

**AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2017**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Parkland School Division No. 70

Legal Name of School Jurisdiction

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SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Parkland School Division No. 70 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

Mr. Eric Cameron

Name

"Original Signed"

Signature

SUPERINTENDENT

Mr. Timothy Monds

Name

"Original Signed"

Signature

SECRETARY-TREASURER OR TREASURER

Ms. Claire Jonsson

Name

"Original Signed"

Signature

November 28, 2017

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
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November 28, 2017

Independent Auditor's Report

**To the Board of Trustees of
Parkland School Division No. 70**

We have audited the accompanying financial statements of Parkland School Division No. 70, which comprise the statement of financial position as at August 31, 2017 and the statements of operations, cash flows, change in net debt, and remeasurement gains and losses for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, 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.

Auditor's responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Parkland School Division No. 70 as at August 31, 2017 and the results of its operations, its remeasurement gains and losses, change in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

PricewaterhouseCoopers LLP

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

STATEMENT OF FINANCIAL POSITION
As at August 31, 2017 (in dollars)

		2017	2016
FINANCIAL ASSETS			
Cash and cash equivalents	(Schedule 5; Note 3)	\$ 13,348,189	\$ 13,926,760
Accounts receivable (net after allowances)	(Note 4)	\$ 1,793,342	\$ 770,009
Portfolio investments		\$ -	\$ -
Other financial assets		\$ -	\$ -
Total financial assets		\$ 15,141,531	\$ 14,696,769
LIABILITIES			
Bank indebtedness		\$ -	\$ -
Accounts payable and accrued liabilities	(Note 5)	\$ 4,102,926	\$ 4,475,916
Deferred revenue	(Note 6)	\$ 102,640,004	\$ 97,877,652
Employee future benefits liabilities	(Note 7)	\$ 328,600	\$ 265,200
Liability for contaminated sites		\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt			
Supported: Debentures and other supported debt		\$ -	\$ -
Unsupported: Debentures and capital loans		\$ -	\$ -
Mortgages		\$ -	\$ -
Capital leases		\$ -	\$ -
Total liabilities		\$ 107,071,530	\$ 102,618,768
Net financial assets (debt)		\$ (91,929,999)	\$ (87,921,999)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Schedule 6)		
Land		\$ 4,440,682	\$ 4,167,683
Construction in progress		\$ 6,597,898	\$ -
Buildings	\$ 156,709,111		
Less: Accumulated amortization	\$ (63,411,945)	\$ 93,297,166	\$ 95,310,921
Equipment	\$ 12,240,410		
Less: Accumulated amortization	\$ (8,894,397)	\$ 3,346,013	\$ 3,033,482
Vehicles	\$ 1,398,716		
Less: Accumulated amortization	\$ (1,131,721)	\$ 266,995	\$ 54,115
Computer Equipment	\$ 3,433,640		
Less: Accumulated amortization	\$ (2,534,073)	\$ 899,567	\$ 1,138,101
Total tangible capital assets		\$ 108,848,321	\$ 103,704,302
Prepaid expenses	(Note 8)	\$ 313,702	\$ 494,771
Other non-financial assets		\$ -	\$ -
Total non-financial assets		\$ 109,162,023	\$ 104,199,073
Accumulated surplus	(Schedule 1; Note 9)	\$ 17,232,024	\$ 16,277,074
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 17,232,024	\$ 16,277,074
Accumulated remeasurement gains (losses)		\$ -	\$ -
		\$ 17,232,024	\$ 16,277,074
Contractual obligations	(Note 10)		
Contingent liabilities	(Note 11)		

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

STATEMENT OF OPERATIONS
For the Year Ended August 31, 2017 (in dollars)

	Budget 2017	Actual 2017	Actual 2016
REVENUES			
Alberta Education	\$ 119,749,724	\$ 120,201,295	\$ 117,786,650
Other - Government of Alberta	\$ -	\$ -	\$ 1,787
Federal Government and First Nations	\$ 2,064,254	\$ 1,865,312	\$ 1,757,327
Other Alberta school authorities	\$ 109,215	\$ 98,292	\$ 107,904
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 3,377,371	\$ 3,182,816	\$ 2,892,910
Other sales and services	\$ 1,017,997	\$ 1,378,277	\$ 1,511,954
Investment income	\$ 170,000	\$ 165,424	\$ 171,001
Gifts and donations	\$ 132,000	\$ 842,946	\$ 1,195,734
Rental of facilities	\$ 38,680	\$ 7,877	\$ 7,877
Fundraising	\$ 193,500	\$ 530,970	\$ 642,263
Gains on disposal of capital assets	\$ -	\$ 23,955	\$ -
Other revenue	\$ -	\$ -	\$ -
Total revenues	\$ 126,852,741	\$ 128,297,164	\$ 126,075,407
EXPENSES			
Instruction - ECS	\$ 9,175,249	\$ 11,528,809	\$ 9,548,021
Instruction - Grades 1 - 12	\$ 88,003,089	\$ 85,870,907	\$ 85,965,513
Plant operations and maintenance	\$ 14,672,395	\$ 14,931,540	\$ 13,791,928
Transportation	\$ 10,879,353	\$ 10,903,490	\$ 10,648,021
Board & system administration	\$ 4,070,374	\$ 4,044,636	\$ 4,410,704
External services	\$ 38,680	\$ 62,832	\$ 57,731
Total expenses	\$ 126,839,140	\$ 127,342,214	\$ 124,421,918
Operating surplus (deficit)	\$ 13,601	\$ 954,950	\$ 1,653,489

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

School Jurisdiction Code: 2305		
STATEMENT OF CASH FLOWS For the Year Ended August 31, 2017 (in dollars)		
	2017	2016
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ 954,950	\$ 1,653,489
Add (Deduct) items not affecting cash:		
Total amortization expense	\$ 5,099,982	\$ 4,346,173
Gains on disposal of tangible capital assets	\$ (23,955)	\$ -
Losses on disposal of tangible capital assets	\$ 45,359	\$ -
Expended deferred capital revenue recognition	\$ (3,991,640)	\$ (3,437,410)
Deferred capital revenue write-down / adjustment	\$ -	\$ -
Donations in kind	\$ -	\$ -
Changes in:		
Accounts receivable	\$ (1,023,333)	\$ 1,253,931
Prepays	\$ 181,069	\$ (484,253)
Other financial assets	\$ -	\$ -
Non-financial assets	\$ -	\$ -
Accounts payable, accrued and other liabilities	\$ (372,990)	\$ 1,020,451
Deferred revenue (excluding EDCR)	\$ 8,753,992	\$ 19,306,112
Employee future benefit liabilities	\$ 63,400	\$ 97,500
	\$ -	\$ -
Total cash flows from operating transactions	\$ 9,686,834	\$ 23,755,993
B. CAPITAL TRANSACTIONS		
Purchases of tangible capital assets		
Land	\$ (272,999)	\$ -
Buildings	\$ (8,336,956)	\$ (19,329,192)
Equipment	\$ (1,226,285)	\$ (1,906,345)
Vehicles	\$ (275,942)	\$ (39,154)
Computer equipment	\$ (177,177)	\$ (185,397)
Net proceeds from disposal of unsupported capital assets	\$ 23,955	\$ -
	\$ -	\$ -
Total cash flows from capital transactions	\$ (10,265,404)	\$ (21,460,088)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ -	\$ -
Dispositions of portfolio investments	\$ -	\$ -
Remeasurement (gains) losses reclassified to the statement of operations	\$ -	\$ -
	\$ -	\$ -
	\$ -	\$ -
Total cash flows from investing transactions	\$ -	\$ -
D. FINANCING TRANSACTIONS		
Issue of debt	\$ -	\$ -
Repayment of debt	\$ -	\$ (15,370)
	\$ -	\$ -
Issuance of capital leases	\$ -	\$ -
Repayment of capital leases	\$ -	\$ -
	\$ -	\$ -
	\$ -	\$ -
Total cash flows from financing transactions	\$ -	\$ (15,370)
Increase (decrease) in cash and cash equivalents	\$ (578,571)	\$ 2,280,535
Cash and cash equivalents, at beginning of year	\$ 13,926,760	\$ 11,646,225
Cash and cash equivalents, at end of year	\$ 13,348,189	\$ 13,926,760

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

STATEMENT OF CHANGE IN NET DEBT
For the Year Ended August 31, 2017 (in dollars)

	2017	2016
Operating surplus (deficit)	\$ 954,950	\$ 1,653,489
Effect of changes in tangible capital assets		
Acquisition of tangible capital assets	\$ (10,289,359)	\$ (21,460,088)
Amortization of tangible capital assets	\$ 5,099,982	\$ 4,346,173
Net carrying value of tangible capital assets disposed of	\$ 45,359	\$ -
Write-down carrying value of tangible capital assets	\$ -	\$ -
Other changes	\$ -	\$ -
Total effect of changes in tangible capital assets	\$ (5,144,019)	\$ (17,113,915)
Changes in:		
Prepaid expenses	\$ 181,069	\$ (484,253)
Other non-financial assets	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -
Endowments	\$ -	\$ -
Decrease (increase) in net debt	\$ (4,008,000)	\$ (15,944,679)
Net debt at beginning of year	\$ (87,921,999)	\$ (71,977,320)
Net debt at end of year	\$ (91,929,999)	\$ (87,921,999)

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

STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the Year Ended August 31, 2017 (in dollars)

	2017	2016
Accumulated remeasurement gains (losses) at beginning of year	\$ -	\$ -
Prior Period Adj. (Explain) - Linked to Sch. 1	\$ -	\$ -
Prior Period Adjustment (Explain)	\$ -	\$ -
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ -	\$ -
Other	\$ -	\$ -
Net remeasurement gains (losses) for the 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, 2017 (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, 2016	\$ 16,277,074	\$ -	\$ 16,277,074	\$ 6,812,675	\$ -	\$ 943,768	\$ 4,238,080	\$ 4,282,551
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2016	\$ 16,277,074	\$ -	\$ 16,277,074	\$ 6,812,675	\$ -	\$ 943,768	\$ 4,238,080	\$ 4,282,551
Operating surplus (deficit)	\$ 954,950		\$ 954,950			\$ 954,950		
Board funded tangible capital asset additions				\$ 1,443,122		\$ -	\$ -	\$ (1,443,122)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ (45,359)		\$ (23,955)		\$ 69,314
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	\$ -			\$ (5,099,982)		\$ 5,099,982		
Capital revenue recognized	\$ -			\$ 3,991,640		\$ (3,991,640)		
Debt principal repayments (unsupported)	\$ -			\$ -		\$ -		
Additional capital debt or capital leases	\$ -			\$ -		\$ -		
Net transfers to operating reserves	\$ -					\$ (1,405,781)	\$ 1,405,781	
Net transfers from operating reserves	\$ -					\$ 474,786	\$ (474,786)	
Net transfers to capital reserves	\$ -					\$ (1,108,342)		\$ 1,108,342
Net transfers from capital reserves	\$ -					\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -
Balance at August 31, 2017	\$ 17,232,024	\$ -	\$ 17,232,024	\$ 7,102,096	\$ -	\$ 943,768	\$ 5,169,075	\$ 4,017,085

SCHEDULE 1

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
for the Year Ended August 31, 2017 (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, 2016	\$ 3,776,672	\$ 1,993,725	\$ -	\$ 580,275	\$ 275,248	\$ 1,387,238	\$ 186,160	\$ 292,928	\$ -	\$ 28,385
Prior period adjustments:										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2016	\$ 3,776,672	\$ 1,993,725	\$ -	\$ 580,275	\$ 275,248	\$ 1,387,238	\$ 186,160	\$ 292,928	\$ -	\$ 28,385
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ -	\$ (979,531)	\$ -	\$ (286,176)	\$ -	\$ (99,285)	\$ -	\$ (78,130)	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ 23,955		\$ -		\$ 45,359		\$ -
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	\$ 1,401,976		\$ -		\$ 3,805		\$ -		\$ -	
Net transfers from operating reserves	\$ -		\$ (167,843)		\$ -		\$ (306,943)		\$ -	
Net transfers to capital reserves		\$ 886,794		\$ 65,049		\$ 122,797		\$ 33,702		\$ -
Net transfers from capital reserves		\$ -				\$ -		\$ -		\$ -
Assumption/transfer of other operations' surplus	\$ (288,626)	\$ -	\$ 167,843		\$ -	\$ -	\$ 120,783	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2017	\$ 4,890,022	\$ 1,900,988	\$ -	\$ 383,103	\$ 279,053	\$ 1,410,750	\$ -	\$ 293,859	\$ -	\$ 28,385

SCHEDULE OF CAPITAL REVENUE
(EXTERNALLY RESTRICTED CAPITAL REVENUE ONLY)
for the Year Ended August 31, 2017 (in dollars)

	Unexpended Deferred Capital Revenue				Expended Deferred Capital Revenue
	Provincially Approved & Funded Projects ^(A)	Surplus from Provincially Approved Projects ^(B)	Proceeds on Disposal of Provincially Funded Tangible Capital Assets ^(C)	Unexpended Deferred Capital Revenue from Other Sources ^(D)	
Balance at August 31, 2016	\$ 294,542	\$ -	\$ -	\$ -	\$ 96,891,624
Prior period adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted balance, August 31, 2016	\$ 294,542	\$ -	\$ -	\$ -	\$ 96,891,624
Add:					
Unexpended capital revenue <u>received</u> from:					
Alberta Education school building & modular projects (excl. IMR)	\$ 8,709,428				
Infrastructure Maintenance & Renewal capital related to school facilities	\$ -				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Unexpended capital revenue <u>receivable</u> from:					
Alberta Education school building & modular (excl. IMR)	\$ -				
Other sources:	\$ -			\$ -	
Other sources:	\$ -			\$ -	
Interest earned on unexpended capital revenue	\$ -	\$ -	\$ -	\$ -	
Other unexpended capital revenue:				\$ -	
Proceeds on disposition of supported capital			\$ -	\$ -	
Insurance proceeds (and related interest)			\$ -	\$ -	
Donated tangible capital assets:					\$ -
Alberta Infrastructure managed projects					\$ -
Transferred in (out) tangible capital assets (amortizable, @ net book value)					\$ -
Expended capital revenue - current year	\$ (8,846,237)	\$ -	\$ -	\$ -	\$ 8,846,237
Surplus funds approved for future project(s)	\$ -	\$ -			
Other adjustments:	\$ -	\$ -	\$ -	\$ -	\$ -
Deduct:					
Net book value of supported tangible capital dispositions or write-offs					\$ -
Other adjustments:		\$ -	\$ -	\$ -	\$ -
Capital revenue recognized - Alberta Education					\$ 3,991,640
Capital revenue recognized - Other Government of Alberta					\$ -
Capital revenue recognized - Other revenue					\$ -
Balance at August 31, 2017	\$ 157,733	\$ -	\$ -	\$ -	\$ 101,746,221
	(A)	(B)	(C)	(D)	
Balance of Unexpended Deferred Capital Revenue at August 31, 2017 (A) + (B) + (C) + (D)				\$ 157,733	

Unexpended Deferred Capital Revenue

(A) - Represents funding received from the Government of Alberta to be used toward the acquisition of new approved tangible capital assets with restricted uses only. Please specify department if funds received from a source other than Alberta Education.

(B) - Represents any surplus of funding over costs from column (A) approved by Minister for future capital expenditures with restricted uses only.

(C) - Represents proceeds on disposal of provincially funded restricted-use capital assets to be expended on approved capital assets per 10(2)(a) of Disposition of Property Reg. 181/2010.

(D) - Represents capital revenue received from entities OTHER THAN the Government of Alberta for the acquisition of restricted-use tangible capital assets.

SCHEDULE OF PROGRAM OPERATIONS
for the Year Ended August 31, 2017 (in dollars)

REVENUES	2017							2016
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
	ECS	Grades 1 - 12						
(1) Alberta Education	\$ 11,442,516	\$ 80,861,271	\$ 14,543,933	\$ 9,537,502	\$ 3,800,435	\$ 15,638	\$ 120,201,295	\$ 117,786,650
(2) Other - Government of Alberta	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,787
(3) Federal Government and First Nations	\$ -	\$ 1,584,597	\$ 204,096	\$ -	\$ 76,619	\$ -	\$ 1,865,312	\$ 1,757,327
(4) Other Alberta school authorities	\$ -	\$ 36,215	\$ -	\$ 62,077	\$ -	\$ -	\$ 98,292	\$ 107,904
(5) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Fees	\$ 161,945	\$ 2,219,550		\$ 801,321		\$ -	\$ 3,182,816	\$ 2,892,910
(9) Other sales and services	\$ 77,983	\$ 1,043,702	\$ 10,789	\$ 195,646	\$ 5,963	\$ 44,194	\$ 1,378,277	\$ 1,511,954
(10) Investment income	\$ -	\$ -	\$ -	\$ -	\$ 165,424	\$ -	\$ 165,424	\$ 171,001
(11) Gifts and donations	\$ -	\$ 842,946	\$ -	\$ -	\$ -	\$ -	\$ 842,946	\$ 1,195,734
(12) Rental of facilities	\$ -	\$ -	\$ 4,877	\$ -	\$ -	\$ 3,000	\$ 7,877	\$ 7,877
(13) Fundraising	\$ -	\$ 530,970	\$ -	\$ -	\$ -	\$ -	\$ 530,970	\$ 642,263
(14) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ 23,955	\$ -	\$ -	\$ -	\$ 23,955	\$ -
(15) Other revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(16) TOTAL REVENUES	\$ 11,682,444	\$ 87,119,251	\$ 14,787,650	\$ 10,596,546	\$ 4,048,441	\$ 62,832	\$ 128,297,164	\$ 126,075,407
EXPENSES								
(17) Certificated salaries	\$ 4,160,557	\$ 51,412,666			\$ 516,980	\$ -	\$ 56,090,203	\$ 55,809,262
(18) Certificated benefits	\$ 825,008	\$ 11,748,936			\$ 134,918	\$ -	\$ 12,708,862	\$ 12,954,763
(19) Non-certificated salaries and wages	\$ 4,385,699	\$ 10,273,379	\$ 3,650,280	\$ 602,114	\$ 1,704,267	\$ 27,620	\$ 20,643,359	\$ 19,149,498
(20) Non-certificated benefits	\$ 1,027,769	\$ 2,769,519	\$ 1,000,154	\$ 97,586	\$ 403,137	\$ -	\$ 5,298,165	\$ 4,949,314
(21) SUB - TOTAL	\$ 10,399,033	\$ 76,204,500	\$ 4,650,434	\$ 699,700	\$ 2,759,302	\$ 27,620	\$ 94,740,589	\$ 92,862,837
(22) Services, contracts and supplies	\$ 1,084,753	\$ 8,824,637	\$ 6,240,055	\$ 10,124,728	\$ 1,162,537	\$ 19,574	\$ 27,456,284	\$ 27,211,121
(23) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 3,976,002	\$ -	\$ -	\$ 15,638	\$ 3,991,640	\$ 3,437,410
(24) Amortization of unsupported tangible capital assets	\$ 45,023	\$ 841,770	\$ 65,049	\$ 33,703	\$ 122,797	\$ -	\$ 1,108,342	\$ 908,763
(25) Supported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,787
(26) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(27) Other interest and finance charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(28) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ 45,359	\$ -	\$ -	\$ 45,359	\$ -
(29) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(30) TOTAL EXPENSES	\$ 11,528,809	\$ 85,870,907	\$ 14,931,540	\$ 10,903,490	\$ 4,044,636	\$ 62,832	\$ 127,342,214	\$ 124,421,918
(31) OPERATING SURPLUS (DEFICIT)	\$ 153,635	\$ 1,248,344	\$ (143,890)	\$ (306,944)	\$ 3,805	\$ -	\$ 954,950	\$ 1,653,489

SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE EXPENSES
for the Year Ended August 31, 2017 (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	2017 TOTAL Operations and Maintenance	2016 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ 2,570,060	\$ 757,707	\$ -	\$ -	\$ 322,513			\$ 3,650,280	\$ 3,593,419
Uncertificated benefits	\$ 678,204	\$ 250,625	\$ -	\$ -	\$ 71,325			\$ 1,000,154	\$ 979,128
Sub-total Remuneration	\$ 3,248,264	\$ 1,008,332	\$ -	\$ -	\$ 393,838			\$ 4,650,434	\$ 4,572,547
Supplies and services	\$ 235,942	\$ 1,422,602	\$ -	\$ 2,466,916	\$ -			\$ 4,125,460	\$ 3,916,634
Electricity			\$ 1,082,776					\$ 1,082,776	\$ 938,211
Natural gas/heating fuel			\$ 555,494					\$ 555,494	\$ 476,373
Sewer and water			\$ 131,478					\$ 131,478	\$ 104,101
Telecommunications			\$ 4,940					\$ 4,940	\$ 10,212
Insurance					\$ 339,907			\$ 339,907	\$ 306,864
ASAP maintenance & renewal payments							\$ -	\$ -	\$ -
Amortization of tangible capital assets									
Supported							\$ 3,976,002	\$ 3,976,002	\$ 3,421,772
Unsupported						\$ 65,049		\$ 65,049	\$ 43,427
Total Amortization						\$ 65,049	\$ 3,976,002	\$ 4,041,051	\$ 3,465,199
Interest on capital debt									
Supported							\$ -	\$ -	\$ 1,787
Unsupported						\$ -		\$ -	\$ -
Lease payments for facilities				\$ -				\$ -	\$ -
Other interest charges						\$ -		\$ -	\$ -
Losses on disposal of capital assets						\$ -		\$ -	\$ -
TOTAL EXPENSES	\$ 3,484,206	\$ 2,430,934	\$ 1,774,688	\$ 2,466,916	\$ 733,745	\$ 65,049	\$ 3,976,002	\$ 14,931,540	\$ 13,791,928

SQUARE METRES									
School buildings								116,427.1	116,427.1
Non school buildings								9,708.3	9,708.3

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, 2017 (in dollars)

<u>Cash & Cash Equivalents</u>	2017			2016
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash	0%	\$ -	\$ 13,348,189	\$ 13,926,760
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Municipal	0.00%	-	-	-
Pooled investment funds	0.00%	-	-	-
Other, including GIC's	0.00%	-	-	-
Total cash and cash equivalents	<u>0.00%</u>	<u>\$ -</u>	<u>\$ 13,348,189</u>	<u>\$ 13,926,760</u>

See Note 3 for additional detail.

<u>Portfolio Investments</u>	2017			2016	
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
Long term deposits	0.00%	\$ -	\$ -	\$ -	\$ -
Guaranteed investment certificates	0.00%	-	-	-	-
Fixed income securities					
Government of Canada, direct and guaranteed	0.00%	\$ -	\$ -	\$ -	\$ -
Provincial, direct and guaranteed	0.00%	-	-	-	-
Municipal	0.00%	-	-	-	-
Corporate	0.00%	-	-	-	-
Pooled investment funds	0.00%	-	-	-	-
Total fixed income securities	<u>0.00%</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Equities					
Canadian	0.00%	\$ -	\$ -	\$ -	\$ -
Foreign	0.00%	-	-	-	-
Total equities	<u>0.00%</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Supplemental integrated pension plan assets	0.00%	\$ -	\$ -	\$ -	\$ -
Restricted investments	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Total portfolio investments	<u>0.00%</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Note 5 for additional detail.

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

	2017	2016
Under 1 year	100.0%	100.0%
1 to 5 years	0.0%	0.0%
6 to 10 years	0.0%	0.0%
11 to 20 years	0.0%	0.0%
Over 20 years	0.0%	0.0%
	<u>100.0%</u>	<u>100.0%</u>

SCHEDULE 6School Jurisdiction Code: **2305**

SCHEDULE OF CAPITAL ASSETS
for the Year Ended August 31, 2017 (in dollars)

<u>Tangible Capital Assets</u>	2017							2016
	Land	Construction In Progress	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total	Total
Estimated useful life			25-50 Years	5-10 Years	5-10 Years	3-5 Years		
Historical cost								
Beginning of year	\$ 4,167,683	\$ -	\$ 154,970,053	\$ 11,087,475	\$ 1,266,658	\$ 3,334,707	\$ 174,826,576	\$ 153,420,606
Prior period adjustments	-	-	-	-	-	-	-	4,698
Additions	272,999	6,597,898	1,739,058	1,226,285	275,942	177,177	10,289,359	21,460,088
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	(73,350)	(143,884)	(78,244)	(295,478)	(58,816)
Historical cost, August 31, 2017	\$ 4,440,682	\$ 6,597,898	\$ 156,709,111	\$ 12,240,410	\$ 1,398,716	\$ 3,433,640	\$ 184,820,457	\$ 174,826,576
Accumulated amortization								
Beginning of year	\$ -	\$ -	\$ 59,659,132	\$ 8,053,993	\$ 1,212,543	\$ 2,196,606	\$ 71,122,274	\$ 66,830,219
Prior period adjustments	-	-	-	-	-	-	-	4,698
Amortization	-	-	3,752,813	913,754	63,062	370,353	5,099,982	4,346,173
Other additions	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	(73,350)	(143,884)	(32,886)	(250,120)	(58,816)
Accumulated amortization, August 31, 2017	\$ -	\$ -	\$ 63,411,945	\$ 8,894,397	\$ 1,131,721	\$ 2,534,073	\$ 75,972,136	\$ 71,122,274
Net Book Value at August 31, 2017	\$ 4,440,682	\$ 6,597,898	\$ 93,297,166	\$ 3,346,013	\$ 266,995	\$ 899,567	\$ 108,848,321	
Net Book Value at August 31, 2016	\$ 4,167,683	\$ -	\$ 95,310,921	\$ 3,033,482	\$ 54,115	\$ 1,138,101		\$ 103,704,302

	2017	2016
Total cost of assets under capital lease	\$ -	\$ -
Total amortization of assets under capital lease	\$ -	\$ -

SCHEDULE 7School Jurisdiction Code: **2305**

SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES
for the Year Ended August 31, 2017 (in dollars)

Board Members:	FTE	Remuneration	Benefits	Negotiated Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits	Expenses
Chair - Eric Cameron	1.00	\$43,552	\$6,172	\$0			\$0	\$12,226
Ward 1 - Ron Heinrichs	1.00	\$40,727	\$6,064	\$0			\$0	\$23,099
Ward 2 - Kathleen Linder	1.00	\$35,945	\$5,908	\$0			\$0	\$12,327
Ward 3 - Richard Gilchrist	1.00	\$37,013	\$0	\$0			\$0	\$12,543
Ward 4 - Sally Kucher-Johnson	1.00	\$33,950	\$5,850	\$0			\$0	\$10,774
Ward 5 - Dorcas Kilduff	1.00	\$34,835	\$5,868	\$0			\$0	\$10,805
Ward 6 - Elsie Kinsey	1.00	\$33,517	\$5,823	\$0			\$0	\$11,465
	-	\$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
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
Subtotal	7.00	\$259,539	\$35,685	\$0			\$0	\$93,239
Timothy Monds, Superintendent	1.00	\$234,060	\$61,477	\$0	\$0	\$0	\$0	\$34,661
Claire Jonsson, Secretary Treasurer	1.00	\$200,496	\$56,812	\$0	\$0	\$0	\$0	\$20,165
		\$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	\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated teachers	589.70	\$55,856,142	\$12,590,875	\$0	\$0	\$56,510	\$0	
Non-certificated - other	395.30	\$20,183,325	\$5,190,668	\$0	\$0	\$15,000	\$0	
TOTALS	994.00	\$76,733,562	\$17,935,517	\$0	\$0	\$71,510	\$0	\$148,065

1. AUTHORITY AND PURPOSE

Parkland School Division No. 70 (the Division) delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The Division receives funding for instruction and support under Education 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 the CPA Canadian public sector accounting standards (PSAS). 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:

a) 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 the purpose of meeting short-term cash commitments rather than for investing. At August 31, 2017 the Division did not hold any short-term investments.

b) Accounts Receivable

Accounts receivable are shown net of allowance for doubtful accounts.

c) 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 land, 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 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 Revenue.
- 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. At August 31, 2017 the Division did not have any capital leases.
- 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%

d) Deferred Revenue

Deferred revenue 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 Division 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 Revenue (UDCR) 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 Revenue (EDCR) 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.

e) Employee Future Benefits

The Division provides certain post-employment benefits for certain employees pursuant to certain contracts and union agreements. The Division accrues its obligations under employee future benefit plans and expenses the related costs.

f) Asset Retirement Obligations

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

In addition the 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 Alberta Government. The 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.

g) 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.

h) 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 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 *Section PS 3200*. Such liabilities are recorded as deferred revenue. The following items fall under this category:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year the stipulated related expenses are incurred;
- Unexpended Deferred Capital Revenue; or
- Expended Deferred Capital Revenue.

i) 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.

j) Pensions

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

The 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 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, 2017, the amount contributed by the Government was \$6,499,371 (2016: \$6,865,163)

The Division participates in a multi-employer pension plan, the Local Authorities Pension Plan, and does not report on any unfunded liabilities. The expense for this pension plan is equivalent to the annual contributions of \$1,765,054 for the year ended August 31, 2017 (2016: \$1,692,652). At December 31, 2016, the Local Authorities Pension Plan reported a deficiency of \$637,357,000 (2015, a deficiency of \$923,416,000).

k) 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.
- **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, non-certificated teaching assistants as well as a proportionate share of supplies & services, school administration & instruction support, and System Instructional Support.

The allocation of revenues and expenses are reported by program, source, and object on the Schedule of Program Operations.

l) 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. Trust balances can be found in Note 12.

m) Financial Instruments

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The 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 and accounts payable and accrued 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.

n) Measurement Uncertainty

The precise determination of many assets and liabilities is dependent on future events. As a result, 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.

o) Future Accounting Changes

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

- **PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions (effective April 1, 2017)**

PS 2200 defines a related party and establishes disclosures required for related party transactions. PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

- **PS 3210 Assets, PS 3320 Contingent Assets and PS 3380 Contractual Rights (effective April 1, 2017)**

PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; and PS 3380 defines and establishes disclosure standards on contractual rights.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**

This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities.

- **PS 3450 Financial Instruments (effective April 1, 2019)**

Adoption of this standard requires corresponding adoption of PS 2601 Foreign Currency Translation, PS 1201 Financial Statement Presentation, and PS 3401 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments.

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

3. CASH AND CASH EQUIVALENTS

At August 31, 2017 the division held cash of \$13,348,189 (2016: \$13,926,760).

4. ACCOUNTS RECEIVABLE

	2017	2016
Alberta Education - Grants	\$ 1,230,022	\$ 150,812
Alberta Education - Capital	-	-
Alberta Education - Supported debentures	-	-
Alberta Education - RCSD	-	-
Other Alberta school jurisdictions	76,351	89,684
Alberta Health Services	-	150
Government of Alberta-Labour	7,849	-
Federal government	298,362	287,706
Municipalities	6,206	5,126
First nations	7,064	25,832
Other	167,488	210,699
Total	\$ 1,793,342	\$ 770,009

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2017	2016
Alberta Education	\$ 29,702	\$ 29,702
Other Alberta school jurisdictions	-	-
Alberta Capital Finance Authority (Interest on long-term debt)	-	-
Alberta Health & Wellness	-	-
Alberta Health Services	-	-
Enterprise & Advanced Education	-	-
Post-secondary institutions	-	-
Other Government of Alberta ministries	-	-
Federal government	952,977	932,340
First nations	-	-
Other interest on long-term debt	-	-
Other bank charges, fees, and interest	-	-
Salaries & benefit costs	1,344,068	1,155,774
Other trade payables and accrued liabilities	1,776,179	2,358,100
Total	\$ 4,102,926	\$ 4,475,916

6. DEFERRED REVENUE

SOURCE AND GRANT OR FUND TYPE	DEFERRED REVENUE as at Aug. 31, 2016	ADD: 2016/2017 Restricted Funds Received/ Receivable	DEDUCT: 2016/2017 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2015/2016 Adjustments for Returned Funds	DEFERRED REVENUE as at Aug. 31, 2017
Unexpended deferred operating revenue					
Alberta Education:					
Infrastructure Maintenance Renewal	74,980	2,903,970	(2,466,916)	-	512,034
16/17 SLA GR3	5,190	-	(5,190)	-	-
Building Collaboration & Capacity in Education	109,789	152,845	(124,391)	-	138,243
Other Deferred Revenue:					
Fees	353,936	72,293	(353,936)	-	72,293
Donations (SGC parent group for bus waiting to arrive)	76,120	-	(76,120)	-	(0)
Other (Resiliency projects/ERLC/external)	71,471	9,363	(67,354)	-	13,480
Total unexpended deferred operating revenue	\$ 691,486	\$ 3,138,471	\$ (3,093,907)	\$ -	\$ 736,050
Unexpended deferred capital revenue (Schedule 2)	294,542	8,709,428	(8,846,237)	-	157,733
Expended deferred capital revenue (Schedule 2)	96,891,624	8,846,237	(3,991,640)	-	101,746,221
Total	\$ 97,877,652	\$ 20,694,136	\$ (15,931,783)	\$ -	\$ 102,640,004

7. ACCRUED BENEFIT OBLIGATION

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 29, 2017 using a measurement date of August 31, 2017.

	2017	2016
Opening Balance at the beginning of the period	\$ 265,200	\$ 167,700
Expenses or benefit cost (income) for the year	77,900	97,500
Retirement Installment Payment	(14,500)	
Closing Balance at the end of the period	\$ 328,600	\$ 265,200

8. PREPAID EXPENSES

	2017	2016
Prepaid insurance	237,435	\$ 240,563
Rent	8,537	8,537
WCB	22,105	-
Other	45,625	245,671
Total	\$ 313,702	\$ 494,771

9. 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:

	2017		2016	
Unrestricted surplus	\$	943,768	\$	943,768
Operating reserves		5,169,075		4,238,080
Accumulated surplus from operations		6,112,843		5,181,848
Investment in tangible capital assets		7,102,096		6,812,675
Capital reserves		4,017,085		4,282,551
Accumulated surplus	\$	17,232,024	\$	16,277,074

Accumulated surplus from operations represents unspent funding available to support the Division's operations for the 2017-2018 year and includes a reserve from School Generated Funds (2017: \$912,532; 2016: \$893,846).

10. CONTRACTUAL OBLIGATIONS

At August 31, 2017 the Division has contractual obligations for the next five years for service providers totaling \$1,737,036. In addition the Division has contractual obligations for leased space for one High School Outreach program.

	2017		2016	
Building leases	\$	65,700	\$	176,288
Service providers		1,671,336		132,969
Total	\$	1,737,036	\$	309,257

Payments are estimated for each of the next five years as follows:

	Building Leases		Service Providers	
2017-18	\$	65,700	\$	365,431
2018-19		-		363,206
2019-20		-		340,740
2020-21		-		314,066
2021-22		-		287,894
Thereafter		-		-
	\$	65,700	\$	1,671,336

11. CONTINGENT LIABILITIES

The Division is a member of the Alberta School Boards Insurance Exchange. Under the terms of its membership, the jurisdiction could become liable for its proportionate share of any claim for losses in excess of the funds held by the exchange. Any liability will be accounted for as a transaction in the year the losses are incurred.

12. TRUSTS UNDER ADMINISTRATION

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

	2017	2016
Scholarship trusts	\$ 17,138	\$ 22,077
Regional Collaborative Service Delivery (Banker board)	162,397	-
Total	\$ 179,535	\$ 22,077

13. SCHOOL GENERATED FUNDS

	2017	2016
School Generated Funds, Beginning of Year	\$ 893,846	\$ 1,001,630
Gross Receipts:		
Fees	1,032,611	934,386
Fundraising	530,970	642,263
Gifts and donations	204,184	193,842
Other sales and services	281,545	352,071
Total gross receipts	2,049,309	2,122,562
Total Related Expenses and Uses of Funds	453,281	643,250
Total Direct Costs Including Cost of Goods Sold to Raise Funds	1,577,343	1,587,096
School Generated Funds, End of Year	<u>\$ 912,532</u>	<u>\$ 893,846</u>
Balance included in Deferred Revenue	\$ -	\$ -
Balance included in Accumulated Surplus (Operating Reserves)	\$ 912,532	\$ 893,846

14. RELATED PARTY TRANSACTIONS

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 jurisdictions in Alberta.

	<u>Balances</u>		<u>Transactions</u>	
	Financial Assets (at cost or net realizable	Liabilities (at amortized cost)	Revenues	Expenses
Government of Alberta (GOA):				
Education				
Accounts receivable / Accounts payable	\$ 1,230,022	\$ 29,702	\$ -	\$ -
Prepaid expenses / Deferred operating revenue	-	650,277	-	-
Unexpended deferred capital revenue	-	157,733	3,991,640	-
Expended deferred capital revenue	-	96,891,623	-	-
Grant revenue & expenses	-	-	109,710,284	-
ATRF payments made on behalf of district	-	-	6,499,371	-
Other Alberta school jurisdictions	76,351	-	98,292	193,280
Treasury Board and Finance	-	-	-	-
Alberta Health Services	-	-	-	-
Post-secondary institutions	-	-	-	28,676
Other:				
Alberta Local Authorities Pension Plan Corp.	-	90,951	-	1,765,054
TOTAL 2016/2017	\$ 1,306,373	\$ 97,820,286	\$ 120,299,587	\$ 1,987,010
TOTAL 2015/2016	\$ 240,645	\$ 97,495,690	\$ 117,896,341	\$ 1,732,995

15. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

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

16. BUDGET AMOUNTS

The budget was prepared by the Division and approved by the Board of Trustees on June 14, 2016. It is presented for information purposes only and has not been audited.

SCHEDULE 8

UNAUDITED SCHEDULE OF FEES
for the Year Ending August 31, 2017 (in dollars)

	Budgeted Fee Revenues 2016/2017	Actual Fees Collected 2016/2017	Unexpended Balance at September 1, 2016*	Actual Fee Expenditures 2016/2017	Unexpended Balance at August 31, 2017*
Transportation Fees	\$1,120,570	\$801,321	\$0	\$1,131,653	\$0
Basic Instruction Fees					
Basic instruction supplies	\$705,188	\$618,497	\$0	\$843,075	\$0
Fees to Enhance Basic Instruction					
Technology user fees	\$0	\$0	\$0	\$0	\$0
Alternative program fees	\$0	\$0	\$0	\$0	\$0
Fees for optional courses	\$333,503	\$417,793	\$0	\$429,530	\$0
Activity fees	\$530,168	\$651,347	\$0	\$713,208	\$0
Early childhood services	\$54,942	\$50,124	\$0	\$51,923	\$0
Other fees to enhance education	\$0	\$0	\$0	\$0	\$0
Other Enhancement fees (describe)	\$115,150	\$0	\$0	\$0	\$0
Other Enhancement fees (describe)	\$0	\$0	\$0	\$0	\$0
Non-Curricular fees					
Extracurricular fees	\$317,800	\$343,546	\$0	\$412,475	\$0
Non-curricular travel	\$193,850	\$228,572	\$0	\$275,468	\$0
Lunch supervision and noon hour activity fees	\$0	\$0	\$0	\$0	\$0
Non-curricular goods and services	\$6,200	\$71,616	\$0	\$161,136	\$0
Other Fees (describe)	\$0	\$0	\$0	\$0	\$0
Other Fees (describe)	\$0	\$0	\$0	\$0	\$0
TOTAL FEES	\$3,377,371	\$3,182,816	\$0	\$4,018,468	\$0

*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 2017	Actual 2016
Cafeteria sales, hot lunch, milk programs	\$8,803	\$19,220
Special events, graduation, tickets	\$380,075	\$199,761
International and out of province student revenue	\$16,875	\$0
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$130,349	\$106,148
Adult education revenue	\$12,863	\$10,990
Preschool	\$77,983	\$0
Child care & before and after school care	\$0	\$0
Lost item replacement fee	\$0	\$0
Other (Describe)	\$0	\$0
Other (Describe)	\$0	\$0
Other (Describe)	\$0	\$0
TOTAL	\$626,948	\$336,119

UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING for the Year Ended August 31, 2017 (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	663	308	75		
Federally Funded Students	193				
REVENUES					
Alberta Education allocated funding	\$ 753,395	\$ 8,067,314	\$ 87,179	\$ 5,882,299	\$ 660,211
Other funding allocated by the board to the program	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 753,395	\$ 8,067,314	\$ 87,179	\$ 5,882,299	\$ 660,211
EXPENSES (Not allocated from BASE, Transportation, or other funding)					
Instructional certificated salaries & benefits	\$ 190,901	\$ 2,108,767	\$ 21,595	\$ 1,798,320	
Instructional non-certificated salaries & benefits	\$ 443,543	\$ 5,013,536	\$ 64,803	\$ 5,753,050	
SUB TOTAL	\$ 634,444	\$ 7,122,303	\$ 86,398	\$ 7,551,370	
Supplies, contracts and services	\$ 133,359	\$ 372,758	\$ 1,810	\$ 440,848	
Program planning, monitoring & evaluation	\$ -	\$ -	\$ -	\$ -	
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -	
Administration (administrative salaries & services)		\$ 457,769	\$ -	\$ -	
Specialized equipment and furniture	\$ -	\$ 114,183	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 767,803	\$ 8,067,013	\$ 88,208	\$ 7,992,218	
NET FUNDING SURPLUS (SHORTFALL)	\$ (14,408)	\$ 301	\$ (1,029)	\$ (2,109,919)	

SCHEDULE 10

UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES for the Year Ended August 31, 2017 (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	\$ 352,222	\$ 55,441	\$ -	\$ 407,663	\$ 46,992	\$ 36,013	\$ -	\$ 490,668
Educational administration (excluding superintendent)	\$ 279,818	\$ 44,294	\$ -	\$ 324,112	\$ 122,323	\$ 27,818	\$ -	\$ 474,253
Business administration	\$ 771,755	\$ 414,942	\$ -	\$ 1,186,697	\$ 340,527	\$ 529,298	\$ -	\$ 2,056,522
Board governance (Board of Trustees)	\$ 338,404	\$ 352,684	\$ -	\$ 691,088	\$ -	\$ -	\$ -	\$ 691,088
Information technology	\$ 46,723	\$ -	\$ -	\$ 46,723	\$ 1,440,769	\$ 536,053	\$ -	\$ 2,023,545
Human resources	\$ 370,000	\$ 63,905	\$ -	\$ 433,905	\$ -	\$ 15,181	\$ -	\$ 449,086
Central purchasing, communications, marketing	\$ 189,419	\$ 20,592	\$ -	\$ 210,011	\$ 114,635	\$ 10,296	\$ -	\$ 334,942
Payroll	\$ 265,743	\$ 30,888	\$ -	\$ 296,631	\$ -	\$ -	\$ -	\$ 296,631
Administration - insurance			\$ 161,643	\$ 161,643			\$ -	\$ 161,643
Administration - amortization			\$ 122,797	\$ 122,797			\$ -	\$ 122,797
Administration - other (admin building, interest)			\$ -	\$ -			\$ -	\$ -
Central Instruction Supports	\$ 145,217	\$ 18,149	\$ -	\$ 163,366	\$ 9,551,234	\$ 310,878	\$ -	\$ 10,025,478
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 2,759,301	\$ 1,000,895	\$ 284,440	\$ 4,044,636	\$ 11,616,481	\$ 1,465,537	\$ -	\$ 17,126,654



Where the world opens up

Management's Discussion and Analysis

August 31, 2017

Management's discussion and analysis

The following is a discussion of the financial condition and results of operations of Parkland School Division No. 70 (the Division) for the year ended August 31, 2017 and should be read with the Division's audited financial statements for the year ended August 31, 2017. The statements have been prepared in accordance with Canadian public sector accounting standards (PSAS).

1. Significant Changes and Events

1.1 Labour Relations

A collective agreement is in place for the 2017-2018 school year for Central Alberta Association of Municipal and School Employees (CAAMSE). The International Union of Operating Engineers (IUOE) collective agreement expired August 31, 2017. The teacher's collective agreement expired August 31, 2016. The Alberta government committed to taking an active role in bargaining through legislation formed the Teachers' Employer Bargaining Association (TEBA) represented by government and school boards to create an effective bargaining structure that will meet the needs of teachers, students and the public. Memorandums of agreement for central items have been ratified. Negotiations for local items are underway.

1.2 Provincial Funding

Total revenues for the Division increased by 1.8% over 2015-2016. This is primarily from enrolment growth.

The 2016-2017 Provincial budget included a provision for an increase in general student enrolment. Base funding represents 56.1% of all revenues for the year.

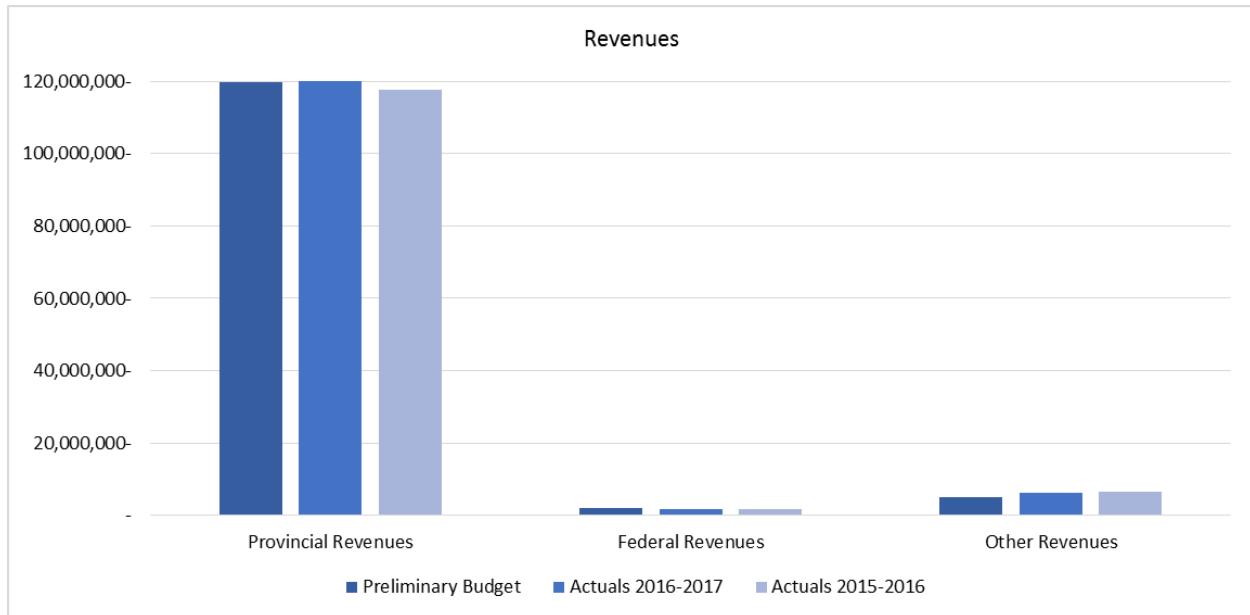
The Infrastructure Maintenance and Renewal (IMR) grant, which provides funds for school renovation and facility upgrading projects is \$2.9M for the year.

1.3 Carbon Levy

On January 1, 2017 a carbon levy is being implemented within the Province of Alberta. Direct costs for 2016-17 are estimated to be \$84k and \$178k in 2017-18. It is believed that the carbon levy will have an impact on the costs of goods and services as suppliers and service providers will pass on higher costs to customers. The financial impact of indirect cost increases resulting from the carbon levy is unknown.

2. Results from Operations

2.1 Revenues



2.1.1 Revenue from Provincial Government

Provincial Revenues

Budget	2017	% of Target	2016	% Change
119,749,724	120,201,295	100.4%	117,788,437	2.0%

The Alberta Government is the key revenue source of the Division providing 94% of its revenues.

Revenue received from the Government of Alberta was as budgeted during the Year.

Compared to the previous year these revenues have increased 2.0% due to an increase in increases in enrollments and an increase in Infrastructure Maintenance and Repair funding.

2.1.2 Revenue from Federal Government

Budget	2017	% of Target	2016	% Change
2,064,254	1,865,312	90.4%	1,757,327	6.1%

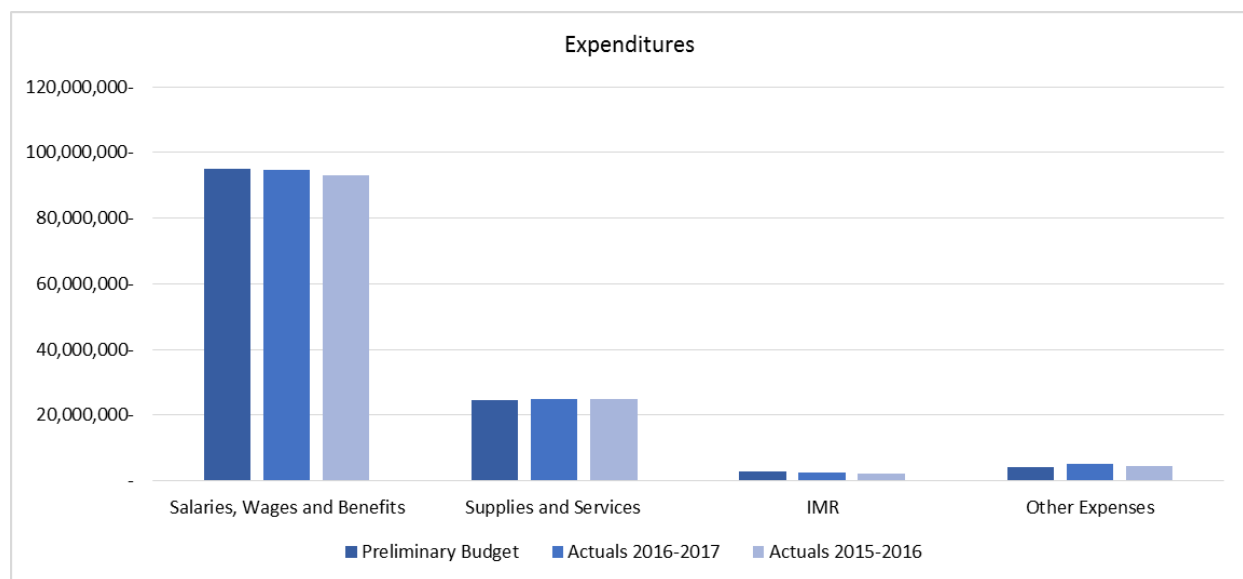
The Federal Government provides funding for First Nation students. Revenue from the Federal Government was below budget for the year as a result of there being less federally funded students enrolled then budgeted. The increase from the prior year is the result of an increase in enrollments.

2.1.3 Other Revenues

Budget	2017	% of Target	2016	% Change
5,038,763	6,230,556	123.7%	6,529,643	-4.6%

Other Revenues for the year are 23.7% higher than budget primarily as the result of school generated funds budgets being conservative. The majority of the variance is comprised of Donations, Fundraising and Special Event/Graduation revenues. There is 4.6% decrease in other revenues compared to the prior year as a large donation of equipment was included in other revenues in 2016.

2.2 Expenditures



2.2.1 Salaries, Wages and Benefits

Budget	2017	% of Target	2016	% Change
95,141,283	94,740,589	99.6%	92,862,837	2.0%

Salaries, wages and benefits was as budgeted for the year. There was a 2.0% increase over last year in this category primarily due to the increased staffing levels to support increased enrolments.

2.2.2 Service, Contracts and Supplies

Budget	2017	% of Target	2016	% Change
24,537,204	24,989,368	101.8%	25,045,682	-0.2%

Service, contracts are 1.8% higher than budget as additional school generated funds were received and expended during the year than budgeted. There was no variance in expenditures compared to the prior year.

2.2.3 Infrastructure Maintenance Renewal

Budget	2017	% of Target	2016	% Change
2,903,970	2,466,916	84.9%	2,165,439	13.9%

Infrastructure, Maintenance and Renewal expenditures were below target for the year as result of not all projects being completed during the year. Unexpended revenues have been deferred into next year. Infrastructure, Maintenance and Renewal expenditures increased by 13.9% over the prior year as the result of increased funding provided by the government.

2.2.4 Other Expenses

Budget	2017	% of Target	2016	% Change
4,256,683	5,145,341	120.9%	4,347,960	18.3%

Other expenses include amortization of capital assets and are 20.9% above target and 18.3% over the prior year is the result of amortization of the Prescott Learning Centre, a change in the amortization rules by Alberta Education and a loss on the disposal of assets.

2.3 Excess of Revenues over Expenses

Overall, the Division had a surplus for the year of \$955K. This included a surplus from operations of \$936K and a surplus in School Generated Funds of \$19K. This corresponds to the following programs and is compared to the same period last year:

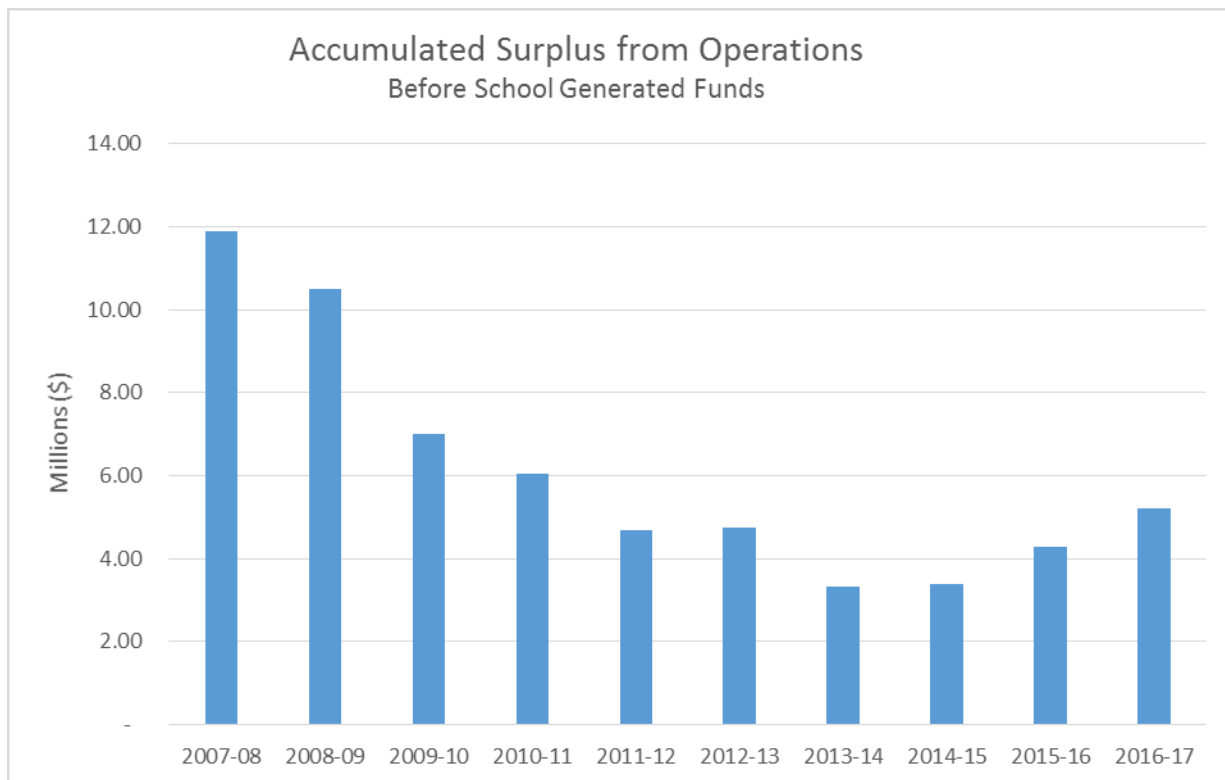
Program	Budget 2016-17	Actual 2016-17	Actual 2015-16
Instruction	63,601	1,383,294	1,717,944
Administration	-	3,805	-
Operations and Maintenance	(50,000)	(143,890)	-
Transportation	-	(306,944)	43,330
External Services	-	-	-
Total	13,601	936,264	1,761,274
Add: SGF		18,686	(107,784)
Total	13,601	954,950	1,653,489

The Instructional program had a surplus of \$1.4M as a result of a new administrative policy that allows schools to carryover 3% of their budgets to a maximum of \$50K per school to assist with timing issues and allow the schools some flexibility from one year to the next. The Administration program's revenues exceeded expenditures by \$4K as the result of lower than anticipated professional costs. Operations and Maintenance had a deficit of \$144K as a result of higher than anticipated utility costs and amortization on assets. The Transportation program had a deficit of \$307K. This is the result of the lower than anticipated fee revenues and transfers from other departments for services and the write off an asset no longer be used. There was a \$19K surplus in school generated funds as a result of the timing between revenues and expenditures.

2.4 Accumulated Surplus from Operations Current Period

Program	Audited Reserves Sep 1, 2016	Actual Surplus (Deficit) August 31, 2017	Reserve Movements	Operating Reserves August 31, 2017
Instruction	2,882,826	1,383,294	(288,629)	3,977,490
Administration	275,248	3,805		279,053
Operations and Maintenance	-	(143,890)	143,890	-
Transportation	186,160	(306,944)	120,784	-
External services	-	-		-
Total	3,344,234	936,264	(23,955)	4,256,543
Unrestricted Surplus	943,768	-		943,768
Accumulated Surplus from Operations (Excluding SGF)	4,288,002	936,264	(23,955)	5,200,311
Add: SGF	893,846	18,686		912,532
Accumulated Surplus from Operations	5,181,848	954,950	(23,955)	6,112,843

The projected financial health indicator Accumulated Surplus from Operations to Expense Ratio (A.S.O. %) is 4.08%.



2.5 Accumulated Surplus

The Accumulated Surplus is comprised of the Accumulated Surplus from Operations, Capital Reserves and the Investment in Capital Assets.

The Operating Surplus by program are the reserves designated for operating purposes by the Board.

The Unrestricted Surplus is a reserve that the Board has not reserved for a specific purpose.

School Generated Funds are reserves within the school that are reserved for specific projects with the schools.

Capital Reserves by program are the reserves designated for future capital purchases by the Board.

Investment in Capital Assets represents the Division's amortized investment in Board supported capital assets.

	Audited Balance at Sep 1, 2016	Actual Balance at Aug 31, 2017	Projected Balance at Aug 31, 2017
Operating Surplus			
Instruction	2,882,826	3,977,490	3,152,540
Administration	275,248	279,053	275,248
Operations and Maintenance	-	-	(50,000)
Transportation	186,160	-	46,979
External Services	-	-	-
Total Restricted Operating Surplus before SGF	3,344,234	4,256,543	3,424,767
Unrestricted Surplus	943,768	943,768	943,769
Accumulated Surplus from Operations (Excluding SGF)	4,288,002	5,200,311	4,368,536
School Generated Funds	893,846	912,532	949,761
Accumulated Surplus from Operations	5,181,848	6,112,843	5,318,297
Capital Reserves			
Instruction	1,993,725	1,900,988	2,535,495
Operations and Maintenance	580,275	383,103	445,324
Administration	1,387,238	1,410,750	1,070,035
Transportation	292,928	293,859	265,419
External Services	28,385	28,385	28,385
Total Capital Reserves	4,282,551	4,017,085	4,344,657
Investment in Capital Assets	6,812,675	7,102,096	6,750,569
Total Accumulated Surplus	16,277,074	17,232,024	16,413,523

3. Financial Condition

The following explains the changes in the Statement of Financial Position at August 31, 2017.

	Aug 31 2017	Aug 31 2016	Change	
Financial Assets				
Cash	13,348,189	13,926,760	(578,571)	See cash flow statement
Accounts receivable	1,793,342	770,009	1,023,333	Grants received in October 2017 year for F2017
	15,141,531	14,696,769	444,762	
Liabilities				
Accounts payable and accruals	4,102,926	4,475,916	(372,990)	Trade payable lower than prior year as a result of number days included in final payment of the year.
Deferred revenue	102,640,004	97,877,652	4,762,352	Expended deferred capital revenue increased as the result of Copperhaven School construction in progress
Employee Future Benefits Liabilities	328,600	265,200	63,400	Contributions and Actuarial Report
Supported Debentures	-	-	-	
	107,071,530	102,618,768	4,452,762	
Net Debt	(91,929,999)	(87,921,999)	(4,008,000)	
Non-Financial Assets				
Property and equipment	108,848,321	103,704,302	5,144,018	Addition of Copperhaven School construction in progress
Prepaid expenses	313,702	494,771	(181,069)	Timing of payments for prepaid insurance
	109,162,023	104,199,073	4,962,949	
Accumulated Surplus	17,232,024	16,277,074	954,950	

4. IMR Projects 2016-17 Overview

Completed Projects in 2016-17

School	Description	2014-15 Actuals	2015-16 Actuals	2016-17 Actuals	Final Cost at August 31, 2017
Blueberry	Reroof north side of building			164,481	164,481
Blueberry	Replace boilers	185,742	20,472	5,603	211,816
Brookwood	Repair access to parking lot			7,247	7,247
Brookwood	Storm water line repairs			17,314	17,314
Broxton Park	Replace unsafe broken roof hatch			8,794	8,794
Broxton Park	Replace 2 water fountains			6,644	6,644
Broxton Park	Study to replace boilers			33,528	33,528
Broxton Park	Replace large motor on main AHU.			15,713	15,713
Broxton Park	New flooring rooms 118, 175, Music room and sky lounge			38,322	38,322
Duffield	Landscaping		43,688		43,688
Duffield	Replace seals in heating water line			35,536	35,536
Entwistle	New flooring room 107			7,204	7,204
Forest Green	Renovate library to create two new teaching spaces		108,507	4,772	113,280
Forest Green	Gym floor sand and recoat			25,925	25,925
Graminia	Replace boilers		151,663	4,316	155,980
Graminia	Repair roof leaks			4,750	4,750
Graminia	Replace heating control system			51,541	51,541
Graminia	Replace Fire Hydrant Water Line		32,543	2,250	34,793
Greystone	Replace Hot Water Tank			8,742	8,742
Greystone	Pave section of failed parking lot			50,394	50,394
Greystone	Repair broken curbs			19,765	19,765
High Park	Replace Hot Water Tank			7,779	7,779
High Park	Replace 2 water fountains			5,961	5,961
High Park	Install new CCTV system for school			11,709	11,709
High Park	Modernize kitchen			55,228	55,228
High Park	Gym floor sand and recoat			44,741	44,741
Keephills	Reroof failed section of gym roof			9,835	9,835
Keephills	Repair and reline cisterns			3,360	
Memorial Comp	Roof Repairs			6,909	6,909
Memorial Comp	Lighting Retrofit - Welding Shop			6,383	6,383
Memorial Comp	Replace failed winches in gyms			20,523	20,523
Meridian Heights	Reroof central hub			152,400	152,400
Meridian Heights	Reroof gym			48,260	48,260
Meridian Heights	Replace hallway floors		214,449	(66,111)	148,338
Meridian Heights	Repair AS4	11,394		500	11,894
Millgrove	Reroof main library section		66,186	132,373	198,559
Millgrove	Repair access to parking lot			6,638	6,638
Millgrove	Renovate office and staff room			153,166	153,166
Millgrove	Replace boot racks throughout school			10,410	10,410
Muir Lake	Replace Fire Alarm System		74,800	1,524	76,324
Muir Lake	Reroof front section of school			168,308	168,308
Muir Lake	Replace boot racks throughout school			9,780	9,780
Muir Lake	Replace heating coils			17,467	17,467
SGCHS	Replace metal partitions			10,160	10,160
SGCHS	Replace Camera System			27,056	27,056
SGCHS	Reroof West side of school (theater)			159,327	159,327
SGCHS	Replace Failed Winches in gyms			19,488	19,488
SPC	Foods Lab Renovation	53,107	39,045	11,368	103,520
SPC	Art Room Renovation	2,233	17,389	3,038	22,659
Tomahawk	Modernize basement due to water damage			192,183	192,183
Wabamun	Replace 6 furnaces throughout the school	70,173	771	8,302	79,246
Wabamun	Replace windows, ceilings and millwork		91,090	33,688	124,778
Wabamun	Washroom Renovation			16,182	16,182
Wabamun	Line and repair crawl spaces			178,688	178,688
Woodhaven	Foods Lab Renovation		16,317	2,087	18,404
Woodhaven	Repair stucco and paint exterior		37,846	24,638	62,484
Total Value of Completed IMR Projects in 2016-17		322,649	914,766	2,006,189	3,240,244

Projects in Progress

School	Description	2014-15 Actuals	2015-16 Actuals	2016-17 Actuals	Total Cost at August 31, 2017
Brookwood	New flooring staff washroom			11,002	11,002
High Park	Replace carpet in library			18,021	18,021
High Park	Replace bleachers			3,233	3,233
Meridian	Repair storm sewer drain			-	-
Millgrove	Replace roof on room 154			-	-
SGCHS	New flooring 2nd and 3rd floor hallways			77,390	77,390
SGCHS	Replace failed roof top unit AS16			37,033	37,033
SGCHS	Replace east side large roof top unit AS17			83,825	83,825
SGCHS	Replace Horizon Stage roof top unit AS14			93,624	93,624
SGCHS	Replace middle roof top unit AS13			80,068	80,068
SGCHS	Washroom Renovation Phase 1			12,635	12,635
SGCHS Inreach	Renovate room 158			8,263	8,263
Tomahawk	Add weeping tile			35,630	35,630
Total Outstanding IMR Projects in 2016-17				460,726	460,726

IMR Program Summary

IMR Carry over at September 1, 2016	74,980
IMR Allocation 2016-17	2,903,970
Year to date IMR Expense	(2,466,916)
Remaining 2016-17	<u>512,034</u>

Long Term IMR Priorities

Based on the Alberta Infrastructure Audits our anticipated replacement costs over the next 5 years will continue to climb as our school buildings reach a critical age of 30-40 years old.

Audit results do not take into account the significant shifts in teaching practices and the changes in physical environments that are often required to educate children in a 21st century learning environment.

Much of this work will remain as deferred maintenance over the coming years. The average yearly IMR funding over the last 5 years is \$2,501,983.

	2017	2018	2019	2020	2021	Total
Blueberry	\$2,030,432	\$0	\$8,416	\$0	\$336,640	\$2,375,488
Brookwood	\$2,582,897	\$53,000	\$72,250	\$40,000	\$482,000	\$3,230,147
Broxton Park	\$5,507,635	\$0	\$159,143	\$98,515	\$23,682	\$5,788,975
Duffield	\$1,413,793	\$704,327	\$72,907	\$0	\$39,828	\$2,230,855
Entwistle	\$1,326,620	\$2,200	\$0	\$0	\$0	\$1,328,820
Forest Green	\$1,310,300	\$0	\$10,000	\$664,496	\$0	\$1,984,796
Graminia	\$2,799,058	\$0	\$0	\$693,214	\$10,420	\$3,502,692
Greystone	\$79,807	\$0	\$47,881	\$27,774	\$0	\$155,462
High Park	\$1,500,108	\$0	\$19,000	\$0	\$0	\$1,519,108
MCHS	\$1,137,926	\$0	\$0	\$0	\$0	\$1,137,926
Meridian Heights	\$2,637,125	\$217,764	\$350,057	\$272,205	\$9,255	\$3,486,406
Millgrove	\$2,178,857	\$0	\$0	\$11,340	\$9,799	\$2,199,996
Muir Lake	\$1,917,440	\$0	\$9,472	\$924,066	\$13,262	\$2,864,240
Parkland Village	\$1,273,695	\$0	\$0	\$0	\$947	\$1,274,642
Seba Beach	\$2,475,997	\$0	\$0	\$486,193	\$0	\$2,962,190
SGCHS	\$6,902,846	\$0	\$153,459	\$1,647,781	\$0	\$8,704,086
Stony Plain Central	\$3,982,021	\$133,380	\$64,076	\$144,743	\$83,834	\$4,408,054
Tomahawk	\$1,014,918	\$28,418	\$0	\$61,572	\$0	\$1,104,908
Wabamun	\$991,915	\$34,843	\$0	\$38,109	\$10,888	\$1,075,755
Woodhaven	\$4,539,023	\$0	\$87,458	\$0	\$0	\$4,626,481
Yearly Total	\$47,602,413	\$1,173,932	\$1,054,119	\$5,110,008	\$1,020,555	\$55,961,027
<i>Rolling Total</i>	<i>\$47,602,413</i>	<i>\$48,776,345</i>	<i>\$49,830,464</i>	<i>\$54,940,472</i>	<i>\$55,961,027</i>	