

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

Parkland School Division #70

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 Parkland School Division #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 audit 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

Lorraine Stewart

Name

"Original Signed"

Signature

SUPERINTENDENT

Shauna Boyce

Name

"Original Signed"

Signature

SECRETARY-TREASURER OR TREASURER

Scott McFadyen

Name

"Original Signed"

Signature

November 26, 2019

Board-approved Release Date

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

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

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Parkland School Division No. 70 (the Division) as at August 31, 2019 and the results of its operations, change in its net debt, its remeasurement gains and losses and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

What we have audited

The Division'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 change in net debt for the year then ended;
- the statement of remeasurement gains and losses for the year then ended; and
- 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 Division 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.



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 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.

In preparing the financial statements, management is responsible for assessing the Division'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 Division or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Division'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 Division'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 Division'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 Division 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

Edmonton, Alberta
November 26, 2019

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

	2019	2018 (Reclassified - Note 6)
FINANCIAL ASSETS		
Cash and cash equivalents (Schedule 5; Note 3)	\$ 13,669,958	\$ 14,812,511
Accounts receivable (net after allowances) (Note 4)	\$ 1,076,335	\$ 1,072,666
Portfolio investments		
Operating (Schedule 5)	\$ -	\$ -
Endowments (Schedules 1 & 5)	\$ -	\$ -
Inventories for resale	\$ -	\$ -
Other financial assets	\$ -	\$ -
Total financial assets	\$ 14,746,293	\$ 15,885,177
LIABILITIES		
Bank indebtedness	\$ -	\$ -
Accounts payable and accrued liabilities (Note 6)	\$ 3,925,229	\$ 5,015,463
Deferred contributions (Note 7)	\$ 115,051,826	\$ 113,972,224
Employee future benefits liabilities (Note 8)	\$ 453,700	\$ 440,600
Liability for contaminated sites	\$ -	\$ -
Other liabilities	\$ -	\$ -
Debt		
Supported: Debentures	\$ -	\$ -
Unsupported: Debentures	\$ -	\$ -
Mortgages and capital loans	\$ -	\$ -
Capital leases	\$ -	\$ -
Total liabilities	\$ 119,430,755	\$ 119,428,287
Net debt	\$ (104,684,462)	\$ (103,543,110)
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 6)	\$ 121,704,251	\$ 120,818,631
Inventory of supplies	\$ -	\$ -
Prepaid expenses (Note 9)	\$ 383,737	\$ 277,277
Other non-financial assets	\$ -	\$ -
Total non-financial assets	\$ 122,087,988	\$ 121,095,908
Accumulated surplus (Schedule 1; Note 10)	\$ 17,403,526	\$ 17,552,798
Accumulating surplus / (deficit) is comprised of:		
Accumulated operating surplus (deficit)	\$ 17,403,526	\$ 17,552,798
Accumulated remeasurement gains (losses)	\$ -	\$ -
	\$ 17,403,526	\$ 17,552,798
Contractual rights (Note 5)		
Contractual obligations (Note 11)		
Contingent liabilities (Note 12)		

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	\$ 126,408,501	\$ 127,138,365	\$ 124,501,083
Federal Government and First Nations	\$ 1,929,889	\$ 1,725,983	\$ 1,778,647
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees	\$ 3,090,990	\$ 2,623,655	\$ 2,506,514
Other sales and services	\$ 726,580	\$ 1,505,698	\$ 1,685,207
Investment income	\$ 170,000	\$ 338,926	\$ 252,880
Gifts and donations	\$ 406,500	\$ 655,687	\$ 962,638
Rental of facilities	\$ 58,680	\$ 7,877	\$ 7,877
Fundraising	\$ 295,600	\$ 369,195	\$ 420,178
Gains on disposal of capital assets	\$ -	\$ 7,833	\$ 19,755
Other revenue	\$ -	\$ -	\$ -
Total revenues	\$ 133,086,740	\$ 134,373,219	\$ 132,134,779
EXPENSES			
Instruction - ECS	\$ 11,353,257	\$ 12,258,751	\$ 11,987,743
Instruction - Grades 1 - 12	\$ 91,550,723	\$ 90,693,745	\$ 90,051,148
Plant operations and maintenance (Schedule 4)	\$ 15,234,325	\$ 15,341,886	\$ 14,179,434
Transportation	\$ 10,975,144	\$ 11,806,545	\$ 11,041,855
Board & system administration	\$ 4,241,495	\$ 4,338,226	\$ 4,480,927
External services	\$ 58,680	\$ 83,338	\$ 72,898
Total expenses	\$ 133,413,624	\$ 134,522,491	\$ 131,814,005
Operating surplus (deficit)	\$ (326,884)	\$ (149,272)	\$ 320,774
Accumulated operating surplus (deficit) at beginning of year		\$ 17,552,798	\$ 17,232,024
Accumulated operating surplus (deficit) at end of year	\$ (326,884)	\$ 17,403,526	\$ 17,552,798

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 (Reclassified - Note 6)
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ (149,272)	\$ 320,774
Add (Deduct) items not affecting cash:		
Amortization of tangible capital assets	\$ 5,939,318	\$ 5,279,259
Net (gain)/loss on disposal of tangible capital assets	\$ (7,833)	\$ (16,203)
Transfer of tangible capital assets (from)/to other entities	\$ -	\$ -
(Gain)/Loss on sale of portfolio investments	\$ -	\$ -
Expended deferred capital revenue recognition	\$ (4,674,990)	\$ (4,085,986)
Deferred capital revenue write-down / adjustment	\$ -	\$ 37,445
Donations in kind	\$ -	\$ -
	\$ 1,107,223	\$ 1,535,289
(Increase)/Decrease in accounts receivable	\$ (3,669)	\$ 720,676
(Increase)/Decrease in inventories for resale	\$ -	\$ -
(Increase)/Decrease in other financial assets	\$ -	\$ -
(Increase)/Decrease in inventory of supplies	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ (106,460)	\$ 36,425
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Increase/(Decrease) in accounts payable, accrued and other liabilities	\$ (1,090,234)	\$ 912,537
Increase/(Decrease) in deferred contributions (excluding EDCC)	\$ 5,754,592	\$ 15,418,206
Increase/(Decrease) in employee future benefit liabilities	\$ 13,100	\$ 112,000
	\$ -	\$ -
Total cash flows from operating transactions	\$ 5,674,552	\$ 18,735,133
B. CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	\$ (6,824,938)	\$ (17,290,566)
Net proceeds from disposal of unsupported capital assets	\$ 7,833	\$ 19,755
	\$ -	\$ -
Total cash flows from capital transactions	\$ (6,817,105)	\$ (17,270,811)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ -	\$ -
Proceeds on sale of portfolio investments	\$ -	\$ -
Other (Describe)	\$ -	\$ -
	\$ -	\$ -
Total cash flows from investing transactions	\$ -	\$ -
D. FINANCING TRANSACTIONS		
Debt issuances	\$ -	\$ -
Debt repayments	\$ -	\$ -
	\$ -	\$ -
Capital lease issuances	\$ -	\$ -
Capital lease payments	\$ -	\$ -
	\$ -	\$ -
	\$ -	\$ -
Total cash flows from financing transactions	\$ -	\$ -
Increase (decrease) in cash and cash equivalents	\$ (1,142,553)	\$ 1,464,322
Cash and cash equivalents, at beginning of year	\$ 14,812,511	\$ 13,348,189
Cash and cash equivalents, at end of year	\$ 13,669,958	\$ 14,812,511

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)	\$ (149,272)	\$ 320,774
Effect of changes in tangible capital assets		
Acquisition of tangible capital assets	\$ (6,824,938)	\$ (17,290,566)
Amortization of tangible capital assets	\$ 5,939,318	\$ 5,279,259
Net (gain)/loss on disposal of tangible capital assets	\$ (7,833)	\$ (16,203)
Net proceeds from disposal of unsupported capital assets	\$ 7,833	\$ 57,200
Write-down carrying value of tangible capital assets	\$ -	\$ -
Transfer of tangible capital assets (from)/to other entities	\$ -	\$ -
Other changes	\$ -	\$ -
Total effect of changes in tangible capital assets	\$ (885,620)	\$ (11,970,310)
Acquisition of inventory of supplies	\$ -	\$ -
Consumption of inventory of supplies	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ (106,460)	\$ 36,425
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Net remeasurement gains and (losses)	\$ -	\$ -
Other changes	\$ -	\$ -
Decrease (increase) in net debt	\$ (1,141,352)	\$ (11,613,111)
Net debt at beginning of year	\$ (103,543,110)	\$ (91,929,999)
Net debt at end of year	\$ (104,684,462)	\$ (103,543,110)

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

STATEMENT OF REMEASUREMENT GAINS AND LOSSES

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

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

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

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

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2018	\$ 17,552,798	\$ -	\$ 17,552,798	\$ 7,635,255	\$ -	\$ 943,768	\$ 5,401,726	\$ 3,572,049
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2018	\$ 17,552,798	\$ -	\$ 17,552,798	\$ 7,635,255	\$ -	\$ 943,768	\$ 5,401,726	\$ 3,572,049
Operating surplus (deficit)	\$ (149,272)		\$ (149,272)			\$ (149,272)		
Board funded tangible capital asset additions				\$ 962,009		\$ -	\$ -	\$ (962,009)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ (7,833)		\$ 7,833
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	\$ -			\$ (5,939,318)		\$ 5,939,318		
Capital revenue recognized	\$ -			\$ 4,674,990		\$ (4,674,990)		
Debt principal repayments (unsupported)	\$ -			\$ -		\$ -		
Additional capital debt or capital leases	\$ -			\$ -		\$ -		
Net transfers to operating reserves	\$ -					\$ (64,405)	\$ 64,405	
Net transfers from operating reserves	\$ -					\$ 221,511	\$ (221,511)	
Net transfers to capital reserves	\$ -					\$ (1,264,328)		\$ 1,264,328
Net transfers from capital reserves	\$ -					\$ -		\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2019	\$ 17,403,526	\$ -	\$ 17,403,526	\$ 7,332,936	\$ -	\$ 943,769	\$ 5,244,620	\$ 3,882,201

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	\$ 5,137,706	\$ 2,279,377	\$ -	\$ 305,368	\$ 264,020	\$ 819,094	\$ -	\$ 139,825	\$ -	\$ 28,385
Prior period adjustments:										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2018	\$ 5,137,706	\$ 2,279,377	\$ -	\$ 305,368	\$ 264,020	\$ 819,094	\$ -	\$ 139,825	\$ -	\$ 28,385
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ -	\$ (631,598)	\$ -	\$ (17,385)	\$ -	\$ (302,836)	\$ -	\$ (10,190)	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ -		\$ -		\$ 7,833		\$ -
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	\$ -		\$ -		\$ 64,405		\$ -		\$ -	
Net transfers from operating reserves	\$ (221,511)		\$ -		\$ -		\$ -		\$ -	
Net transfers to capital reserves		\$ 929,036		\$ 118,414		\$ 155,371		\$ 61,507		\$ -
Net transfers from capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2019	\$ 4,916,195	\$ 2,576,815	\$ -	\$ 406,397	\$ 328,425	\$ 671,629	\$ -	\$ 198,975	\$ -	\$ 28,385

SCHEDULE 2

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

	Other GoA Ministries excluding Infrastructure										
	Alberta Education	Alberta Infrastructure	Other GoA			Total Other GoA Ministries	Gov't of Canada	Donations and grants from others	Other	Total other sources	Total
Deferred Contributions (DC)											
Balance at Aug 31, 2018	\$ 672,431	\$ -	\$ 75,000	\$ -	\$ -	\$ 75,000		\$ -	\$ 41,419	\$ 41,419	\$ 788,850
Prior period adjustments - please explain:	-	-	-	-	-	-	-	-	-	-	-
Adjusted ending balance Aug. 31, 2018	\$ 672,431	\$ -	\$ 75,000	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ 41,419	\$ 41,419	\$ 788,850
Received during the year (excluding investment income)	3,158,624	-	-	-	-	-	-	-	142,232	142,232	3,300,856
transfer (to) grant/donation revenue (excluding investment income)	(2,398,908)	-	(75,000)	-	-	(75,000)	-	-	(106,178)	- 106,178	(2,580,086)
Investment earnings	-	-	-	-	-	-	-	-	-	-	-
Received during the year	12,897	-	-	-	-	-	-	-	-	-	12,897
Transferred to investment income	-	-	-	-	-	-	-	-	-	-	-
Transferred (to) from UDCC	(1,237,350)	-	-	-	-	-	-	-	-	-	(1,237,350)
Transferred directly (to) EDCC	-	-	-	-	-	-	-	-	-	-	-
Transferred (to) from others - please explain:	-	-	-	-	-	-	-	-	-	-	-
DC Closing balance at Aug 31, 2019	\$ 207,694	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,473	\$ 77,473	\$ 285,167
Unspent Deferred Capital Contributions (UDCC)											
Balance at Aug 31, 2018	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -
Prior period adjustments - please explain:	-	-	-	-	-	-	-	-	-	-	-
Adjusted ending balance Aug. 31, 2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Received during the year (excluding investment income)	228,600	4,725,172	-	-	-	4,725,172	-	-	-	-	4,953,772
UDCC Receivable	-	67,153	-	-	-	67,153	-	-	-	-	67,153
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	\$ 1,237,350	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	-	1,237,350
Transferred from (to) EDCC	(1,465,950)	(4,396,980)	-	-	-	(4,396,980)	-	-	-	-	(5,862,930)
Transferred (to) from others- please explain:	-	-	-	-	-	-	-	-	-	-	-
UDCC Closing balance at Aug 31, 2019	\$ -	\$ 395,345	\$ -	\$ -	\$ -	\$ 395,345	\$ -	\$ -	\$ -	\$ -	\$ 395,345
Expended Deferred Capital Contributions (EDCC)											
Balance at Aug 31, 2018	\$ 2,254,482	\$ 110,928,892	\$ -	\$ -	\$ -	\$ 110,928,892	\$ -	\$ -	\$ -	\$ -	\$ 113,183,374
Prior period adjustments - please explain:	-	-	-	-	-	-	-	-	-	-	-
Adjusted ending balance Aug. 31, 2018	\$ 2,254,482	\$ 110,928,892	\$ -	\$ -	\$ -	\$ 110,928,892	\$ -	\$ -	\$ -	\$ -	\$ 113,183,374
Donated tangible capital assets	-	-	-	-	-	-	-	-	-	-	-
Alberta Infrastructure managed projects	-	-	-	-	-	-	-	-	-	-	-
Transferred from DC	-	-	-	-	-	-	-	-	-	-	-
Transferred from UDCC	1,465,950	4,396,980	-	-	-	4,396,980	-	-	-	-	5,862,930
Amounts recognized as revenue (Amortization of EDCC)	(144,095)	(4,530,895)	-	-	-	(4,530,895)	-	-	-	-	(4,674,990)
Disposal of supported capital assets	-	-	-	-	-	-	-	-	-	-	-
Transferred (to) from others - please explain:	-	-	-	-	-	-	-	-	-	-	-
EDCC Closing balance at Aug 31, 2019	\$ 3,576,337	\$ 110,794,977	\$ -	\$ -	\$ -	\$ 110,794,977	\$ -	\$ -	\$ -	\$ -	\$ 114,371,314

SCHEDULE 3

School Jurisdiction Code: 2305

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

REVENUES	2019							2018 (Reclassified)*
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
	ECS	Grades 1 - 12						
(1) Alberta Education	\$ 11,989,809	\$ 86,052,211	\$ 10,452,182	\$ 9,409,425	\$ 4,007,063	\$ -	\$ 121,910,690	\$ 120,139,911
(2) Alberta Infrastructure	\$ -	\$ -	\$ 4,659,352	\$ -	\$ -	\$ 15,638	\$ 4,674,990	\$ 4,085,986
(3) Other - Government of Alberta	\$ -	\$ 85,870	\$ -	\$ -	\$ -	\$ -	\$ 85,870	\$ -
(4) Federal Government and First Nations	\$ -	\$ 1,467,085	\$ 189,858	\$ -	\$ 69,040	\$ -	\$ 1,725,983	\$ 1,778,647
(5) Other Alberta school authorities	\$ -	\$ 108,645	\$ -	\$ 358,170	\$ -	\$ -	\$ 466,815	\$ 275,186
(6) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(9) Fees	\$ 176,875	\$ 1,708,178	\$ -	\$ 738,602	\$ -	\$ -	\$ 2,623,655	\$ 2,506,514
(10) Other sales and services	\$ 133,805	\$ 1,125,736	\$ 685	\$ 180,273	\$ 499	\$ 64,700	\$ 1,505,698	\$ 1,685,207
(11) Investment income	\$ -	\$ -	\$ 12,897	\$ -	\$ 326,029	\$ -	\$ 338,926	\$ 252,880
(12) Gifts and donations	\$ -	\$ 655,687	\$ -	\$ -	\$ -	\$ -	\$ 655,687	\$ 962,638
(13) Rental of facilities	\$ -	\$ -	\$ 4,877	\$ -	\$ -	\$ 3,000	\$ 7,877	\$ 7,877
(14) Fundraising	\$ -	\$ 369,195	\$ -	\$ -	\$ -	\$ -	\$ 369,195	\$ 420,178
(15) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ 7,833	\$ -	\$ -	\$ 7,833	\$ 19,755
(16) Other revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(17) TOTAL REVENUES	\$ 12,300,489	\$ 91,572,607	\$ 15,319,851	\$ 10,694,303	\$ 4,402,631	\$ 83,338	\$ 134,373,219	\$ 132,134,779
EXPENSES								
(18) Certificated salaries	\$ 4,520,213	\$ 54,702,416	\$ -	\$ -	\$ 518,756	\$ -	\$ 59,741,385	\$ 58,191,440
(19) Certificated benefits	\$ 847,362	\$ 11,937,873	\$ -	\$ -	\$ 141,593	\$ -	\$ 12,926,828	\$ 13,088,668
(20) Non-certificated salaries and wages	\$ 4,777,571	\$ 10,984,381	\$ 3,661,989	\$ 777,615	\$ 1,790,265	\$ 49,993	\$ 22,041,814	\$ 21,645,543
(21) Non-certificated benefits	\$ 1,119,321	\$ 2,839,338	\$ 995,266	\$ 144,127	\$ 417,409	\$ -	\$ 5,515,461	\$ 5,508,621
(22) SUB - TOTAL	\$ 11,264,467	\$ 80,464,008	\$ 4,657,255	\$ 921,742	\$ 2,868,023	\$ 49,993	\$ 100,225,488	\$ 98,434,272
(23) Services, contracts and supplies	\$ 946,237	\$ 9,348,748	\$ 5,906,865	\$ 10,823,296	\$ 1,314,832	\$ 17,707	\$ 28,357,685	\$ 28,096,922
(24) Amortization of supported tangible capital assets	\$ -	\$ -	\$ 4,659,352	\$ -	\$ -	\$ 15,638	\$ 4,674,990	\$ 4,085,986
(25) Amortization of unsupported tangible capital assets	\$ 48,047	\$ 880,989	\$ 118,414	\$ 61,507	\$ 155,371	\$ -	\$ 1,264,328	\$ 1,193,273
(26) Supported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(27) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(28) Other interest and finance charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(29) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,552
(30) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(31) TOTAL EXPENSES	\$ 12,258,751	\$ 90,693,745	\$ 15,341,886	\$ 11,806,545	\$ 4,338,226	\$ 83,338	\$ 134,522,491	\$ 131,814,005
(32) OPERATING SURPLUS (DEFICIT)	\$ 41,738	\$ 878,862	\$ (22,035)	\$ (1,112,242)	\$ 64,405	\$ -	\$ (149,272)	\$ 320,774

*For further information on reclassification, see Note 19.

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	\$ 2,622,290	\$ 716,826	\$ -	\$ -	\$ 322,873			\$ 3,661,989	\$ 3,590,703
Uncertificated benefits	\$ 669,225	\$ 252,279	\$ -	\$ -	\$ 73,762			\$ 995,266	\$ 962,300
Sub-total Remuneration	\$ 3,291,515	\$ 969,105	\$ -	\$ -	\$ 396,635			\$ 4,657,255	\$ 4,553,003
Supplies and services	\$ 221,868	\$ 1,429,280	\$ -	\$ 1,985,972	\$ -			\$ 3,637,120	\$ 3,316,941
Electricity			\$ 1,161,806					\$ 1,161,806	\$ 1,043,043
Natural gas/heating fuel			\$ 573,702					\$ 573,702	\$ 563,674
Sewer and water			\$ 132,527					\$ 132,527	\$ 121,958
Telecommunications			\$ 10,184					\$ 10,184	\$ 9,500
Insurance					\$ 391,526			\$ 391,526	\$ 398,627
ASAP maintenance & renewal payments							\$ -	\$ -	\$ -
Amortization of tangible capital assets									
Supported							\$ 4,659,352	\$ 4,659,352	\$ 4,070,348
Unsupported						\$ 118,414		\$ 118,414	\$ 102,340
Total Amortization						\$ 118,414	\$ 4,659,352	\$ 4,777,766	\$ 4,172,688
Interest on capital debt									
Supported							\$ -	\$ -	\$ -
Unsupported						\$ -		\$ -	\$ -
Lease payments for facilities				\$ -				\$ -	\$ -
Other interest charges						\$ -		\$ -	\$ -
Losses on disposal of capital assets						\$ -		\$ -	\$ -
TOTAL EXPENSES	\$ 3,513,383	\$ 2,398,385	\$ 1,878,219	\$ 1,985,972	\$ 788,161	\$ 118,414	\$ 4,659,352	\$ 15,341,886	\$ 14,179,434

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, 2019 (in dollars)

<u>Cash & Cash Equivalents</u>	2019			2018
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash		\$ 13,669,958	\$ 13,669,958	\$ 14,812,511
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%	\$ 13,669,958	\$ 13,669,958	\$ 14,812,511

See Note 3 for additional detail.

<u>Portfolio Investments</u>	2019			2018	
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
Interest-bearing securities					
Deposits and short-term securities	0.00%	\$ -	\$ -	\$ -	\$ -
Bonds and mortgages	0.00%	-	-	-	-
	0.00%	-	-	-	-
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					
Other (Specify)	0.00%	\$ -	\$ -	\$ -	\$ -
Other (Specify)	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Total equities	0.00%	-	-	-	-
Total portfolio investments	0.00%	\$ -	\$ -	\$ -	\$ -

See Note 5 for additional detail.

Portfolio investments

Operating

Cost
Unrealized gains and losses

Endowments

Cost
Unrealized gains and losses
Deferred revenue

Total portfolio investments

2019	2018
\$ -	\$ -
-	-
-	-
\$ -	\$ -
-	-
-	-
-	-
\$ -	\$ -

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

	2019	2018
Under 1 year	0.0%	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%
	0.0%	100.0%

SCHEDULE 6School Jurisdiction Code: **2305**

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

<u>Tangible Capital Assets</u>	2019							2018
	Land	Work 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	\$ 4,438,525	\$ 18,950,932	\$ 159,171,636	\$ 13,945,752	\$ 1,538,275	\$ 3,572,465	\$ 201,617,585	\$ 184,820,457
Prior period adjustments	-	-	-	-	-	-	-	-
Additions	-	2,761,877	2,816,777	1,154,937	81,157	10,190	6,824,938	17,290,566
Transfers in (out)	-	(18,287,691)	18,287,691	-	-	-	-	-
Less disposals including write-offs	-	-	-	(32,621)	(40,864)	-	(73,485)	(493,438)
Historical cost, August 31, 2019	\$ 4,438,525	\$ 3,425,118	\$ 180,276,104	\$ 15,068,068	\$ 1,578,568	\$ 3,582,655	\$ 208,369,038	\$ 201,617,585
Accumulated amortization								
Beginning of year	\$ -	\$ -	\$ 66,932,100	\$ 9,828,704	\$ 1,142,438	\$ 2,895,712	\$ 80,798,954	\$ 75,972,136
Prior period adjustments	-	-	-	-	-	-	-	-
Amortization	-	-	4,226,512	1,294,676	96,619	321,511	5,939,318	5,279,259
Other additions	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	(32,621)	(40,864)	-	(73,485)	(452,441)
Accumulated amortization, August 31, 2019	\$ -	\$ -	\$ 71,158,612	\$ 11,090,759	\$ 1,198,193	\$ 3,217,223	\$ 86,664,787	\$ 80,798,954
Net Book Value at August 31, 2019	\$ 4,438,525	\$ 3,425,118	\$ 109,117,492	\$ 3,977,309	\$ 380,375	\$ 365,432	\$ 121,704,251	
Net Book Value at August 31, 2018	\$ 4,438,525	\$ 18,950,932	\$ 92,239,536	\$ 4,117,048	\$ 395,837	\$ 676,753		\$ 120,818,631

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

*\$2,564,007 work-in-progress consists of one school modernization expected to be completed in the 2020/21 school year. An additional \$197,870 work-in-progress represents a school replacement that is managed and controlled by Alberta Infrastructure and slated for completion in the 2023/24 school year.

SCHEDULE 7School Jurisdiction Code: **2305**

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

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits	Expenses
Chair - Eric Cameron	1.00	\$46,305	\$6,881	\$0			\$0	\$12,388
Ward 1 - Ron Heinrichs	1.00	\$36,757	\$6,485	\$0			\$0	\$22,004
Ward 2 - Lorraine Stewart	1.00	\$39,541	\$2,359	\$0			\$0	\$10,020
Ward 3 - Sally Kucher-Johnson	1.00	\$37,896	\$6,506	\$0			\$0	\$17,771
Ward 4 - Paul McCann	1.00	\$25,541	\$5,933	\$0			\$0	\$6,084
Ward 5 - Anne Montgomery	1.00	\$27,424	\$6,011	\$0			\$0	\$3,027
Ward 6 - Darlene Clarke	1.00	\$35,685	\$6,330	\$0			\$0	\$10,890
	-	\$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	\$249,149	\$40,505	\$0			\$0	\$82,184
Shauna Boyce, Superintendent	1.00	\$224,133	\$54,762	\$1,500	\$0	\$0	\$0	\$14,322
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Scott McFadyen, Secretary Treasurer	1.00	\$213,744	\$43,586	\$1,000	\$0	\$0	\$0	\$12,741
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated		\$59,517,252	\$12,868,566	\$2,000	\$0	\$0	\$0	
School based	588.86							
Non-School based	32.00							
Non-certificated		\$21,578,921	\$5,428,052	\$0	\$0	\$2,318	\$0	
Instructional	314.14							
Plant Operations & Maintenance	63.63							
Transportation	12.36							
Other	34.81							
TOTALS	1,054.80	\$81,783,199	\$18,435,471	\$4,500	\$0	\$2,318	\$0	\$109,247

1. AUTHORITY AND PURPOSE

Parkland School Division No.70 (the Division) delivers education programs under the authority of the *Education Act, 2012*, Chapter E-0.3.

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 Chartered Professional Accountants of Canada 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:

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 and net recoverable value
Accounts payable and accrued liabilities	Cost

Financial Assets

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

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

Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid, investments that are readily convertible to known amounts of cash and that 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.

Accounts Receivable

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

Liabilities

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

Accounts Payable and Accrued Liabilities

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

Deferred Contributions

Deferred Contributions include contributions received for operations which have stipulations that meet the definition of a liability per Public Sector Accounting Standard (PSAS) PS 3200. These contributions are recognized by the School District once it has met all eligibility criteria to receive the contributions. When stipulations are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability.

Deferred 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 jurisdiction, but the related expenditure has not been made at year-end. These contributions must also have stipulations that meet the definition of a liability per PS 3200 when expended.

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

Employee Future Benefits

The Division provides certain post-employment benefits for certain employees including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

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.

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 Government of Alberta. 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.

Non-Financial Assets

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

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

Tangible Capital Assets

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost, including amounts directly related to the acquisition, design, construction, development or betterment of the asset. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair 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.
- 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 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 Division 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 and the interest rate implicit in the lease. As at August 31, 2019, 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 and buses	10% to 20%
Computer hardware and software	20% to 25%
Other equipment and furnishings	10% to 20%

Prepaid Expenses

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

Operating and Capital Reserves

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

Revenue Recognition

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

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

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 contributions.

Expenses

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

Allocation of Costs

- Actual salaries of personnel assigned to two or more programs are allocated based on the time spent in each program.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

Pensions

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

Current and past service costs of the Alberta Teachers Retirement Fund (ATRF) are met by contributions by active members and the Government of Alberta. Under the terms of the Teacher's Pension Plan Act, the School Division does not make pension contributions for certificated staff. The Government portion of the current service contribution to the ATRF on behalf of the jurisdiction is included in both revenues and expenses. For the school year ended August 31, 2019, the amount contributed by the Government was \$6,475,949 (2018 - \$6,674,622).

The Division participates in a multi-employer pension plan, the Local Authorities Pension Plan (LAPP). The Division is not responsible for future funding of the plan deficit other than through contribution increases. The expense for this pension plan is equivalent to the annual contributions of \$1,639,315 for the year ended August 31, 2019 (2018 - \$1,716,911). At December 31, 2018, the Local Authorities Pension Plan reported a surplus of \$3,469,347,000 (2017- a surplus of \$4,835,515,000).

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

The Division participates in the multi-employer supplementary integrated pension plan (SIPP) for members of senior administration. The plan provides a supplement to the LAPP or ATRF pension of 5% of capped earnings (2019 - \$151,278). The annual expenditure for this pension plan is equivalent to the annual contributions of \$37,482 for the year ended August 31, 2019 (2018 - \$41,931).

The non-registered supplemental executive retirement plan (SERP) is administered by the Division and provides an annual retirement benefit of 7.70% of total employee earnings. The cost of SERP is funded by the Division and is actuarially determined using the projected accrued benefit cost method with proration of service costs.

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

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 and 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 is 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 and services, school administration and instruction support and System Instructional Support.

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

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. A summary of Trust balances is listed in Note 13.

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.

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 and estimated employee future benefits.

Change in Accounting Policy

The Division has prospectively adopted the following standards from September 1, 2018: PS 3430, Restructuring Transactions. Management has reviewed this new standard and determined that there is no impact on the Division's financial statements.

Future Accounting Changes

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

- **PS 3280, Asset Retirement Obligations (effective September 1, 2021)**

Effective April 1, 2021, this standard provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

- **PS 3400, Revenue (effective September 1, 2022)**

This standard provides guidance on how to account for and report on revenue, and specifically, it addresses revenue arising from exchange transactions and unilateral transactions.

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

3. CASH AND CASH EQUIVALENTS

As at August 31, 2019, the Division held cash of \$13,669,958 (2018 - \$14,812,511).

4. ACCOUNTS RECEIVABLE

		2019		2018
Alberta Education - Grants	\$	37,267	\$	114,503
Alberta Education - Other (Secondment/Sub time)		76,707		96,587
Other Alberta school jurisdictions		358,155		57,241
Alberta Infrastructure		67,153		121,991
Government of Alberta - Labour		6,612		8,400
Federal government		232,148		342,971
First Nations		18,577		10,317
Municipalities		-		2,489
Other		279,716		318,167
Total	\$	1,076,335	\$	1,072,666

5. 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.

	2019	2018
Contractual rights from operating leases*	\$ 25,860	\$ 3,000
Contractual rights from service agreement	-	-
Total	\$ 25,860	\$ 3,000

*Operating leases include \$Nil (2018 - \$Nil) with other school divisions;

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

	Operating Leases
2019-2020	\$ 8,000
2020-2021	8,600
2021-2022	9,260
2022-2023	-
2023-2024	-
Thereafter	-
Total	\$ 25,860

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2019	2018
		Reclassified
Alberta Education	\$ -	\$ 210,341
Federal government	1,009,928	980,555
Salaries and benefit costs	1,302,341	1,339,323
Other trade payables and accrued liabilities	1,247,397	2,154,110
Unearned revenue	365,563	331,134
Total	\$ 3,925,229	\$ 5,015,463

Effective September 1, 2018, the Division retrospectively changed its accounting policy to align with Alberta Education's disclosure guidance to include unearned revenue as a component of accounts payable and accrued liabilities. This change in policy better reflects the liability due to payors by including unearned revenue in accounts payable and accrued liabilities.

The impact of this change on the statement of financial position as at August 31, 2018 is detailed below:

	Originally Reported	Adjustments	Reclassified
Liabilities			
Accounts payable and accrued liabilities	\$ 4,684,329	\$ 331,134	\$ 5,015,463
Deferred contributions	\$ 114,303,358	\$ (331,134)	\$ 113,972,224

The impact of this change on the statement of cash flows for the year ended August 31, 2018 is detailed below:

	Originally Reported	Adjustments	Reclassified
Operating transactions			
Increase/(Decrease) in accounts payable and accrued and other liabilities	\$ 581,403	\$ 331,134	\$ 912,537
Increase/(Decrease) in Deferred contributions (excluding EDCC)	\$ 15,749,340	\$ (331,134)	\$ 15,418,206

7. DEFERRED CONTRIBUTIONS

SOURCE AND GRANT OR FUND TYPE	DEFERRED CONTRIBUTIONS as at Aug. 31. 2018	ADD: 2018/2019 Restricted Funds Received/ Receivable	DEDUCT: 2018/2019 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2018/2019 Adjustments for Returned Funds	DEFERRED CONTRIBUTIONS as at Aug. 31. 2019
Unexpended deferred operating contributions					
Alberta Education:					
Regional Collaborative Service Delivery	\$ -	\$ -	\$ -	\$ -	\$ -
Student Health Initiative (School Authorities)	-	-	-	-	-
Infrastructure Maintenance Renewal	414,636	2,977,090	(3,223,323)	-	168,403
Alberta Initiative for School Improvement	-	-	-	-	-
SuperNet Service	-	-	-	-	-
Nutrition Grant	27,048	194,431	(203,891)	-	17,588
Building Collaboration & Capacity in Education	230,747	-	(209,044)	-	21,703
Other Alberta Education def'd contributions (specify)	-	-	-	-	-
Other Alberta Education def'd contributions (specify)	-	-	-	-	-
Other Government of Alberta:					
(Specify ministry & program)	-	-	-	-	-
(Specify ministry & program)	-	-	-	-	-
Connection Circle Grant	75,000	-	(75,000)	-	-
(Specify)	-	-	-	-	-
Other Deferred Contributions:					
School Generated Funds	-	-	-	-	-
Fees	-	-	-	-	-
Donations	-	-	-	-	-
Other (Resiliency projects/ERLC/external)	41,419	142,232	(106,178)	-	77,473
Other (Specify)	-	-	-	-	-
Other	-	-	-	-	-
Total unexpended deferred operating contributions	\$ 788,850	\$ 3,313,753	\$ (3,817,436)	\$ -	\$ 285,167
Unexpended deferred capital contributions (Schedule 2)	-	6,258,275	(5,862,930)	-	395,345
Expended deferred capital contributions (Schedule 2)	113,183,374	5,862,930	(4,674,990)	-	114,371,314
Total	\$ 113,972,224	\$ 15,434,958	\$ (14,355,356)	\$ -	\$ 115,051,826

8. EMPLOYEE FUTURE BENEFITS LIABILITIES

The employee future benefits liabilities are related to the Senior Executive Retirement Plan. The obligation has been determined through an actuarial report from Morneau Shepell dated September 27, 2019 using a measurement date of August 31, 2019.

Employee future benefits liabilities consist of the following:

	2019	2018
Opening Balance at the beginning of the period	\$ 440,600	\$ 328,600
Expenses or benefit cost (income) for the year	84,073	126,500
Retirement Installment Payment	(70,973)	(14,500)
Closing Balance at the end of the period	\$ 453,700	\$ 440,600

9. PREPAID EXPENSES

	2019	2018
Prepaid insurance	\$ 257,451	\$ 236,853
Rent	11,670	11,670
Other	114,616	28,754
Total	\$ 383,737	\$ 277,277

10. ACCUMULATED SURPLUS

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

	2019	2018
Unrestricted surplus	\$ 943,769	\$ 943,768
Operating reserves	5,244,620	5,401,726
Accumulated surplus from operations	6,188,389	6,345,494
Investment in tangible capital assets	7,332,936	7,635,255
Capital reserves	3,882,201	3,572,049
Accumulated surplus	\$ 17,403,526	\$ 17,552,798

Accumulated surplus from operations represents unspent funding available to support the Division's operations for the 2018-2019 year and includes a reserve from School Generated Funds (2019 - \$959,561; 2018 - \$923,565).

11. CONTRACTUAL OBLIGATIONS

As at August 31, 2019, the Division has contractual obligations for the next five years for service providers totaling \$28,840,404. The comparative figure has been amended to include bus contracts where the Division has the ability to terminate with notice as management believes this is better information for the users of the financial statements. The Division also has contractual obligations for leased space for two High School Outreach programs.

	2019	2018
Building leases	\$ 527,977	\$ 378,272
Service providers	28,312,427	26,713,257
Total	\$ 28,840,404	\$ 27,091,529

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

	Building Leases	Service Providers
2019-20	\$ 163,689	\$ 9,248,469
2020-21	118,437	7,281,053
2021-22	122,883	5,680,515
2022-23	122,968	3,833,954
2023-24	-	2,268,436
Thereafter	-	-
	\$ 527,977	\$ 28,312,427

12. 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. None of these contingent liabilities involve related parties.

13. TRUSTS UNDER ADMINISTRATION

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

	2019	2018
Deferred salary leave plan	\$ 65,406	\$ 20,604
Scholarship trusts	2,600	5,462
Regional Collaborative Service Delivery (Banker board)	317,217	288,477
	\$ 385,223	\$ 314,543

14. SCHOOL GENERATED FUNDS

	2019	2018
School Generated Funds, Beginning of Year	\$ 923,565	\$ 912,532
Gross Receipts:		
Fees	972,436	1,034,764
Fundraising	369,195	420,178
Gifts and donations	293,152	270,806
Grants to schools	-	-
Other sales and services	262,983	266,479
Total gross receipts	<u>1,897,766</u>	<u>1,992,227</u>
Total Related Expenses and Uses of Funds	101,404	532,774
Total Direct Costs Including Cost of Goods Sold to Raise Funds	1,760,366	1,448,420
School Generated Funds, End of Year	<u><u>\$ 959,561</u></u>	<u><u>\$ 923,565</u></u>
Balance included in Deferred Contributions	\$ -	\$ -
Balance included in Accumulated Surplus (Operating Reserves)	959,561	\$ 923,565

15. 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 in the Division and their close family members.

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

	Balances		Transactions	
	Financial Assets (at cost or net realizable value)	Liabilities (at amortized cost)	Revenues	Expenses
Government of Alberta (GOA):				
Alberta Education				
Accounts receivable / Accounts payable	\$ 113,974	\$ -		
Prepaid expenses / Deferred operating revenue	-	207,694		
Expended deferred capital revenue		3,576,337	144,095	
Grant revenue & expenses			115,434,741	
ATRF payments made on behalf of district			6,475,949	
Other Alberta school jurisdictions	358,155	-	466,815	351,697
Alberta Health Services	-	-	-	9,222
Post-secondary institutions	-	-	-	34,357
Alberta Infrastructure	67,153	-	-	-
Unexpended deferred capital revenue		395,345		
Expended deferred capital revenue		110,794,977	4,530,895	
GOA Labour	6,612	-	-	-
Alberta Local Authorities Pension Plan Corp.	-	-	-	1,639,315
TOTAL 2018/2019	<u>\$ 545,894</u>	<u>\$ 114,974,353</u>	<u>\$127,052,495</u>	<u>\$2,034,591</u>
TOTAL 2017/2018	<u>\$ 402,530</u>	<u>\$ 113,960,507</u>	<u>\$124,501,083</u>	<u>\$1,931,465</u>

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.

16. 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.

17. BUDGET AMOUNTS

The budget was prepared by the Division and approved by the Board of Trustees on May 29, 2018.

18. UNAUDITED SCHEDULES

The unaudited schedules of fee revenue, differential funding, central administration expenses and the nutrition program expenditures were prepared by Division management. These schedules are presented for information purposes and have not been audited.

19. COMPARATIVE FIGURES

Effective April 1, 2018, the majority of the budget and responsibilities for the school capital programs were transferred from Alberta Infrastructure. As the majority of capital grants are now received from Alberta Infrastructure, the Division has made this distinction for the current year. This change is retroactive and is treated as if the associated capital programs were always funded by Alberta Infrastructure.

The comparative figures have been reclassified where necessary to conform to 2018 –19 presentation.

UNAUDITED SCHEDULES

SCHEDULE 8							School Jurisdiction Code: 2305
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	\$553,122	\$607,000	\$738,602	\$0	\$0	\$1,894,918	\$0
Basic Instruction Fees							
Basic instruction supplies	\$78,109	\$0	\$13,514	\$0	\$0	\$108,324	\$0
Fees to Enhance Basic Instruction							
Technology user fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Alternative program fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fees for optional courses	\$422,540	\$336,208	\$317,425	\$0	\$0	\$336,042	\$0
Activity fees	\$777,000	\$910,114	\$803,416	\$0	\$0	\$819,334	\$0
Early childhood services	\$5,183	\$150,000	\$144,025	\$0	\$0	\$144,481	\$0
Other fees to enhance education	\$0	\$21,508	\$0	\$0	\$0	\$0	\$0
Non-Curricular fees							
Extracurricular fees	\$341,155	\$510,822	\$359,653	\$0	\$0	\$359,653	\$0
Non-curricular travel	\$282,347	\$480,321	\$204,350	\$0	\$0	\$204,350	\$0
Lunch supervision and noon hour activity fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-curricular goods and services	\$47,058	\$67,467	\$42,670	\$0	\$0	\$102,132	\$0
Other Fees	\$0	\$7,550	\$0	\$0	\$0	\$0	\$0
TOTAL FEES	\$2,506,514	\$3,090,990	\$2,623,655	\$0	\$0	\$3,969,234	\$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 2019	Actual 2018
Cafeteria sales, hot lunch, milk programs	\$6,778	\$10,042
Special events, graduation, tickets	\$358,986	\$354,163
International and out of province student revenue	\$22,500	\$5,608
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$107,051	\$100,150
Adult education revenue	\$0	\$7,350
Preschool	\$133,805	\$113,671
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	\$629,120	\$590,984

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	765	284	92		
Federally Funded Students					
REVENUES					
Alberta Education allocated funding	\$ 864,136	\$ 9,200,080	\$ 91,303	\$ 6,082,388	\$ 384,463
Other funding allocated by the board to the program	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 864,136	\$ 9,200,080	\$ 91,303	\$ 6,082,388	\$ 384,463
EXPENSES (Not allocated from BASE, Transportation, or other funding)					
Instructional certificated salaries & benefits	\$ 339,904	\$ 2,210,393	\$ 12,132	\$ 1,059,691	
Instructional non-certificated salaries & benefits	\$ 468,040	\$ 5,716,985	\$ 64,803	\$ 8,566,656	
SUB TOTAL	\$ 807,944	\$ 7,927,378	\$ 76,935	\$ 9,626,347	
Supplies, contracts and services	\$ 126,760	\$ 963,247	\$ 1,702	\$ (148,323)	
Program planning, monitoring & evaluation	\$ -	\$ -	\$ -	\$ -	
Facilities (required specifically for program area)	\$ -	\$ 150	\$ -	\$ -	
Administration (administrative salaries & services)	\$ 5,000	\$ 302,047	\$ -	\$ -	
Specialized equipment and furniture	\$ -	\$ 9,029	\$ -	\$ -	
Other	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 939,704	\$ 9,201,851	\$ 78,637	\$ 9,478,024	
NET FUNDING SURPLUS (SHORTFALL)	\$ (75,568)	\$ (1,771)	\$ 12,666	\$ (3,395,636)	

SCHEDULE 10School Jurisdiction Code: 2305

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	\$ 431,494	\$ 38,752	\$ -	\$ 470,246	\$ 48,373	\$ 26,519	\$ -	\$ 545,138
Educational administration (excluding superintendent)	\$ 280,690	\$ 68,803	\$ -	\$ 349,493	\$ 154,082	\$ 32,593	\$ -	\$ 536,168
Business administration	\$ 748,166	\$ 491,917	\$ -	\$ 1,240,083	\$ -	\$ 378,347	\$ -	\$ 1,618,430
Board governance (Board of Trustees)	\$ 330,528	\$ 360,780	\$ -	\$ 691,308	\$ -	\$ -	\$ -	\$ 691,308
Information technology	\$ 47,583	\$ -	\$ -	\$ 47,583	\$ 1,404,938	\$ 512,609	\$ -	\$ 1,965,130
Human resources	\$ 373,690	\$ 81,012	\$ -	\$ 454,702	\$ -	\$ 11,002	\$ -	\$ 465,704
Central purchasing, communications, marketing	\$ 225,525	\$ 30,732	\$ -	\$ 256,257	\$ 151,795	\$ 18,439	\$ -	\$ 426,491
Payroll	\$ 278,183	\$ 36,879	\$ -	\$ 315,062	\$ -	\$ -	\$ -	\$ 315,062
Administration - insurance			\$ 196,488	\$ 196,488			\$ -	\$ 196,488
Administration - amortization			\$ 155,371	\$ 155,371			\$ -	\$ 155,371
Administration - other (admin building, interest)			\$ -	\$ -			\$ -	\$ -
Central Instruction supports and services	\$ 152,164	\$ 9,469	\$ -	\$ 161,633	\$ 8,796,478	\$ 1,380,852	\$ -	\$ 10,338,963
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 2,868,023	\$ 1,118,344	\$ 351,859	\$ 4,338,226	\$ 10,555,666	\$ 2,360,361	\$ -	\$ 17,254,253

School Jurisdiction Code: **2305****SCHEDULE 11**

Average Estimated # of Students Served Per Meal: 0.00

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

*Note: Parkland School Division No. 70 did not participate in the Nutrition Program during the year

	Budget 2019	2019
REVENUES		
Alberta Education - current	\$ 194,431	\$ 194,431
Alberta Education - prior year	\$ 27,048	\$ 27,048
Other Funding	\$ -	\$ -
TOTAL REVENUES	\$ 221,479	\$ 221,479
EXPENSES		
Salaries & Benefits		
Meal Supervisor/Cook/support Worker	\$ -	\$ -
Other (please describe)	\$ -	\$ -
Other (please describe)	\$ -	\$ -
Other (please describe)	\$ -	\$ -
Other (please describe)	\$ -	\$ -
Subtotal: Salaries & Benefits	\$ -	\$ -
Food Supplies \$2/meal x 55 Students x 183 days	\$ -	\$ -
Small Kitchenware		
Measuring cups & measuring spoons	\$ -	\$ -
Plates, bowls & cups	\$ -	\$ -
Utensils	\$ -	\$ -
Other (please describe)	\$ -	\$ -
Other (please describe)	\$ -	\$ -
Subtotal: Small Kitchenware	\$ -	\$ -
Non-Capitalized Assets		
Microwave	\$ -	\$ -
Refrigerator	\$ 12,781	\$ 7,053
Toaster	\$ -	\$ -
Stove	\$ -	\$ -
Tables	\$ -	\$ -
Dishwasher	\$ -	\$ -
Carts to move food	\$ -	\$ -
Garden tower	\$ -	\$ -
Salad bar	\$ -	\$ -
Other (Blender, water dispenser, delivery)	\$ -	\$ -
Subtotal: Non-capitalized Assets	\$ 12,781	\$ 7,053
Training (e.g. food safety training, food prep courses, workshops, training materials)	\$ -	\$ -
Contracted Services (please describe)		
Vendor / Company	\$ 208,698	\$ 196,838
Food Delivery	\$ -	\$ -
Vendor Profit	\$ -	\$ -
Subtotal: Contracted Services	\$ 208,698	\$ 196,838
Other Expenses		
Kitchen aprons	\$ -	\$ -
Family / Nutritional education nights	\$ -	\$ -
Cleaning and sanitation supplies	\$ -	\$ -
Travel & accommodation for Cohort B meetings	\$ -	\$ -
Other (please describe)	\$ -	\$ -
Subtotal: Other Expenses	\$ -	\$ -
TOTAL EXPENSES	\$ 221,479	\$ 203,891
ANNUAL SURPLUS/DEFICIT	\$ -	\$ 17,588

BOARD AND SYSTEM ADMINISTRATION (FOR INFORMATION ONLY - NOT PART OF FINANCIAL STATEMENTS) 2018/2019 EXPENSES UNDER (OVER) MAXIMUM LIMIT	
TOTAL EXPENSES (Net of rental revenue from central administration building)	\$134,522,491
Enter Number of Net Enrolled Students (adjusted for adult & underage students):	10,169
Enter Number of Funded (ECS) Children (headcount):	1,078
"C" if Charter School	
STEP 1	
Calculation of maximum expense limit percentage for Board and System Administration expenses	
If "Total Net Enrolled Students" are 6,000 and over = 3.6%	3.60%
If "Total Net Enrolled Students" are 2,000 and less = 5.4%	
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .00045 per FTE (Example: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .00045 = 0.675% plus 3.6% = maximum expense limit of 4.275%).	
STEP 2	
A. Calculate maximum expense limit amounts for Board and System Administration expenses	
Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES	\$4,842,810
B. Considerations for Charter Schools and Small School Boards:	
If charter schools and small school boards, The amount of Small Board Administration funding (<i>Funding Manual</i> Section 1.13)	\$0
2018/2019 MAXIMUM EXPENSE LIMIT (the greater of A or B above)	\$4,842,810
Actual Board & System Administration from Line 30 of "Schedule of Program Operations" net of rental income (Board & System Administration Column)	\$4,338,226
Amount Overspent	\$0
(Explain reason(s) for over-expenditure if amount overspent in cell "I38" is greater than zero).	



Where the world opens up

Management's Discussion and Analysis

August 31, 2019

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 twelve months ended August 31, 2019 and should be read with the Division's audited financial statements for the year ended August 31, 2019. The statements have been prepared in accordance with Canadian public sector accounting standards (PSAS).

Parkland School Division No. 70 had a total budget of \$133.4 million to provide public education services to almost 11,300 students for the 2018-2019 school year. The division operates 23 schools, two high school outreach centers and one institutional program.

Parkland School Division sits just west of Edmonton, stretched out along highway 16 on the first leg of the route to the Rocky Mountains. At more than 100km east-to-west, Parkland School Division covers approximately 2,400 square kilometers.



Originally an agricultural region, over the past twenty-five years the economic base of Parkland School Division has grown increasingly industrial. The development of major power generation and coal mining projects, added to the production of oil and gas resources have, historically, significantly impacted our demographics. We now recognize that changes to the energy sector – converting coal to natural gas – may continue to impact our region. Additionally, the industrial and commercial developments in the Acheson Park and the Ellis and Sherwin Industrial Parks, as well as industrial parks within Spruce Grove and Stony Plain continue to promote growth in urban areas.

Changes in Alberta's economy have resulted in a noticeable population shift for Parkland School Division as more families move from rural areas to more urban centers, creating smaller rural communities with decreasing school populations.

Parkland School Division believes in fiscal accountability and transparency through regular financial reporting to the board. Resource stewardship is one of the division's enduring priority areas to support student success and well-being. Through resource stewardship student success and well-being are supported by ensuring equitable and sustainable use of our resources and ensuring financial responsibility remains a priority. Assurance Elements that prioritize resource stewardship include a consideration of how limited resources will be utilized with maximum results.

1. Budget – Fall Budget to Actual at August 31, 2019 Analysis

The fall budget forecasted an operating deficit of \$724K and Parkland School Division (The Division) ended the year with a lower deficit of \$149K.

	Spring Budget 2018-2019	Fall Budget 2018-2019	Actual August 31, 2019	Variance from Fall Budget	% Change From Fall Budget
REVENUES					
Alberta Education	\$126,266,414	\$126,362,566	\$121,910,690	(\$4,451,876)	-3.5%
Alberta Infrastructure	-	-	4,674,990	4,674,990	100.0%
Other - Government of Alberta	-	-	85,870	85,870	100.0%
Federal Government and First Nations	1,929,889	1,732,905	1,725,983	(6,922)	-0.4%
Other Alberta school authorities	142,087	320,199	466,815	146,616	45.8%
Fees	3,026,445	2,842,929	2,623,654	(219,274)	-7.7%
Other sales and services	831,125	960,077	1,505,699	545,622	56.8%
Investment income	170,000	170,000	338,926	168,926	99.4%
Gifts and donations	406,500	626,049	655,687	29,638	4.7%
Rental of facilities	18,680	18,680	7,877	(10,803)	-57.8%
Fundraising	295,600	291,000	369,195	78,195	26.9%
Gains on disposal of capital assets	-	-	7,833	7,833	100.0%
Other revenue	-	-	-	-	0.0%
Total revenues	133,086,740	133,324,405	134,373,219	1,048,815	0.8%
EXPENSES By PROGRAM					
Instruction	102,903,979	103,120,172	102,952,496	167,677	0.2%
Plant operations and maintenance	15,234,325	15,415,542	15,341,886	73,656	0.5%
Transportation	10,975,144	11,194,039	11,806,545	(612,506)	-5.5%
Board & system administration	4,241,496	4,260,379	4,338,226	(77,847)	-1.8%
External services	58,680	58,680	83,338	(24,658)	-42.0%
Total expenses	133,413,624	134,048,813	134,522,491	(473,678)	-0.4%
Operating surplus (deficit)	(\$326,884)	(\$724,408)	(\$149,272)	\$575,137	
EXPENSES BY CATEGORY					
Salaries, wages and benefits	\$99,495,500	\$99,791,947	\$100,225,488	(\$433,541)	-0.4%
Services, contracts and supplies	24,530,109	24,501,712	24,509,943	(8,230)	0.0%
School generated Funds	1,718,446	1,762,720	1,861,770	(99,050)	-5.6%
Infrastructure Maintenance Renewal	1,964,386	1,964,386	1,985,972	(21,586)	-1.1%
Amortization of capital assets and interest	5,705,183	6,028,047	5,939,319	88,728	1.5%
Total expenses	\$133,413,624	\$134,048,813	\$134,522,492	(\$473,679)	-0.4%
SURPLUS/(DEFICIT) BY PROGRAM					
Instruction	\$98,116	(\$147,860)	\$884,604	\$1,032,464	
Operations and Maintenance	-	-	(22,035)	(22,035)	
Transportation	(425,000)	(576,548)	(1,112,242)	(535,694)	
Board and System Administration	-	-	64,405	64,405	
External Services	-	-	-	-	
Surplus/(Deficit) from Operations	(326,884)	(724,408)	(185,268)	539,140	
School Generated Funds	-	-	35,996	35,996	
Total Surplus/(Deficit)	(\$326,884)	(\$724,408)	(\$149,272)	\$575,136	

Changes to revenues compared to fall budget resulted in an increase to revenue of \$1.05M which include:

- \$223K Effective April 1, 2018, the majority of the budget and responsibilities for the school capital programs, including the modular program were transferred from Alberta Education to Alberta Infrastructure. This means that the majority of capital grants excluding IMR and playground funding are received from Alberta Infrastructure and should be recognized retroactively as if the associated programs were always funded by Alberta Infrastructure from day one (2018/19 - \$4,674,990). The net variance between Alberta Education and Alberta Infrastructure is due to:
- Additional CEU's revenue which includes \$180K returned to the division for CEU's that were recovered from the division related to the 45 CEU cap that was reversed from prior year
- In the current year, additional CEU's in relation to removal of the CEU cap was offset by a reduction in transportation revenue.
- \$86K Other Government of Alberta Funding increased as the result of Funding from a Community Initiatives Project (CIP) grant for the Wayfinding project (Alberta Traffic Safety Fund) grant which was not budgeted for.
- \$147K Other Alberta School Authorities revenue increased as there was a larger deficit in transportation the regional transportation system and therefor the division recovered a proportional share of the Transportation deficit from our regional partners.
- (\$219K) Fees were lower than budgeted primarily as the result of lower travel fees, extracurricular fees and option course fees. This was partially offset by higher than projected transportation fees due to the requirement of prior years' fees being paid prior to issuing 2019/20 bus passes.
- \$546K Other sales and services increased as it includes higher other revenues than budget including revenues related to graduation, seconded staff and miscellaneous sales which includes staff funds, clothing and external grants.
- \$169K Investment income was higher than budgeted due to increases in interest revenue and the visa rebate.
- \$108K Gifts and donations finished higher than budget and fundraising higher than budget as well.

Changes to expenditures compared to fall budget resulted in an increase to expenses of \$474K which include:

The changes when compared by program are:

- \$168K Instructional expenditures were close to budget. There were savings related to reduced staff development expenditures and staffing changes made at CFE.
- (\$612K) An expected increase of in transportation related to:
- The addition of one new Transportation Planner
 - Increase in the FTE of bus site monitors over budget
 - Increase in contracted bus service costs due to changes to SN routes
- \$74K Plant operations and maintenance expenses came in lower than budget as more IMR was capitalized than planned.
- (\$78K) Board and system administration increased due to an increase in remuneration to the Board of Trustees as a result of the removal of the 1/3 tax free allowance and an increase to awards for year end retirements and opening day. These additional expenses were offset by the surplus of interest revenues in administration.

(\$25K) The increase to external services expense was offset by corresponding revenues.

The changes to expenditures when compared by category are:

(\$434K) Salaries, wages and benefits expense increased as schools reallocated resources in order to supply additional support as needs were identified.

(\$99K) The increase to school generated funds expense were offset by additional revenues.

\$89K Amortization expense at the year-end was lower than estimated.

The change in Accumulated Surplus/(Deficit) (\$149K) is the result of changes to revenue and expenses in the following programs:

\$885K Instruction came in at a surplus due to school carry overs, additional CEU funds and a reduction of expenditures in learning services.

(\$22K) Operations and maintenance were very close to budget.

(\$1.1M) Transportation grant revenues for eligible students and fees from ineligible students for the year did not provide enough revenue to operate the regional transportation service at the current level.

\$64K Board and system administration recorded a surplus due to an increase in interest revenue.

\$36K School generated fund fees are expended annually. The surplus is made up of donations or other funds received.

2. Financial Position – Comparator August 31, 2018 to August 31, 2019

As at August 31, 2019 Parkland School Division has total financial assets of \$14.7M and liabilities of \$119.4M resulting in a net financial debt of \$104.7M.

Financial assets include

- \$13.7M in cash
- \$1.07M in accounts receivable that includes GST receivable, receivables for secondments to other organizations, installment plans, supported capital receivable and other general receivables.

Liabilities include

- \$4.0M in accounts payable and accrued liabilities that includes vendor invoices for amounts incurred but not yet paid for supplies and services and accrued liabilities including payroll withholdings.
- \$115M in deferred contributions that is comprised of both restricted operational funding not expended including unexpended IMR funding and deferred capital funding. The majority of deferred contributions is deferred capital funding for supported capital projects. Unexpended deferred capital revenue is for contributions received for supported capital projects that has not been spent. Expended deferred capital contributions are recorded when a supported asset such as a school is acquired. The contribution is then recognized over the life of the asset in an amount equal to the amortization on the asset.
- \$454K in future benefit liabilities.

Non-financial assets include

- \$121.7M in capital assets, increases to capital assets this year include Copperhaven School including furniture and equipment and the playground, Woodhaven modernization and Stony Plain replacement School
- \$384K in prepaid expenses that is primarily prepaid insurance.



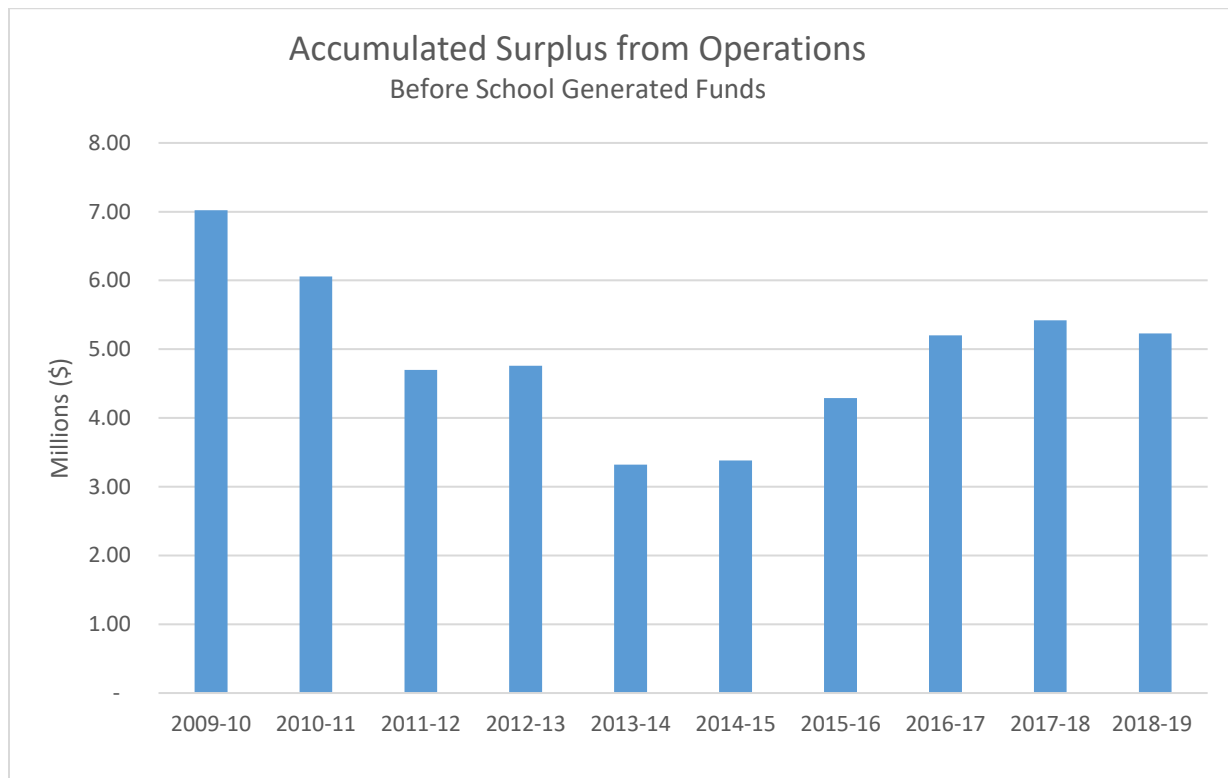
Accumulated surplus includes

- Accumulated Surplus from Operations are reserves designated for operating purposes by the board and include operating reserves by program.
- The Unrestricted Surplus is a reserve that the Board has not reserved for a specific purpose unrestricted surplus and school generated funds.
- School Generated Funds are reserves within the school that are reserved for specific projects within the schools.
- Capital Reserves are designated for future capital purchases by the Board.
- Investment in Capital Assets represents the Division's amortized investment in Board supported capital assets.

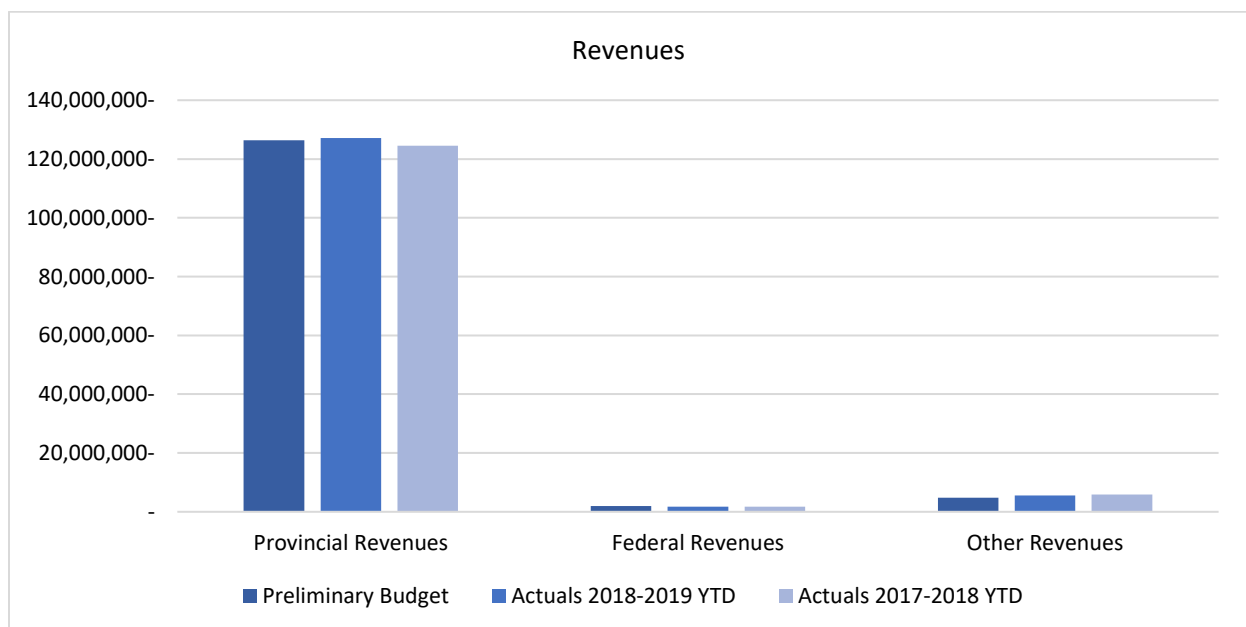
		Audited Balance at Sep 1, 2018	Actual Balance at Aug 31, 2019
Operating Surplus			
Instruction	\$	4,214,142	\$ 3,956,635
Administration		264,020	328,425
Operations and Maintenance		-	-
Transportation		-	-
External Services		-	-
Total Restricted Operating Surplus before SGF		4,478,162	4,285,060
Unrestricted Surplus		943,768	943,769
Accumulated Surplus from Operations (Excluding SGF)		5,421,930	5,228,829
School Generated Funds		923,564	959,560
Accumulated Surplus from Operations	\$	6,345,494	\$ 6,188,389
Capital Reserves			
Instruction	\$	2,279,377	\$ 2,576,815
Operations and Maintenance		305,368	406,397
Administration		819,094	671,629
Transportation		139,825	198,975
External Services		28,385	28,385
Bus Transfer Station		-	-
Total Capital Reserves	\$	3,572,049	\$ 3,882,201
Investment in Capital Assets	\$	7,635,255	\$ 7,332,936
Total Accumulated Surplus	\$	17,552,798	\$ 17,403,526

The projected financial health indicator Accumulated Surplus from Operations (excluding SGF) to Expense Ratio (A.S.O. %) is 3.89%.

3. Results from Operations



3.1 Revenues – Comparator to preliminary budget and actuals August 31, 2018 to August 31, 2019



3.1.1 Revenue from Provincial Government

Budget	2019	% of Budget	2018	% Change
126,408,501	127,138,365	100.6%	124,501,083	2.1%

The Alberta Government is the key revenue source of the Division providing 95% of its revenues.

Revenue received from the Government of Alberta was just under 1% above the budget. Basic and class size grant rates have remained at the same rates as the 2015-16 school year but overall funding has increased as a result of new enrolments. The 2.1% increase over the prior year is primarily the result of enrolment growth and the utilization of previously deferred Infrastructure Maintenance and Renewal funding for capital projects.

3.1.2 Revenue from Federal Government

Budget	2019	% of Budget	2018	% Change
1,929,889	1,725,983	89.4%	1,778,647	-3.0%

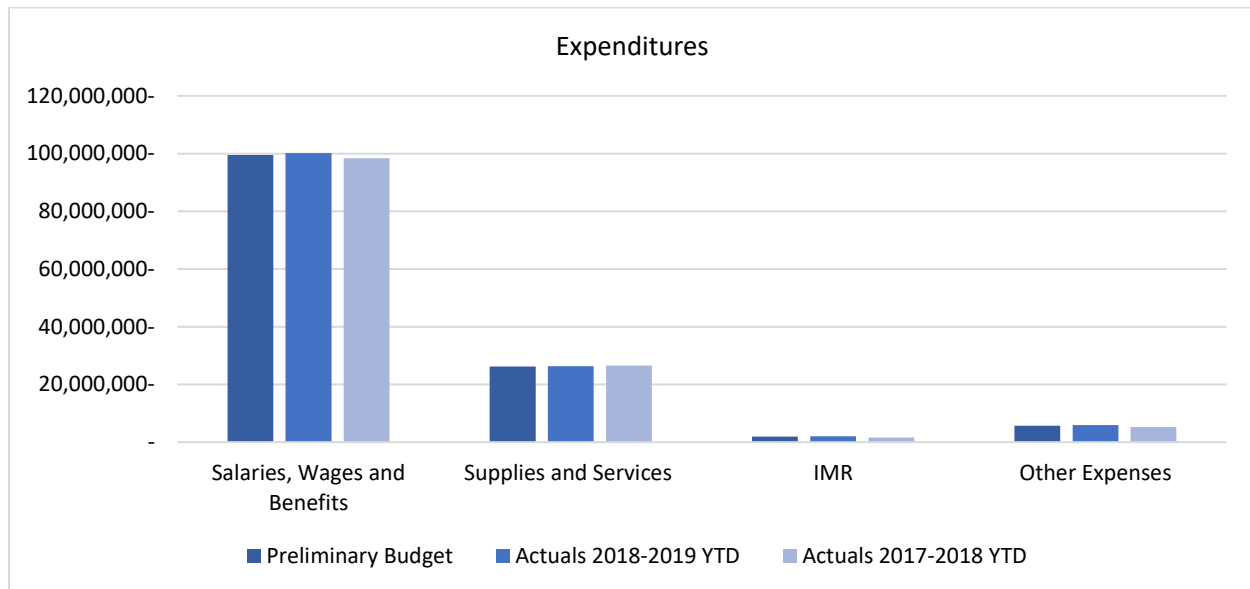
The Federal Government provides funding for First Nation students. The preliminary budget projected higher enrollments, however, there was a decrease in the number of First Nations students. The decrease of 3% compared to the prior year is the result of a decrease in the number of First Nations students.

3.1.3 Other Revenues

Budget	2019	% of Budget	2018	% Change
4,748,350	5,508,870	116.0%	5,855,049	-5.9%

Other Revenues for the year finished at 116% of budget. The increase is attributed to higher revenues from other sales and services (special events and graduation and miscellaneous sales) interest revenue, gifts and donations and fundraising. The 5.9% decrease over the prior year is primarily the result of lower donations related to playgrounds that were donated by parent associations.

3.2 Expenditures - Comparator to preliminary budget and actuals August 31, 2018 to August 31, 2019



3.2.1 Salaries, Wages and Benefits

Budget	2019	% of Budget	2018	% Change
99,495,500	100,225,488	100.7%	98,434,271	1.8%

Salaries, wages and benefits were slightly over budget and 1.8% higher than last year in due to the increased staffing levels to support increased enrolments and changes to the classroom improvement fund, which required all funds to be expended on staffing for the 2018-19 school year.

3.2.2 Service, Contracts and Supplies

Budget	2019	% of Budget	2018	% Change
26,248,555	26,371,712	100.5%	26,523,919	-0.6%

The service, contracts and supplies decreased slightly from the prior year as a result of higher SGF expenditures which changed by (120K).

3.2.3 Infrastructure Maintenance Renewal (IMR)

Budget	2019	% of Budget	2018	% Change
1,964,386	1,985,972	101.1%	1,576,556	26.0%

Infrastructure, Maintenance and Renewal expenditures were 101.1% of budget as IMR is project based and does not occur evenly over the year. IMR expenditures were 26% higher than the prior year as last year as the result differences in the timing of work from year to the next.

3.2.4 Other Expenses

Budget	2019	% of Budget	2018	% Change
5,705,183	5,939,319	104.1%	5,279,258	12.5%

Other expenses include amortization of capital assets and are as expected. The 12.5% increase over the prior year is primarily the result of amortization on Copperhaven School that started this year.

3.3 Excess of Revenues over Expenses

Overall, the Division had a deficit at the end of the year of \$149K. This included a deficit from operations and maintenance of \$22K and a surplus in School Generated Funds of \$36K. This corresponds to the following programs and is compared to the same period last year:

Program	Budget 2018-19	Actual 2018-19	Actual 2017-18
Instruction	\$ 98,116	\$ 884,604	\$ 795,142
Administration	-	64,405	(15,033)
Operations and Maintenance	-	(22,035)	(64,767)
Transportation	(425,000)	(1,112,241)	(405,599)
External Services	-	-	-
Total	\$ (326,884)	\$ (185,268)	\$ 309,743
Add: SGF		35,996	11,032
Total	\$ (326,884)	\$ (149,272)	\$ 320,775

The Instructional program had a surplus of \$885K as a result of an additional \$461K revenue from Alberta Education, other provincial government departments revenue grants of \$86K, reductions in each of the following expense categories; staff development expense of (\$150K), travel (\$57K), telephone and fax (\$70K) and other professional services of (\$61K). A surplus of \$36K was realized from school generated funds. At the year end, the Administration program

was in a surplus position of \$64K. Operations and Maintenance finished with a deficit of \$22K this year end compared to a deficit of \$64K at this time last year. The variance is related to the timing of IMR work done during the year. The Transportation program had a deficit of \$1.1M compared to a deficit of \$406K last year at this time. Transportation grants and fees do not cover the cost of the service we provide. Changes in service level and operational design are expected next year.

4. Significant Changes and Events

4.1 Labour Relations

The International Union of Operating Engineers (IUOE) collective agreement was ratified this year and is in place until August 31, 2023. The teacher's collective agreement is in progress, provincially negotiated items have been ratified and local bargaining is in progress. The Alberta government is continuing its role in bargaining through the Teachers' Employer Bargaining Association (TEBA) which is represented by government and school boards to create an effective bargaining structure that will meet the needs of teachers, students and the public.

4.2 Provincial Funding

The 2018-2019 Provincial budget included a provision for an increase in general student enrolment. Base funding and class size rates have remained at 2015-16 levels with no increase for inflation. Base funding represents 58% of all revenues for the year.

The Infrastructure Maintenance and Renewal (IMR) grant, which provides funds for school renovation and facility upgrading projects was \$3.0M for the year.

4.3 Transportation Deficit

Grant revenues for eligible students and fees from ineligible students for the year did not provide enough revenue to operate the regional transportation service at the current level. In order to tackle this issue, Parkland School Division has done a full redesign of the transportation routing system for the 2019-2020 school year. The redesign has eliminated 27 bus routes, incorporated double runs, adjusted bell times and added transfer locations for significant cost savings for the 2019-2020 school year.