
(30) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(31) TOTAL EXPENSES	\$ 12,196,480	\$ 201,402,114	\$ 39,456,115	\$ 17,618,002	\$ 7,630,422	\$ 211,496	\$ 278,514,629	\$ 273,890,780
(32) OPERATING SURPLUS (DEFICIT)	\$ 407,602	\$ 7,538,410	\$ 399,431	\$ (1,591,630)	\$ -	\$ -	\$ 6,753,813	\$ 3,243,116

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	\$ 6,632,651	\$ 2,530,335	\$ -	\$ -	\$ -			\$ 9,162,986	\$ 8,070,101
Uncertificated benefits	\$ 1,126,967	\$ 779,116	\$ -	\$ -	\$ -			\$ 1,906,083	\$ 1,852,671
Sub-total Remuneration	\$ 7,759,618	\$ 3,309,451	\$ -	\$ -	\$ -			\$ 11,069,069	\$ 9,922,772
Supplies and services	\$ 1,062,202	\$ 1,878,195	\$ 179,174	\$ 6,023,255	\$ -			\$ 9,142,826	\$ 9,148,079
Electricity			\$ 2,529,975					\$ 2,529,975	\$ 2,390,603
Natural gas/heating fuel			\$ 1,042,341					\$ 1,042,341	\$ 1,087,685
Sewer and water			\$ 664,133					\$ 664,133	\$ 702,035
Telecommunications			\$ 39,179					\$ 39,179	\$ 27,331
Insurance					\$ 557,266			\$ 557,266	\$ 535,918
ASAP maintenance & renewal payments							\$ 1,287,525	\$ 1,287,525	\$ 1,793,064
Amortization of tangible capital assets									
Supported							\$ 12,845,034	\$ 12,845,034	\$ 12,631,046
Unsupported						\$ 263,248		\$ 263,248	\$ 262,885
Total Amortization						\$ 263,248	\$ 12,845,034	\$ 13,108,282	\$ 12,893,931
Interest on capital debt									
Supported							\$ -	\$ -	\$ -
Unsupported						\$ -		\$ -	\$ -
Lease payments for facilities				\$ -				\$ -	\$ -
Other interest charges						\$ 15,519		\$ 15,519	\$ 13,060
Losses on disposal of capital assets						\$ -		\$ -	\$ 10,729
TOTAL EXPENSES	\$ 8,821,820	\$ 5,187,646	\$ 4,454,802	\$ 6,023,255	\$ 557,266	\$ 278,767	\$ 14,132,559	\$ 39,456,115	\$ 38,525,207

SQUARE METRES		
School buildings		259,988.0
Non school buildings		5,851.0
		258,611.0

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)**

Cash & Cash Equivalents	2019			2018
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash		\$ 31,922,690	\$ 31,922,690	\$ 19,858,526
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%	\$ 31,922,690	\$ 31,922,690	\$ 19,858,526

See Note 3 for additional detail.

Portfolio Investments	2019			2018	
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
Interest-bearing securities					
Deposits and short-term securities	1.86%	\$ 90,941	\$ 90,941	\$ 90,941	\$ 104,804
Bonds and mortgages	0.00%	-	-	-	-
	1.86%	90,941	90,941	90,941	104,804
Equities					
Canadian equities	0.00%	\$ -	\$ -	\$ -	\$ -
Global developed equities	0.00%	-	-	-	-
Emerging markets equities	0.00%	-	-	-	-
Private equities	0.00%	-	-	-	-
Pooled investment funds	0.00%	-	-	-	-
Total fixed income securities	0.00%	-	-	-	-
Other					
Principal Protected Notes	4.61%	18,500,000	18,866,200	18,866,200	28,051,521
Supplemental Executive Retirement Program	0.00%	\$ 108,966	\$ 108,966	\$ 108,966	\$ 104,331
Other	0.00%	-	-	-	-
Other	0.00%	-	-	-	-
Total equities	4.61%	18,608,966	18,975,166	18,975,166	28,155,852
Total portfolio investments	4.60%	\$ 18,699,907	\$ 19,066,107	\$ 19,066,107	\$ 28,260,656

See Note 5 for additional detail.

	2019	2018
Portfolio investments		
Operating		
Cost	\$ 18,608,966	\$ 28,169,715
Unrealized gains and losses	366,200	-
	18,975,166	28,169,715
Endowments		
Cost	\$ 90,941	\$ 90,941
Unrealized gains and losses	-	-
Deferred revenue	-	-
	90,941	90,941
Total portfolio investments	\$ 19,066,107	\$ 28,260,656

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

	2019	2018
Under 1 year	0.4%	16.0%
1 to 5 years	99.6%	84.0%
6 to 10 years	0.0%	0.0%
11 to 20 years	0.0%	0.0%
Over 20 years	0.0%	0.0%
	100.0%	100.0%

SCHEDULE 6

School Jurisdiction Code: 1190

**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	\$ 14,311,063	\$ 2,771,058	\$ 443,292,686	\$ 36,381,128	\$ 1,504,010	\$ 6,126,471	\$ 504,386,416
Prior period adjustments	-	-	-	-	-	-	-
Additions	-	17,552,113	268,394	3,265,065	40,242	359,848	21,485,662
Transfers in (out)	18,377	(2,789,161)	2,770,784	62,950	-	(62,950)	-
Less disposals including write-offs	-	-	-	(162,286)	(39,862)	(32,326)	(234,474)
Historical cost, August 31, 2019	\$ 14,329,440	\$ 17,534,010	\$ 446,331,864	\$ 39,546,857	\$ 1,504,390	\$ 6,391,043	\$ 525,637,604
Accumulated amortization							
Beginning of year	\$ -	\$ -	\$ 136,705,356	\$ 24,039,253	\$ 939,408	\$ 4,145,210	\$ 165,829,228
Prior period adjustments	-	-	-	-	-	(1)	(1)
Amortization	-	-	10,271,435	3,872,407	186,928	697,436	15,028,206
Other additions	-	-	-	-	-	2	2
Transfers in (out)	-	-	-	1,311	-	(1,311)	-
Less disposals including write-offs	-	-	-	(162,091)	(39,862)	(23,571)	(225,524)
Accumulated amortization, August 31, 2019	\$ -	\$ -	\$ 146,976,791	\$ 27,750,880	\$ 1,086,474	\$ 4,817,766	\$ 180,631,911
Net Book Value at August 31, 2019	\$ 14,329,440	\$ 17,534,010	\$ 299,355,073	\$ 11,795,977	\$ 417,916	\$ 1,573,277	\$ 345,005,693
Net Book Value at August 31, 2018	\$ 14,311,063	\$ 2,771,058	\$ 306,587,330	\$ 12,341,875	\$ 564,602	\$ 1,981,261	\$ 338,557,189

	2019	2018
Total cost of assets under capital lease	\$ -	\$ -
Total amortization of assets under capital lease	\$ -	\$ -

*Work in Progress (WIP) includes two new schools. A school in the Hillcrest community of Airdrie which is scheduled to open January 1, 2020 and; A school in Westbrook is scheduled to open September 1, 2020. Various other capital IMR projects are also included in WIP and are set to be complete in 2019/2020. WIP also includes Alberta Infrastructure managed projects.

SCHEDULE 7

School Jurisdiction Code: 1190

**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 (1)	Expenses
Chair - Brand, T	1.00	\$43,868	\$7,668	\$0			\$0	\$5,822
Other members	-	\$0	\$0	\$0			\$0	\$0
Baziuk, S	1.00	\$41,789	\$7,563	\$0			\$0	\$5,578
Bowen, M	1.00	\$37,476	\$7,345	\$0			\$0	\$5,990
Forrest, J	1.00	\$36,613	\$5,597	\$0			\$0	\$6,307
Gilbert, F	1.00	\$48,370	\$7,895	\$0			\$0	\$5,991
Hunter, J	1.00	\$39,668	\$3,912	\$0			\$0	\$7,218
Lang, N	1.00	\$40,013	\$7,473	\$0			\$0	\$5,680
Sproule, P	1.00	\$37,510	\$5,642	\$0			\$0	\$5,123
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
Subtotal	8.00	\$325,307	\$53,095	\$0			\$0	\$47,709
Superintendent - Luterbach, G.	1.00	\$235,043	\$24,216	\$10,454	\$0	\$0	\$25,603	\$9,988
Secretary/Treasurer - Paul, L.	1.00	\$182,888	\$42,464	\$0	\$0	\$0	\$0	\$9,391
	-	\$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
Certificated		\$125,834,477	\$29,430,607	-\$17,157	\$0	\$0	\$0	\$0
School based	1,339.40							
Non-School based	37.40							
Non-certificated		\$41,184,193	\$10,300,372	\$0	\$0	\$0	\$0	\$0
Instructional	691.40							
Plant Operations & Maintenance	203.30							
Transportation	14.70							
Other	47.80							
TOTALS	2,344.00	\$167,761,908	\$39,850,754	-\$6,703	\$0	\$0	\$25,603	\$67,088

(1) Other Accrued Unpaid Benefits Include: Please describe Other Accrued Unpaid Benefits

1. AUTHORITY AND PURPOSE

The Board of Trustees of Rocky View School Division No. 41 (the “Division”) delivers education programs under the authority of the Education Act (previously the School Act), Revised Statutes of Alberta 2000, Chapter S-3. It is registered as a charity under the Income Tax Act (Canada). The Division is exempt from income taxes.

The Division received funding for instruction and support in the 2018-2019 year under the School Act Grants Regulation (AR 120/2008). The regulation allows for the setting of conditions and use of grant monies. The 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 Canadian Public Sector Accounting Standards (PS). The financial statements have, in management’s opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Basis of Financial Reporting

Valuation of Financial Assets and Liabilities

The Division’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
Portfolio investments	Fair value and amortized cost
Accounts payable and accrued liabilities	Cost
Debt	Amortized cost

Financial Assets

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

Financial assets include the Division’s financial claims on external organizations and individuals, inventories for resale, and cash and cash equivalents.

i) Cash and cash equivalents

Cash is comprised of cash on hand and demand deposits. Cash equivalents are short-term, highly liquid, investments that are readily convertible to known amounts of cash. They are subject to an insignificant risk of change in value. Cash equivalents have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term commitments rather than for investment purposes.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Continued...

i) Accounts receivable

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

ii) Portfolio investments

The Division's portfolio investments include Guaranteed Investment Certificates (GICs) and fixed income instruments that have a maturity date of greater than three months. Investments not quoted in an active market are reported at cost or amortized cost. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value. Discounts and premiums arising on the purchase of fixed income securities are amortized over the term of the investments.

Derivatives and portfolio investments in equity instruments that are quoted in an active market are recorded at fair value and the associated transaction costs are expensed upon initial recognition. Until the portfolio investments are derecognized, the change in the fair value is recognized in the Statement of Remeasurement Gains and Losses as a remeasurement gain or loss. Upon derecognition, the accumulated remeasurement gains or losses associated with the derecognized portfolio investments are reversed and reclassified to the Statement of Operations.

Impairment is defined as a loss in value of a portfolio investment that is other than a temporary decline and is included in the Statement of Operations. In the case of an item in the fair value category, a reversal of any net remeasurement gains recognized in previous reporting periods up to the amount of the write-down is reported in the Statement of Remeasurement Gains and Losses. A subsequent increase in value would be recognized on the Statement of Remeasurement Gains and Losses and realized on the Statement of Operations only when sold.

Endowment funds are invested in GICs in accordance with existing third-party agreements that establish the criteria and mandate for the endowment funds. Donors have placed restrictions on their contributions to endowments, for example capital preservation. The principal restriction is that the original contribution should be maintained intact. Other restrictions may include spending investment income earned by endowments for specific operational or capital purpose or capitalizing a certain amount of investment income to maintain and grow the real value of endowments. Endowment funds are included in Portfolio Investments in the Statement of Financial Position. Contributions to endowment funds are recognized on the Statement of Operations and must be held in perpetuity in accordance with the agreement with the donor. Interest earned on endowments is disbursed for the purposes of the fund. Undisbursed funds earned on endowment principal are recognized as deferred revenue or as revenue in the year to the extent that stipulations have been met.

Detailed information regarding portfolio investments is disclosed in the Schedule 5: Schedule of Cash, Cash Equivalents, and Portfolio Investments.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Continued...

i) Other financial assets

Other financial assets are valued at the lower of cost or expected net realizable value.

Liabilities

Liabilities are present obligations of the Division 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.

i) 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.

ii) Deferred Contributions

Deferred contributions include contributions received for operations which have stipulations that meet the definition of a liability (PS 3200). These contributions are recognized by the Division once it has met all eligibility criteria to receive the contributions. When stipulations are met, deferred contributions 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 contributions also include 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 Division, 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.

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

iii) Employee Future Benefits

The Division provides pension benefits for certain employees pursuant to contracts and union agreements through three multi-employer pension plans (The Alberta Teacher Retirement Fund (ATRF), Local Authorities Pension Plan (LAPP) and Supplemental Integrated Pension Plan (SIPP)) and one defined benefit plan (Supplemental Executive Retirement Program (SERP)).

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Continued...

ATRF

The current and past service costs of the Alberta Teachers' Retirement Fund (ATRF) are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, the Division does not make pension contributions for certificated staff, and has no legal obligation to pay these costs. However, expenditures are reflected as "Certificated Benefits" based on the Division's proportionate share, and the Government portion of the current service contribution to the ATRF are included as revenue in "Revenue from the Government of Alberta". For the school year ended August 31, 2019, the amount contributed by the Government was \$13,723,198 (2018-\$13,889,914).

LAPP

The Division participates in the Local Authorities Pension Plan (LAPP) and does not report on any unfunded liabilities since the plan is a multi-employer pension plan. The expense for this pension plan is equivalent to the annual contributions of \$6,164,226 for the year ended August 31, 2019 (2018-\$6,664,915). At December 31, 2018, the Local Authorities Pension Plan (LAPP) reported a surplus of \$3,469,347,000 (2017-surplus of \$4,835,515,000).

SIPP

The Division participates in the multi-employer SIPP pension plan for members of senior administration. The plan provides a supplement to the LAPP or ATRF pension to a full 2% of pensionable earnings multiplied by pensionable service, limited by the Income Tax Act. The annual expenditures for this pension plan is equivalent to the annual contributions of \$33,676 for the year ended August 31, 2019 (2018-\$37,908).

Pension costs included in these statements, for the above noted multi-employer plans are comprised of the cost of employer contributions for current service of employees during the year.

SERP

The non-registered SERP is administered by the Division and provides an annual retirement benefit of 2% of total employee earnings. The cost of SERP is sponsored by the Division and is actuarially determined using the projected accrued benefit cost method with proration of service costs. Actuarial valuations of this plan occur annually on August 31st. See Note 11 for further disclosure related to the program.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Continued...

iv) 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 Division 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

All of the Divisions' sites are currently in productive use and management has determined there is no contamination at August 31, 2019 (2018—\$Nil).

v) Debt

Credit notes and debentures are recognized at face value less unamortized discount, which includes issue expenses.

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.

i) 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.
- Work 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.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Continued...

- Sites and buildings are written down to residual value when conditions indicate they no longer contribute to the ability of the Division 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.
- Tangible capital assets with costs in excess of \$5,000 are capitalized.
- 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 Division's rate for incremental borrowing or the interest rate implicit in the lease.
- Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

▪ Buildings	2% to 4%
▪ Vehicles & Buses	10% to 20%
▪ Computer Hardware & Software	20% to 25%
▪ Other Equipment & Furnishings	10% to 20%

ii) 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.

iii) 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.

iv) Other Assets

Intangible assets, assets acquired by right, works of art, historical treasures, collections, certain land, and cash-in-lieu balances held by 3rd parties are not recognized in these financial statements. At August 31, 2019, the Division does not control these economic resources and is not exposed to the risks and rewards of ownership therefore not meeting the requirement for recognition.

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.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Continued...

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.

Eligibility criteria are criteria that the Division has to meet in order to receive certain contributions. Stipulations describe what the Division 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 that the stipulations are met, except 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 revenue.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed, and services received during the year are 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 1-12 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.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 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 must 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, noncertificated teaching assistants as well as a proportionate share of supplies & services, school administration & instruction support, and System Instructional Support.

Trusts Under Administration

The 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.

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.

Management is of the 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.

The Division does not enter into any derivative financial instrument arrangements.

Measurement Uncertainty

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. 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 of capital assets, recognition of deferred revenue related to restricted grants and donations, and estimated employee future benefits.

Change in Accounting Policy

The Division has prospectively adopted the following standards, from September 1, 2018, without impact to the organization:

- PS 3430 Restructuring Transactions.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Continued...

Future Accounting Changes

Management is currently assessing the impact of the following upcoming Public Sector Accounting standards on the financial statements.

- PS 3280 Asset Retirement Obligations (effective September 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.

3. CASH AND CASH EQUIVALENTS

	2019	2018
	\$	\$
Cash	29,311,916	19,570,924
Cash equivalents	2,610,774	287,602
Total	31,922,690	19,858,526

Cash equivalents represent fixed income investments with maturity dates of less than three months as of the acquisition date.

4. ACCOUNTS RECEIVABLE

	2019	2018
	\$	\$
Alberta Education	91,474	40,903
Government of Alberta Ministry		
Alberta Infrastructure - Capital	3,893,546	801,039
Alberta Infrastructure - Portables	1,235,107	443,796
Alberta Health Services	31,064	13,082
Federal Government	193,438	-
Municipalities	693,489	30,239
Other Alberta School Jurisdictions	174,143	1,353,795
Other	336,220	682,107
Total	6,648,481	3,364,961

5. PORTFOLIO INVESTMENTS

At August 31, 2019, the Division's portfolio investments are comprised of variable interest bonds, mutual funds and GICs with original terms to maturity greater than 3 months. Total investment cost is \$18,699,907 (2018-\$28,260,656) and carrying value is \$19,066,107 (2018-\$28,260,656) with the cost to carrying value difference being recorded as a remeasurement gain or loss.

6. 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. At August 31, 2019 the following contractual rights were in existence:

	2019
	\$
Contractual rights from operating leases ⁽¹⁾	205,381
Contractual rights from service agreements ⁽²⁾	1,676,361
Other ⁽³⁾	180,000
Total	2,061,742

¹ Contractual rights from operating leases include \$NIL with other divisions.

² Contractual rights from service agreements include \$1,300,000 (2018-\$1,300,000) with other divisions.

³ Other contractual rights represent various instructional grant agreements as well as cash-in-lieu funds anticipated to be received from Rocky View County.

Estimated amounts that will be received or receivable for each of the next five years and thereafter are as follows:

	Operating Leases	Service Agreements	Other
	\$	\$	\$
2019-2020	205,381	1,676,361	180,000
2020-2021	181,881	376,361	-
2021-2022	150,681	376,361	-
2022-2023	107,482	-	10
2023-2024	72,381	-	-
2024-Thereafter	38,281	-	-
Total	756,087	2,429,083	180,010

7. CONTINGENT ASSETS

The Division is involved in several insurance claims at August 31, 2019 which could reasonably give rise to the recovery of assets. At the date of these financial statements, an estimate of the potential recovery could not be determined as the claims have not progressed to the point where a determination could reasonably be made.

These amounts have not been recognized in the financial statements.

8. BANK INDEBTEDNESS

The Division has negotiated two lines of credit in the amount of \$10,000,000 and \$5,000,000, which are due on demand and incurs interest at the bank's prime rate minus 0.25% per annum. The maximum borrowing capacity on the \$5,000,000 line is limited by the School Act to the Division's accounts receivable balance. The lines of credit are 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 as at August 31, 2019 (August 31, 2018 - \$Nil). The Division has letters of guarantee outstanding as at August 31, 2019 aggregating \$2,354,467 (August 31, 2018 - \$2,219,467).

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2019	2018
	\$	\$
Alberta Education	391,294	-
Alberta Capital Finance Authority (unsupported debt interest)	14,604	21,081
Federal Government	531	112,234
Accrued vacation pay liability	171,589	202,573
Other salaries and benefit liabilities ¹	13,289,700	13,596,668
Municipalities (Rocky View County)	318,000	-
Other trade payables and accrued liabilities ²	8,420,180	7,309,324
Unearned Revenue		
School generated funds, including fees	22,026	74,263
Transportation	252,687	194,723
International student	88,700	75,130
Total	22,969,311	21,585,996

¹Other salaries and benefit costs represent certificated and support staff salaries that were earned but not paid as of August 31, 2019 along with corresponding payroll taxes. Also included in this balance are benefit reserves held for future obligations associated with employee health, dental, disability and life benefits.

²Trade payables are goods or services that were delivered or received on or before August 31, 2019 for which the Division had not paid at year-end.

10. DEFERRED CONTRIBUTIONS

Source and grant or fund type	as at August 31, 2018	funds received/ receivable	funds expended (paid/payable)	as at August 31, 2019
	\$	\$	\$	\$
Government of Alberta				
ABED Playground Grants	-	750,000	(750,000)	-
Infrastructure Maintenance Renewal	4,184,387	4,919,079	(5,001,192)	4,102,274
Program Unit Funding	-	4,394,788	(4,394,788)	-
School Nutrition Program	67,204	166,000	(233,204)	-
Other	17,767	2,752,800	(2,702,708)	67,859
Other Government of Alberta				
Alberta Advanced Education	172,874	198,656	(210,301)	161,229
Alberta Infrastructure	721,217	1,024,307	(1,745,524)	-
Regional Collaborative Service Delivery	-	959,238	(955,534)	3,704
Other Deferred Revenue				
Donations	712,327	809,416	(1,188,678)	333,065
Other	199,419	373,317	(286,485)	286,251
Total unexpended deferred operating revenue	6,075,195	16,347,601	(17,468,414)	4,954,382
Unexpended deferred capital revenue	6,228,182	14,373,495	(14,915,943)	5,685,734
Expended deferred capital revenue	304,871,872	18,644,246	(12,845,034)	310,671,084
Total	317,175,249	49,365,342	(45,229,391)	321,311,200

11. EMPLOYEE FUTURE BENEFIT LIABILITIES

i) Benefit Cost

	2019	2018
	\$	\$
Accrual for services	-	13,300
Interest on accrued benefits	18,200	18,600
Actuarial losses (gains) on accrued benefit obligation	1,100	(26,500)
Elements of benefit costs before recognizing its long term nature	19,300	5,400
Difference between amortized losses and actual losses on obligation for the year	-	3,500
Benefit cost	19,300	8,900

ii) Accrued Benefit Liability (Asset)

	2019	2018
	\$	\$
Accrued benefit liability, beginning of year	390,600	388,800
Benefit cost	19,300	8,900
Funding contributions	(51,600)	(7,100)
Accrued benefit liability, end of year	358,300	390,600

Note 11 - EMPLOYEE FUTURE BENEFIT LIABILITIES Continued...

iii) Reconciliation

	2019	2018
	\$	\$
Pension fund assets at the end of the period	467,266	494,931
Less Accrued benefit obligation at the end of the period	358,300	390,600
Surplus	108,966	104,331
Less total unamortized obligation/(asset)	-	-
Pension fund asset, end of year	108,966	104,331

The pension fund assets at the end of year represent market value.

iv) Significant actuarial assumptions:

	2019	2018
	%	%
Discount rate	5.00%	5.00%
Inflation	2.10%	2.10%
Salary increases	3.50%	3.50%
YMPE increases	3.10%	3.10%
Remaining service life	0 years	1 year

12. DEBT

The unsupported capital loan bears interest at 4.923% per annum with bi-annual payments of \$186,671. It is secured by a general security agreement and matures on December 15, 2024. Debenture payments due over the next five years and beyond are:

	Principal	Interest	Total
	\$	\$	\$
2019-2020	289,236	84,107	373,343
2020-2021	303,650	69,693	373,343
2021-2022	318,783	54,560	373,343
2022-2023	334,670	38,673	373,343
2023-2024	351,349	21,994	373,343
2024 to maturity	182,187	4,483	186,670
Total	1,779,875	273,510	2,053,385

13. PREPAID EXPENSES

Prepaid expenses consist of the following:

	2019	2018
	\$	\$
Prepaid insurance	141,278	141,863
Prepaid software & technology services	902,076	1,187,317
Prepaid transportation services	68,700	156,754
Other prepaid expenses	182,493	59,270
Total	1,294,547	1,545,204

14. ACCUMULATED SURPLUS

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

	2019	2018
	\$	\$
Unrestricted surplus	-	-
Operating Reserves:		
Accumulated surplus from operations	17,566,070	13,742,276
Remeasurement loss (gain)	366,200	-
Investment in tangible capital assets	32,558,743	31,624,993
Capital reserves	7,383,444	5,387,175
Endowments	90,941	90,941
Total	57,965,398	50,845,385

Accumulated surplus from operations (ASO) includes funds in the amount of \$3,634,319 that are raised at the school level and are not available to spend at the Division level. The Division's adjusted surplus from operations is calculated as follows:

	2019	2018
	\$	\$
Accumulated surplus from operations	17,566,070	13,742,276
Less:		
School generated funds included in accumulated surplus (Note 20)	(3,634,319)	(3,617,737)
Total	13,931,751	10,124,539

15. CONTRACTUAL OBLIGATIONS

Estimated payment requirements for the 2019-2020 year are as follows:

	2019
Building Projects ⁽¹⁾	20,091,973
Building Leases ⁽²⁾	352,859
Service Providers ⁽³⁾	28,913,993
Total	49,358,825

¹ Building Projects: Contractual commitments related to building projects that are known at August 31, 2019 relate to construction costs for Northcott Prairie School, architecture and construction costs for Westbrook School in Rocky View County, material and labour costs for the Springbank waste water force main, and HVAC upgrades for Springbank high and Kathryn School.

² Building Leases: The Division is committed to lease space for the education of children at the Prince of Peace Lutheran School in the County of Rocky View. The annual lease payments are \$280,213 and the lease agreement in place extends until August 31, 2024. The Division also leases space in Airdrie for its Community Learning Program. The annual lease payment is \$62,145 and the lease term is for ten years, extending to July 31, 2026.

³ Service Providers: The Division is committed to agreements with various service providers through purchase order requisitions and contracts for goods or services such as equipment and contracted services required to maintain schools, technology equipment and licensing agreements as well as consumable supplies that are outstanding as of August 31, 2019

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Building Projects \$	Building Leases \$	Service Providers \$
2019-2020	20,091,973	352,859	28,913,993
2020-2021	-	358,835	18,190,718
2021-2022	-	366,415	16,152,642
2022-2023	-	372,246	15,884,061
2023-2024		378,566	15,648,053
2024-Thereafter		537,181	15,648,053
Total	20,091,973	2,366,102	110,437,520

16. CONTINGENT LIABILITIES

- i) The Division is a member of Urban Schools Insurance Consortium (USIC), which facilitates the placement of property and liability insurance coverage for fourteen Divisions throughout the province of Alberta. Premium rebates are received from the insurer’s favorable claims experience and accumulated by the consortium to self-insure a portion of the members’ risk exposure. 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 accumulated consortium funds as at August 31, 2019 is \$621,008 (2018-\$670,180).
- ii) At August 31, 2019 there are eleven liability lawsuits open, in which the Division has been named, three of which were initiated in the current fiscal period. The outcome of the eleven liability claims is unknown as proceedings have not progressed to the point where an estimate of the obligation can be made, however it is expected the Divisions’ liability insurance will cover losses that are associated with 8 of the lawsuits.
- iii) At August 31, 2019 four Human Rights complaints, lodged against the Division, were in the investigation stage. The outcome of the Human Rights complaint(s) cannot be estimated at this time as proceedings in the case have not progressed to the point where a determination of the outcome can be made. Accrual for damages has not, and cannot, be made in the financial statements until further evaluation and investigation has occurred of each complaint.
- iv) None of these contingent liabilities involves related parties.

17. OTHER REVENUE

	2019	2018
	\$	\$
Recovery of Benefit Liability	2,048,824	2,631,633
	2,048,824	2,631,633

18. TRUSTS UNDER ADMINISTRATION

These balances represent assets that are held in trust by the Division. They are not recorded on the financial statements of the Division.

	2019	2018
	\$	\$
Deferred salary leave plan	223,762	304,835
Scholarship trusts	131,863	154,938
	355,625	459,773

19. SCHOOL GENERATED FUNDS

	2019	2018
	\$	\$
A School generated funds, beginning of year	3,617,737	3,361,842
Gross receipts		
Fees	3,469,860	5,056,401
Fundraising	1,635,195	1,512,312
Gifts and donations	551,736	692,883
Grants to schools	-	33,493
Other sales and services	1,287,906	1,343,410
B Total gross receipts	6,944,697	8,638,499
C Total related expenses and uses of funds	6,399,370	7,788,753
D Total direct costs including cost of goods sold to raise funds	528,745	593,851
E School generated funds, end of year	3,634,319	3,617,737
Balance included in accumulated surplus	3,634,319	3,617,737

20. RELATED PARTY TRANSACTIONS

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

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

	Balances		Transactions	
	Assets	Liabilities	Revenues	Expenses
	\$	\$	\$	\$
Government of Alberta (GOA)				
Education:				
Accounts receivable / accounts payable	91,474	391,294	-	-
Prepaid expenses / deferred operating revenue	-	4,170,133	-	-
Expended deferred capital revenue	-	4,381,812	2,138,922	-
Grant revenue & expenditures	-	-	232,825,468	-
ATRF payments made on behalf of Jurisdiction	-	-	13,723,198	-
Other Alberta school jurisdictions	174,143	-	1,280,249	-
Alberta Infrastructure				
Alberta Infrastructure	5,128,653	-	3,774,668	-
Unexpended deferred capital revenue	-	1,118,993	-	-
Expended deferred capital revenue	-	302,883,248	12,815,663	-
Other GOA:				
Advanced Education	-	161,229	170,625	-
Calgary and Area Regional Collaborative	-	3,704	955,666	-
Early Childhood Education	-	-	9,590	-
Alberta Health Services	31,064	-	349,893	-
Post Secondary Institutions	279	-	-	114,054
Alberta Capital Financing Authority	-	14,604	-	-
Total 2018-2019	5,425,613	313,125,017	268,043,942	114,054

The Division and its employees paid or collected certain taxes and amounts set by regulation or local policy. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

21. ECONOMIC DEPENDENCE ON RELATED PARTY

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

22. BUDGET AMOUNTS

The budget was prepared by the Division and approved by the Board of Trustees on June 1, 2018. It is presented for information purposes only.

23. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to conform to the current year presentation.

24. SUBSEQUENT EVENTS

The Division operated under the School Act and its 16 regulations through August 31, 2019. The Education Act came into effect for all Alberta Divisions on September 1, 2019 and the Minister of Education issued 21 new regulations to support this new legislation. As a result, the Division and its Board of Trustees have continued under new names effective September 1, 2019; 'The Rocky View School Division' and 'The Board of Trustees of Rocky View School Division'. The Division will continue reviewing all Policies, Administrative Procedures, and internal protocols to ensure aligned with the new legislation and proposed regulations which will result in revisions to the Division's Board Policies and Administrative Procedures throughout the 2019/2020 school year.

On October 3, 2019, the Board of Trustees approved a reduction to the Division's operating line of credit with the Alberta Treasury Branches from \$5,000,000 to \$2,500,000.

On October 24, 2019, the Alberta Government released the 2019 Budget. Several grants (including Classroom Improvement Funding, School Reduction Funding and Class Size Funding) will be reallocated at the provincial level to support enrolment growth. The Provincial Government will also provide a one-time Transition Grant for the 2019-2020 school year. The Division anticipates that the grant modifications will result in reduced revenues for the 2019-2020 School year.

Rocky View School Division No. 41

UNAUDITED SCHEDULES

To the Financial Statements for year ended August 31, 2019

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	\$748,732	\$1,147,230	\$935,526	\$0	\$0	\$935,526	\$0
Basic Instruction Fees							
Basic instruction supplies	\$94,759	\$0	\$0	\$0	\$0	\$0	\$0
Fees to Enhance Basic Instruction							
Technology user fees	\$77	\$0	\$0	\$0	\$0	\$0	\$0
Alternative program fees	\$115,497	\$418,474	\$103,177	\$0	\$0	\$103,177	\$0
Fees for optional courses	\$1,389,628	\$622,663	\$1,167,397	\$5,311	\$0	\$1,172,708	\$0
Activity fees	\$2,126,425	\$2,873,814	\$2,090,759	\$356,286	\$0	\$2,085,532	\$361,513
Early childhood services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other fees to enhance education	\$0	\$68,085	\$8,740	\$18,241	\$0	\$26,981	\$0
Non-Curricular fees							
Extracurricular fees	\$1,066,827	\$1,375,128	\$933,158	\$219,207	\$0	\$928,547	\$223,818
Non-curricular travel	\$1,097,103	\$2,809,365	\$258,857	\$151,834	\$0	\$410,691	\$0
Lunch supervision and noon hour activity fees	\$243,325	\$301,400	\$510,822	\$130,452	\$0	\$512,522	\$128,752
Non-curricular goods and services	\$352,606	\$945,975	\$665,047	\$275,345	\$0	\$747,554	\$192,838
Other Fees	\$0	\$61,500	\$0	\$0	\$0	\$0	\$0
TOTAL FEES	\$7,234,979	\$10,623,634	\$6,673,482	\$1,156,676	\$0	\$6,923,237	\$906,921

*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	\$443,407	\$476,714
Special events, graduation, tickets	\$230,882	\$139,454
International and out of province student revenue	\$0	\$0
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$718,918	\$275,013
Adult education revenue	\$40,871	\$42,494
Preschool	\$0	\$0
Child care & before and after school care	\$0	\$0
Lost item replacement fee	\$5,795	\$12,289
Other (Describe)	\$0	\$0
Other (Describe)	\$0	\$0
Other (Describe)	\$0	\$0
TOTAL	\$1,439,873	\$945,964

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	828	219	1,030		
Federally Funded Students	62				
REVENUES					
Alberta Education allocated funding	\$ 865,314	\$ 4,684,419	\$ 1,224,930	\$ 12,767,464	\$ 144,855
Other funding allocated by the board to the program	\$ -	\$ -	\$ -	\$ 676,492	\$ -
TOTAL REVENUES	\$ 865,314	\$ 4,684,419	\$ 1,224,930	\$ 13,443,956	\$ 144,855
EXPENSES (Not allocated from BASE, Transportation, or other funding)					
Instructional certificated salaries & benefits	\$ 221,376	\$ 990,815	\$ 287,162	\$ 3,764,308	
Instructional non-certificated salaries & benefits	\$ 594,630	\$ 3,102,414	\$ 459,459	\$ 8,805,792	
SUB TOTAL	\$ 816,006	\$ 4,093,229	\$ 746,621	\$ 12,570,100	
Supplies, contracts and services	\$ 31,316	\$ 134,698	\$ 287,162	\$ 268,879	
Program planning, monitoring & evaluation	\$ 53,480	\$ -	\$ 114,865	\$ 336,099	
Facilities (required specifically for program area)	\$ -	\$ 22,544	\$ -	\$ -	
Administration (administrative salaries & services)	\$ 53,480	\$ 144,318	\$ -	\$ 268,878	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 954,282	\$ 4,394,789	\$ 1,148,648	\$ 13,443,956	
NET FUNDING SURPLUS (SHORTFALL)	\$ (88,968)	\$ 289,630	\$ 76,282	\$ -	

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	\$ 358,407	\$ 48,344	\$ -	\$ 406,751	\$ -	\$ -	\$ -	\$ 406,751
Educational administration (excluding superintendent)	\$ 1,044,915	\$ 6,030	\$ -	\$ 1,050,945	\$ -	\$ -	\$ -	\$ 1,050,945
Business administration	\$ 1,738,866	\$ 31,059	\$ -	\$ 1,769,925	\$ 202,861	\$ 47,979	\$ -	\$ 2,020,765
Board governance (Board of Trustees)	\$ 378,410	\$ 196,289	\$ -	\$ 574,699	\$ -	\$ -	\$ -	\$ 574,699
Information technology	\$ 14,220	\$ 41,182	\$ -	\$ 55,402	\$ 2,075,721	\$ 3,854,911	\$ -	\$ 5,986,034
Human resources	\$ 1,613,939	\$ 82,066	\$ -	\$ 1,696,005	\$ 346,494	\$ 142,659	\$ -	\$ 2,185,158
Central purchasing, communications, marketing	\$ 816,157	\$ 83,701	\$ -	\$ 899,858	\$ -	\$ -	\$ -	\$ 899,858
Payroll	\$ 388,825	\$ 7,000	\$ -	\$ 395,825	\$ -	\$ -	\$ -	\$ 395,825
Administration - insurance			\$ 177,748	\$ 177,748			\$ -	\$ 177,748
Administration - amortization			\$ 428,564	\$ 428,564			\$ -	\$ 428,564
Administration - other (admin building, interest)			\$ 131,889	\$ 131,889			\$ 262,865	\$ 394,754
Caretaking	\$ 38,569	\$ 4,242	\$ -	\$ 42,811	\$ 34,388	\$ 3,439	\$ -	\$ 80,638
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 6,392,308	\$ 499,913	\$ 738,201	\$ 7,630,422	\$ 2,659,464	\$ 4,048,988	\$ 262,865	\$ 14,601,739

SCHEDULE 11

Average Estimated # of Students Served Per Meal: **585.00**

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

	Budget 2019	2019
REVENUES		
Alberta Education - current	\$ 161,000	\$ 166,000
Alberta Education - prior year	\$ 68,738	\$ 67,204
Other Funding	\$ -	\$ -
TOTAL REVENUES	\$ 229,738	\$ 233,204
EXPENSES		
Salaries & Benefits		
Meal Supervisor/Cook/support Worker	\$ 54,168	\$ 54,137
Mileage (8 Schools)	\$ 8,000	\$ 5,396
Other (please describe)	\$ -	\$ -
Other (please describe)	\$ -	\$ -
Other (please describe)	\$ -	\$ -
Subtotal: Salaries & Benefits	\$ 62,168	\$ 59,533
Food Supplies \$2/meal x 55 Students x 183 days	\$ 93,513	\$ 43,166
Small Kitchenware		
Measuring cups & measuring spoons	\$ 1,000	\$ 500
Plates, bowls & cups	\$ 4,000	\$ 1,000
Utensils	\$ 1,800	\$ -
Other (please describe)	\$ 4,600	\$ -
Other (please describe)	\$ -	\$ 821
Subtotal: Small Kitchenware	\$ 11,400	\$ 2,321
Non-Capitalized Assets		
Microwave	\$ 600	\$ 200
Refrigerator	\$ 2,300	\$ -
Toaster	\$ 2,000	\$ 500
Stove	\$ -	\$ -
Tables	\$ -	\$ -
Dishwasher	\$ -	\$ -
Carts to move food	\$ 1,100	\$ -
Garden tower	\$ 2,300	\$ -
Salad bar	\$ -	\$ -
Blender, 8 mini fridges, egg cookers	\$ 1,000	\$ 9,800
Subtotal: Non-capitalized Assets	\$ 9,300	\$ 10,500
Training (e.g. food safety training, food prep courses, workshops, training materials)	\$ 4,800	\$ -
Contracted Services (please describe)		
Vendor / Company	\$ 8,991	\$ 15,174
Food Delivery	\$ -	\$ -
Vendor Profit	\$ 1,929	\$ -
Subtotal: Contracted Services	\$ 10,920	\$ 15,174
Other Expenses		
Kitchen aprons	\$ 600	\$ -
Family / Nutritional education nights	\$ 18,000	\$ 847
Cleaning and sanitation supplies	\$ 4,500	\$ -
Travel & accommodation for Cohort B meetings	\$ 2,500	\$ -
Other (please describe)	\$ -	\$ -
Subtotal: Other Expenses	\$ 25,600	\$ 847
TOTAL EXPENSES	\$ 217,701	\$ 131,541
ANNUAL SURPLUS/DEFICIT	\$ 12,037	\$ 101,663