

Minutes of the Organizational and Special Meeting of the Board of Education of the Chinook School Division No. 211 held on Monday, November 23, 2020 at 3:00 p.m. at the Chinook Education Centre.

- PRESENT:** Shane Andrus
Ken Duncalfe
Rachael Eliason
Dianne Hahn
Gwen Humphrey
Susan Mouland
Rachelle Patzer
Kimberly Pridmore
Tim Ramage
Katelyn Toney
- Mark Benesh: Acting Director of Education
Kathy Robson: Acting Deputy Director
Joanne Booth – Communications Coordinator
Jackie Wiebe – Executive Assistant

REGRETS: Rod Quintin: Chief Financial Officer

The meeting was called to order at 3:00 p.m. by Acting Director of Education, Mark Benesh. A call for nominations was made.

BD. CHAIR 142/20 Mouland THAT Kimberly Pridmore be nominated for the position of Board Chair.

NOM.CEASE 143/20 Humphrey THAT nominations for the position of Board Chair cease.

CARRIED

BD. CHAIR 144/20 Mouland THAT Kimberly Pridmore be appointed as Board Chair.

CARRIED

Ms. Pridmore was declared Chairperson and assumed the Chair.

VICE-CHAIR 145/20 Hahn THAT Katelyn Toney be nominated for the position of Board Vice-Chair.

ORGANIZATIONAL MEETING----- November 23, 2020

SWAC 153/20 Andrus THAT Ken Duncalfe be appointed to the SWAC External Committee for 2020 – 2021.

CARRIED

SAMA 154/20 Duncalfe THAT Dianne Hahn be appointed to the SAMA External Committee for 2020 – 2021.

CARRIED

FINANCE 155/20 Toney THAT Ken Duncalfe, Gwen Humphrey and Rachael Eliason be appointed to the Finance Standing Committee for 2020 – 2021.

CARRIED

TECH 156/20 Patzer THAT Dianne Hahn be appointed to the Technology Standing Committee for 2020 – 2021.

CARRIED

FACILITIES 157/20 Ramage THAT Susan Mouland, Dianne Hahn and Rachelle Patzer be appointed to the Facilities Standing Committee for 2020 – 2021.

CARRIED

TRANSPORT 158/20 Toney THAT Rachelle Patzer, Susan Mouland and Shane Andrus be appointed to the Transportation Standing Committee for 2020 – 2021.

CARRIED

SATISFAC 159/20 Hahn THAT Rachael Eliason be appointed to the Employee & ENGAGEMENT Satisfaction and Engagement Committee for 2020 – 2021.

CARRIED

BALLOTS 160/20 Eliason THAT the Ballots be destroyed.

CARRIED

SPECIAL MEETING ----- November 23, 2020

AGENDA 161/20 Andrus THAT the Special Meeting Agenda be approved as circulated and revised.

CARRIED

MINUTES 162/20 Moulard THAT the Minutes of the Regular Meeting of October 13, 2020, and the Minutes of the Special Meeting of October 26, 2020, be approved, as presented.

CARRIED

CONSENT 163/20 Eliason THAT the Consent Agenda Items be approved.
ITEMS

CARRIED

ANNUAL 164/20 Toney THAT the Annual Report, including Financial Statements and
REPORT Public Accounts, for the Chinook School Division No. 211 for the
Period of September 1, 2019 to August 31, 2020 be approved.

CARRIED

Terri Olfert and Brittany Hermanson of Stark and Marsh presented the Auditors Report.

AUDITORS 165/20 Ramage THAT the Auditors Report is received.

CARRIED

AUDITORS 166/20 Hahn THAT the Auditor's Report and Financial Statement, Supporting
REPORT Schedules and notes for the period ending August 31, 2020, be approved as attached pending any significant changes made after Ministry of Education and Finance format review and approval.

CARRIED

CLOSED 167/20 Duncalfe THAT the Board of Education recess the meeting to go into
Closed Session.

CARRIED

Audited Financial Statements

Of the Chinook School Division No. 211

School Division No. 2110500

For the Period Ending: August 31, 2020

Rod Quintin
Chief Financial Officer

Stark & Marsh CPA LLP
Auditor

Note - Copy to be sent to Ministry of Education, Regina

Management's Responsibility for the Financial Statements

The school division's management is responsible for the preparation of the financial statements in accordance with Canadian public sector accounting standards and the format specified in the Financial Reporting Manual issued by the Ministry of Education. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The school division's management maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Education is composed of elected officials who are not employees of the school division. The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and for approving the financial statements. The Board is also responsible for the appointment of the school division's external auditors.

The external auditors, Stark and Marsh CPA LLP, conduct an independent examination in accordance with Canadian auditing standards and express their opinion on the financial statements. The accompanying Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the school division's financial statements. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

On behalf of the Chinook School Division No. 211:

Board Chair

Director of Education

Chief Financial Officer

November 23, 2020

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of Chinook School Division No. 211:

Opinion

We have audited the financial statements of Chinook School Division No. 211, which comprise the statement of financial position as at August 31, 2020, and the statements of operations and accumulated surplus from operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at August 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibility 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.

INDEPENDENT AUDITOR'S REPORT (continued)

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 organization'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 organization'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 organization 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.

CPA LLP
Chartered Professional Accountants

Swift Current, Saskatchewan
<< Pending Board approval of draft financial statements >>

Chinook School Division No. 211
Statement of Financial Position
as at August 31, 2020

	2020	2019
	\$	\$
Financial Assets		
Cash and Cash Equivalents	27,518,214	25,622,054
Accounts Receivable (Note 7)	2,243,506	702,964
Portfolio Investments (Note 3)	3,307,487	1,536,206
Total Financial Assets	33,069,207	27,861,224
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	4,273,795	2,680,977
Long-Term Debt (Note 9)	11,491,815	12,367,519
Liability for Employee Future Benefits (Note 5)	2,076,800	1,942,600
Deferred Revenue (Note 10)	307,718	177,212
Total Liabilities	18,150,128	17,168,308
Net Financial Assets	14,919,079	10,692,916
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	86,554,046	89,094,262
Inventory of Supplies for Consumption	727,724	547,560
Prepaid Expenses	302,572	377,198
Total Non-Financial Assets	87,584,342	90,019,020
Accumulated Surplus (Note 13)	102,503,421	100,711,936
Contractual Rights (Note 16)		
Contractual Obligations and Commitments (Note 17)		
Unrecognized Assets (Note 18)		

The accompanying notes and schedules are an integral part of these statements.

Approved by the Board:

Chairperson

Chief Financial Officer

Chinook School Division No. 211
Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
REVENUES	(Note 14)		
Grants	77,810,154	80,042,760	77,927,635
Tuition and Related Fees	959,715	1,000,112	968,902
School Generated Funds	2,294,400	1,851,322	2,142,756
Complementary Services (Note 11)	431,222	429,651	404,315
External Services (Note 12)	85,896	114,468	108,161
Other	572,430	752,021	849,559
Total Revenues (Schedule A)	82,153,817	84,190,334	82,401,328
EXPENSES			
Governance	345,104	352,505	351,173
Administration	3,184,572	3,113,464	3,200,487
Instruction	56,095,971	52,834,146	53,232,234
Plant	13,603,703	13,993,142	14,720,751
Transportation	10,177,487	9,005,010	9,680,427
Tuition and Related Fees	500,694	569,529	498,717
School Generated Funds	2,151,969	1,562,577	2,095,705
Complementary Services (Note 11)	427,005	438,427	438,388
External Services (Note 12)	72,504	109,093	105,359
Other	436,719	420,956	467,666
Total Expenses (Schedule B)	86,995,728	82,398,849	84,790,907
Operating Surplus (Deficit) for the Year	(4,841,911)	1,791,485	(2,389,579)
Accumulated Surplus from Operations, Beginning of Year	100,711,936	100,711,936	103,101,515
Accumulated Surplus from Operations, End of Year	95,870,025	102,503,421	100,711,936

The accompanying notes and schedules are an integral part of these statements.

Chinook School Division No. 211
Statement of Changes in Net Financial Assets
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
	(Note 14)		
Net Financial Assets, Beginning of Year	10,692,916	10,692,916	9,155,660
Changes During the Year			
Operating Surplus (Deficit) for the Year	(4,841,911)	1,791,485	(2,389,579)
Acquisition of Tangible Capital Assets (Schedule C)	(1,262,831)	(2,342,581)	(968,719)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	128,943	75,771
Net Gain on Disposal of Capital Assets (Schedule C)	-	(486)	(4,781)
Amortization of Tangible Capital Assets (Schedule C)	4,718,571	4,754,340	4,914,881
Net Acquisition of Inventory of Supplies	-	(180,164)	(25,029)
Net Change in Other Non-Financial Assets	-	74,626	(65,288)
Change in Net Financial Assets	(1,386,171)	4,226,163	1,537,256
Net Financial Assets, End of Year	9,306,745	14,919,079	10,692,916

The accompanying notes and schedules are an integral part of these statements.

Chinook School Division No. 211**Statement of Cash Flows
for the year ended August 31, 2020**

	2020	2019
	\$	\$
OPERATING ACTIVITIES		
Operating Surplus (Deficit) for the Year	1,791,485	(2,389,579)
Add Non-Cash Items Included in Surplus / Deficit (Schedule D)	4,753,854	4,910,100
Net Change in Non-Cash Operating Activities (Schedule E)	211,444	(142,444)
Cash Provided by Operating Activities	6,756,783	2,378,077
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(2,342,581)	(968,719)
Proceeds on Disposal of Tangible Capital Assets	128,943	75,771
Cash Used by Capital Activities	(2,213,638)	(892,948)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(3,271,281)	(1,501,688)
Proceeds on Disposal of Portfolio Investments	1,500,000	25,032
Cash Used by Investing Activities	(1,771,281)	(1,476,656)
FINANCING ACTIVITIES		
Proceeds from Issuance of Long-Term Debt	1,347,600	-
Repayment of Long-Term Debt	(2,223,304)	(859,406)
Cash Used in Financing Activities	(875,704)	(859,406)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,896,160	(850,933)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	25,622,054	26,472,987
CASH AND CASH EQUIVALENTS, END OF YEAR	27,518,214	25,622,054

The accompanying notes and schedules are an integral part of these statements.

Draft

Chinook School Division No. 211
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Grants			
Operating Grants			
Ministry of Education Grants			
Operating Grant	75,114,110	75,158,884	74,976,324
Other Ministry Grants	2,328,484	3,978,638	67,652
Total Ministry Grants	77,442,594	79,137,522	75,043,976
Other Provincial Grants	-	-	304
Grants from Others	367,560	465,238	274,782
Total Operating Grants	77,810,154	79,602,760	75,319,062
Capital Grants			
Ministry of Education Capital Grants	-	440,000	2,608,573
Total Capital Grants	-	440,000	2,608,573
Total Grants	77,810,154	80,042,760	77,927,635
Tuition and Related Fees Revenue			
Operating Fees			
Tuition Fees			
School Boards	26,100	43,500	39,150
Federal Government and First Nations	592,245	499,678	537,356
Individuals and Other	-	51,963	-
Total Tuition Fees	618,345	595,141	576,506
Transportation Fees	341,370	404,971	392,396
Total Operating Tuition and Related Fees	959,715	1,000,112	968,902
Total Tuition and Related Fees Revenue	959,715	1,000,112	968,902
School Generated Funds Revenue			
Non-Curricular Fees			
Commercial Sales - GST	4,400	-	-
Commercial Sales - Non-GST	400,000	83,946	64,857
Fundraising	800,000	989,143	893,059
Grants and Partnerships	190,000	26,894	144,905
Students Fees	250,000	157,602	207,680
Other	650,000	593,737	832,255
Total Non-Curricular Fees	2,294,400	1,851,322	2,142,756
Total School Generated Funds Revenue	2,294,400	1,851,322	2,142,756
Complementary Services			
Operating Grants			
Ministry of Education Grants			
Operating Grant	336,622	336,622	333,391
Total Operating Grants	336,622	336,622	333,391
Fees and Other Revenue			
Tuition and Related Fees	94,600	81,494	63,514
Other Revenue	-	11,535	7,410
Total Fees and Other Revenue	94,600	93,029	70,924
Total Complementary Services Revenue	431,222	429,651	404,315

Chinook School Division No. 211
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
External Services			
Operating Grants			
Ministry of Education Grants			
Other Ministry Grants	76,896	114,468	102,492
Total Operating Grants	76,896	114,468	102,492
Fees and Other Revenue			
Other Revenue	9,000	-	5,669
Total Fees and Other Revenue	9,000	-	5,669
Total External Services Revenue	85,896	114,468	108,161
Other Revenue			
Miscellaneous Revenue	313,000	333,294	360,474
Sales & Rentals	9,430	15,711	16,311
Investments	250,000	402,530	467,993
Gain on Disposal of Capital Assets	-	486	4,781
Total Other Revenue	572,430	752,021	849,559
TOTAL REVENUE FOR THE YEAR	82,153,817	84,190,334	82,401,328

Chinook School Division No. 211
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Governance Expense			
Board Members Expense	128,960	131,708	150,575
Professional Development - Board Members	15,000	9,034	15,679
Grants to School Community Councils	56,144	48,416	49,615
Elections	4,000	500	728
Other Governance Expenses	141,000	162,847	134,576
Total Governance Expense	345,104	352,505	351,173
Administration Expense			
Salaries	2,184,509	2,305,639	2,227,715
Benefits	278,354	261,095	240,096
Supplies & Services	234,477	199,397	305,965
Non-Capital Furniture & Equipment	49,694	12,767	24,283
Building Operating Expenses	102,500	85,323	80,250
Communications	104,737	84,240	90,998
Travel	69,378	46,836	74,915
Professional Development	47,000	4,415	20,612
Amortization of Tangible Capital Assets	113,923	113,752	135,653
Total Administration Expense	3,184,572	3,113,464	3,200,487
Instruction Expense			
Instructional (Teacher Contract) Salaries	38,434,617	36,536,515	37,234,236
Instructional (Teacher Contract) Benefits	1,783,247	1,912,137	1,736,206
Program Support (Non-Teacher Contract) Salaries	8,410,333	8,056,574	8,077,184
Program Support (Non-Teacher Contract) Benefits	1,546,412	1,600,617	1,550,130
Instructional Aids	2,050,357	1,330,692	1,262,997
Supplies & Services	916,407	699,684	762,424
Non-Capital Furniture & Equipment	1,033,801	961,021	1,008,798
Communications	191,198	196,191	188,194
Travel	619,983	314,628	414,676
Professional Development	430,990	547,426	337,929
Student Related Expense	483,742	468,622	426,968
Amortization of Tangible Capital Assets	194,884	210,039	232,492
Total Instruction Expense	56,095,971	52,834,146	53,232,234

Chinook School Division No. 211
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Plant Operation & Maintenance Expense			
Salaries	3,286,537	3,384,903	3,300,966
Benefits	611,516	607,987	588,299
Supplies & Services	14,400	5,482	8,389
Non-Capital Furniture & Equipment	39,100	37,780	39,361
Building Operating Expenses	6,814,669	7,098,123	7,737,857
Communications	15,258	12,671	12,938
Travel	151,500	122,237	113,013
Professional Development	12,000	4,294	4,086
Amortization of Tangible Capital Assets	2,658,723	2,719,665	2,915,842
Total Plant Operation & Maintenance Expense	13,603,703	13,993,142	14,720,751
Student Transportation Expense			
Salaries	4,131,775	4,192,272	4,025,997
Benefits	733,180	793,683	705,579
Supplies & Services	1,940,855	1,015,372	1,304,881
Non-Capital Furniture & Equipment	1,148,777	973,389	1,058,902
Building Operating Expenses	222,500	183,755	128,563
Communications	34,908	19,399	20,179
Travel	30,000	27,292	28,265
Professional Development	25,918	6,920	4,923
Contracted Transportation	167,990	91,501	784,151
Amortization of Tangible Capital Assets	1,741,584	1,701,427	1,618,987
Total Student Transportation Expense	10,177,487	9,005,010	9,680,427
Tuition and Related Fees Expense			
Tuition Fees	439,647	509,537	439,647
Transportation Fees	61,047	59,992	59,070
Total Tuition and Related Fees Expense	500,694	569,529	498,717
School Generated Funds Expense			
Academic Supplies & Services	5,000	11,290	4,486
Cost of Sales	620,000	289,034	253,189
Non-Capital Furniture & Equipment	18,000	15,607	7,246
School Fund Expenses	1,500,000	1,237,677	1,819,884
Amortization of Tangible Capital Assets	8,969	8,969	10,900
Total School Generated Funds Expense	2,151,969	1,562,577	2,095,705

Chinook School Division No. 211
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2020

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Complementary Services Expense			
Instructional (Teacher Contract) Salaries & Benefits	224,231	215,032	215,534
Program Support (Non-Teacher Contract) Salaries & Benefits	111,987	99,078	115,741
Transportation Salaries & Benefits	29,939	51,996	39,880
Instructional Aids	1,210	7,516	5,884
Supplies & Services	13,000	15,897	16,966
Non-Capital Furniture & Equipment	-	-	-
Communications	3,100	151	3,461
Travel	2,000	8,655	6,112
Professional Development (Non-Salary Costs)	5,050	312	-
Student Related Expenses	-	1,752	1,994
Contracted Transportation & Allowances	36,000	37,550	31,809
Amortization of Tangible Capital Assets	488	488	1,007
Total Complementary Services Expense	427,005	438,427	438,388
External Service Expense			
Program Support (Non-Teacher Contract) Salaries & Benefits	60,004	62,758	59,636
Instructional Aids	-	2,614	3,252
Supplies & Services	1,000	31,367	25,188
Non-Capital Furniture & Equipment	-	4,664	5,386
Communications	1,500	998	1,225
Travel	8,000	6,199	10,607
Professional Development (Non-Salary Costs)	2,000	493	65
Total External Services Expense	72,504	109,093	105,359
Other Expense			
Interest and Bank Charges			
Current Interest and Bank Charges	2,400	912	97
Interest on Capital Loans	434,319	420,044	453,614
Total Interest and Bank Charges	436,719	420,956	453,711
Provision for Uncollectable Accounts	-	-	13,955
Total Other Expense	436,719	420,956	467,666
TOTAL EXPENSES FOR THE YEAR	86,995,728	82,398,849	84,790,907

Chinook School Division No. 211

**Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2020**

	Land	Buildings	Buildings	School	Other	Furniture and	Computer	Computer	Assets				
	Land	Buildings	Improvements	Short-Term	Buses	Vehicles	Equipment	Hardware and Audio Visual Equipment	Software	Under Construction	2020	2019	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Tangible Capital Assets - at Cost													
Opening Balance as of September 1	1,231,000	2,558,661	118,574,641	1,985,305	9,211,715	17,444,140	1,763,491	5,273,890	1,210,483	34,018	35,656	159,323,000	158,756,528
Additions/Purchases	-	-	-	-	-	1,524,387	78,933	125,621	433,058	48,563	132,019	2,342,581	968,719
Disposals	-	-	-	-	-	(364,487)	-	(1,772,838)	(927,588)	(24,584)	-	(3,089,497)	(402,247)
Closing Balance as of August 31	1,231,000	2,558,661	118,574,641	1,985,305	9,211,715	18,604,040	1,842,424	3,626,673	715,953	57,997	167,675	158,576,084	159,323,000
Tangible Capital Assets - Amortization													
Opening Balance as of September 1	-	1,344,607	48,169,886	533,360	4,410,092	9,358,140	1,400,286	3,980,759	1,007,022	24,586	-	70,228,738	65,645,114
Amortization of the Period	-	91,513	2,263,582	99,265	399,494	1,349,936	142,146	350,105	56,412	1,887	-	4,754,340	4,914,881
Disposals	-	-	-	-	-	(236,030)	-	(1,772,838)	(927,588)	(24,584)	-	(2,961,040)	(331,257)
Closing Balance as of August 31	N/A	1,436,120	50,433,468	632,625	4,809,586	10,472,046	1,542,432	2,558,026	135,846	1,889	N/A	72,022,038	70,228,738
Net Book Value													
Opening Balance as of September 1	1,231,000	1,214,054	70,404,755	1,451,945	4,801,623	8,086,000	363,205	1,293,131	203,461	9,432	35,656	89,094,262	93,111,414
Closing Balance as of August 31	1,231,000	1,122,541	68,141,173	1,352,680	4,402,129	8,131,994	299,992	1,068,647	580,107	56,108	167,675	86,554,046	89,094,262
Change in Net Book Value	-	(91,513)	(2,263,582)	(99,265)	(399,494)	45,994	(63,213)	(224,484)	376,646	46,676	132,019	(2,540,216)	(4,017,152)
Disposals													
Historical Cost	-	-	-	-	-	364,487	-	1,772,838	927,588	24,584	-	3,089,497	402,247
Accumulated Amortization	-	-	-	-	-	236,030	-	1,772,838	927,588	24,584	-	2,961,040	331,257
Net Cost	-	-	-	-	-	128,457	-	-	-	-	-	128,457	70,990
Price of Sale	-	-	-	-	-	128,943	-	-	-	-	-	128,943	75,771
Gain on Disposal	-	-	-	-	-	486	-	-	-	-	-	486	4,781

Chinook School Division No. 211
Schedule D: Non-Cash Items Included in Surplus (Deficit)
for the year ended August 31, 2020

	2020	2019
	\$	\$
Non-Cash Items Included in Surplus (Deficit)		
Amortization of Tangible Capital Assets (Schedule C)	4,754,340	4,914,881
Gain on Disposal of Tangible Capital Assets (Schedule C)	(486)	(4,781)
Total Non-Cash Items Included in Surplus (Deficit)	4,753,854	4,910,100

Chinook School Division No. 211
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2020

	2020	2019
	\$	\$
Net Change in Non-Cash Operating Activities		
Increase in Accounts Receivable	(1,540,542)	(467,946)
Increase in Accounts Payable and Accrued Liabilities	1,592,818	339,073
Increase in Liability for Employee Future Benefits	134,200	36,300
Increase in Deferred Revenue	130,506	40,446
Increase in Inventory of Supplies for Consumption	(180,164)	(25,029)
Decrease (Increase) in Prepaid Expenses	74,626	(65,288)
Total Net Change in Non-Cash Operating Activities	211,444	(142,444)

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

1. AUTHORITY AND PURPOSE

The school division operates under the authority of *The Education Act, 1995* of Saskatchewan as a corporation under the name of “The Board of Education of the Chinook School Division No. 211” and operates as “the Chinook School Division No. 211”. The school division provides education services to residents within its geographic region and is governed by an elected board of trustees. The school division is exempt from income tax and is a registered charity under the *Income Tax Act*.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian public sector accounting standards for other government organizations as established by the Public Sector Accounting Board (PSAB) and as published by the Chartered Professional Accountants of Canada (CPA Canada).

Significant aspects of the accounting policies adopted by the school division are as follows:

a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting.

b) Trust Funds

Trust funds are properties assigned to the school division (trustee) under a trust agreement or statute to be administered for the benefit of the trust beneficiaries. As a trustee, the school division merely administers the terms and conditions embodied in the agreement, and it has no unilateral authority to change the conditions set out in the trust indenture.

Trust funds are not included in the financial statements as they are not controlled by the school division. Trust fund activities administered by the school division are disclosed in Note 15 of the financial statements.

c) Measurement Uncertainty and the Use of Estimates

Canadian public sector accounting standards require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year.

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

Measurement uncertainty that may be material to these financial statements exists for:

- the liability for employee future benefits of \$2,076,800 (2019 - \$1,942,600) because actual experience may differ significantly from actuarial estimations.
- uncollectible accounts receivable of \$13,211 (2019 - \$40,327) because actual collectability may differ from initial estimates.
- accrued liabilities for contaminated sites of \$500,000 (2019 - \$500,000) because actual remediation costs may differ from valuation estimates.
- useful lives of capital assets and related accumulated amortization of \$72,022,038 (2019 - \$70,228,738) because the actual useful lives of the capital assets may differ from their estimated economic lives.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

While best estimates are used for reporting items subject to measurement uncertainty, it is reasonably possible that changes in future conditions, occurring within one fiscal year, could require material changes in the amounts recognized or disclosed.

d) Financial Instruments

Financial instruments are any contracts that give rise to financial assets of one entity and financial liabilities or equity instruments of another entity. A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The school division recognizes a financial instrument when it becomes a party to the contractual provisions of a financial instrument. The financial assets and financial liabilities portray these rights and obligations in the financial statements. Financial instruments of the school division include cash and cash equivalents, accounts receivable, portfolio investments, accounts payable and accrued liabilities, and long-term debt.

All financial instruments are measured at cost or amortized cost. Transaction costs are a component of the cost of financial instruments measured using cost or amortized cost. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenues or expenses. Impairment losses such as write-downs or write-offs are reported in the statement of operations and accumulated surplus from operations.

Gains and losses on financial instruments, measured at cost or amortized cost, are recognized in the statement of operations and accumulated surplus from operations in the period the gain or loss occurs.

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions. Financial assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. The school division believes that it is not subject to significant unrealized foreign exchange translation gains and losses arising from its financial instruments.

Remeasurement gains and losses have not been recognized by the school division in a statement of remeasurement gains and losses because it does not have financial instruments that give rise to material gains or losses.

e) 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. Valuation allowances are used where considered necessary to reduce the amounts reported for financial assets to their net realizable value.

Cash and Cash Equivalents consist of cash, bank deposits and highly liquid investments with initial maturity terms of three months or less and held for the purpose of meeting short-term operating cash commitments rather than for investing purposes.

Accounts Receivable includes provincial grants receivable and other receivables. Provincial grants receivable represent capital grants and other grants earned but not received at the end of the fiscal year, provided reasonable estimates of the amounts can be made. Grants are earned when the events giving rise to the grant have occurred, the grant is authorized and any eligibility criteria have been met.

Other receivables are recorded at cost less valuation allowances. These allowances are recorded where collectability is considered doubtful.

Portfolio Investments consist of Co-op and Credit Union equity and Guaranteed Investment Certificates with a term longer than three months. The school division values its portfolio investments in accordance with its policy for financial instruments, as described in Note 2 (d).

f) Non-Financial Assets

Non-financial assets are assets held for consumption in the provision of services. These assets do not normally provide resources to discharge the liabilities of the school division unless they are sold.

Tangible Capital Assets have useful lives extending beyond the accounting period, are used by the school division to provide services to the public and are not intended for sale in the ordinary course of operations.

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

Tangible capital assets are recorded at cost (or estimated cost when the actual cost is unknown) and include all costs directly attributable to the acquisition, design, construction, development, installation and betterment of the tangible capital asset. The school division does not capitalize interest incurred while a tangible capital asset is under construction.

The cost of depreciable tangible capital assets, net of any residual value, is amortized on a straight line basis over their estimated useful lives as follows:

Land improvements (pavement, fencing, lighting, etc.)	20 years
Buildings	50 years
Buildings – short-term (portables, storage sheds, outbuildings, garages)	20 years
Building improvements	20 years
School buses	12 years
Other vehicles – passenger	5 years
Other vehicles – heavy (graders, 1 ton truck, etc.)	10 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years

Assets under construction are not amortized until completed and placed into service for use.

Inventory of Supplies for Consumption consists of supplies held for consumption by the school division in the course of normal operations and are recorded at the lower of cost and replacement cost. Cost is determined by LIFO.

Prepaid Expenses are prepaid amounts for goods or services which will provide economic benefits in one or more future periods. Prepaid expenses include insurance premiums, Workers' Compensation premiums, conference fees, maintenance contracts and software licenses.

g) Liabilities

Liabilities are present obligations arising from transactions and events occurring prior to year-end, which will be satisfied in the future through the use of assets or another form of economic settlement.

Accounts Payable and Accrued Liabilities include accounts payable and accrued liabilities owing to third parties and employees for work performed, goods supplied, services rendered, and interest accrued, but not yet paid, at the end of the fiscal period.

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

Liability for Contaminated Sites are recorded using the school division's best estimate of the amount required to remediate sites for which the school division is either directly responsible or has accepted responsibility. The contaminated sites liability represents the cost of activities to bring the site to the current minimum environmental standard based on the nature of its use prior to contamination. These liabilities are reported net of any expected recoveries.

Long-Term Debt is comprised of capital loans with initial maturities of more than one year and are incurred for the purpose of financing capital expenses in accordance with the provisions of *The Education Act, 1995*.

Liability for Employee Future Benefits represents post-employment and compensated absence benefits that accrue to the school division's employees. The cost of these benefits is recorded as the benefits are earned by employees. The liability relating to these benefits is actuarially determined using the projected benefit method pro-rated on service. Actuarial valuations are performed periodically using assumptions including discount rate, inflation, salary escalation, termination and retirement rates and mortality. An actuary extrapolates these valuations when a valuation is not done in the current fiscal year. Actuarial gains and losses are amortized on a straight line basis over the expected average remaining service life of the related employee groups.

h) Employee Pension Plans

Employees of the school division participate in the following pension plans:

Multi-Employer Defined Benefit Plans

The school division's employees participate in one of the following multi-employer defined benefit plans:

- i) Teachers participate in the Saskatchewan Teachers' Retirement Plan (STRP) or the Saskatchewan Teachers' Superannuation Plan (STSP). The school division's obligation for these plans is limited to collecting and remitting contributions of the employees at rates determined by the plans.
- ii) Other employees participate in the Municipal Employees' Pension Plan (MEPP). The plan is accounted for as a defined contribution plan whereby the school division's contributions are expensed when due.

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

i) Revenue Recognition

Revenues are recorded on the accrual basis. Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues, provided the amount to be received can be reasonably estimated and collection is reasonably assured.

The school division's sources of revenues include the following:

i) Government Transfers (Grants)

Grants from governments are considered to be government transfers. Government transfers are recognized as revenues when the transfer is authorized, all eligibility criteria have been met, except when, and to the extent, stipulations by the transferor give rise to an obligation that meets the definition of a liability. Transfers with stipulations are recorded as deferred revenue and recognized as revenue in the statement of operations and accumulated surplus from operations as the stipulation liabilities are settled.

ii) Fees and Services

Revenues from tuition fees and other fees and services are recognized in the year they are earned. Amounts that are restricted pursuant to legislation, regulation or agreements with external parties that may only be used in the conduct of certain programs or in the delivery of specific services and transactions are initially recorded as deferred revenue and subsequently recognized as revenue in the fiscal year the related expenses are incurred or services are performed.

iii) Interest Income

Interest is recognized as revenue when it is earned.

iv) Other (Non-Government Transfer) Contributions

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the school division if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

3. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

	2020	2019
Portfolio investments in the cost and amortized cost category:	<u>Cost</u>	<u>Cost</u>
GICs:		
Canaccord Genuity, 2.55%, maturing November, 2020	\$ 750,000	\$ -
Canaccord Genuity, 2.50%, maturing February, 2021	750,000	-
Canaccord Genuity, 2.30%, maturing April, 2021	1,001,077	-
Canaccord Genuity, 1.65%, maturing June, 2021	769,177	-
Affinity Credit Union, 2.75%, maturing November, 2022	7,410	7,410
Canaccord Genuity, 2.80%, maturing April, 2020	-	750,000
Canaccord Genuity, 2.55%, maturing May, 2020	-	750,000
Co-op and Credit Union Equity	29,823	28,796
Total portfolio investments reported at cost and amortized cost	\$ 3,307,487	\$ 1,536,206

4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2020 Actual	2019 Actual
Governance	\$ 85,380	\$ 267,125	\$ -	\$ -	\$ 352,505	\$ 351,173
Administration	2,566,734	432,978	-	113,752	3,113,464	3,200,487
Instruction	48,105,843	4,518,264	-	210,039	52,834,146	53,232,234
Plant	3,992,890	7,280,587	-	2,719,665	13,993,142	14,720,751
Transportation	4,985,955	2,317,628	-	1,701,427	9,005,010	9,680,427
Tuition and Related Fees	-	569,529	-	-	569,529	498,717
School Generated Funds	-	1,553,608	-	8,969	1,562,577	2,095,705
Complementary Services	366,106	71,833	-	488	438,427	438,388
External Services	62,758	46,335	-	-	109,093	105,359
Other	-	912	420,044	-	420,956	467,666
TOTAL	\$ 60,165,666	\$ 17,058,799	\$ 420,044	\$ 4,754,340	\$ 82,398,849	\$ 84,790,907

5. EMPLOYEE FUTURE BENEFITS

The school division provides certain post-employment, compensated absence and termination benefits to its employees. These benefits include accumulating non-vested sick leave, accumulating vacation banks, accumulating paid time off (PTO) banks, and retirement gratuity. The liability associated with these benefits is calculated as the present value of expected future payments pro-rated for service and is recorded as Liability for Employee Future Benefits in the statement of financial position. HUB International Limited, a firm of consulting actuaries, performed an actuarial valuation as at March 31, 2018 and extrapolated the results to estimate the Liability for Employee Future Benefits as at August 31, 2020. The benefits consulting practice, previously owned by Morneau Shepell Inc., was acquired by HUB International Limited in March 2020.

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

Details of the employee future benefits are as follows:

	2020	2019
Long-term assumptions used:		
Discount rate at end of period (per annum)	1.54%	1.93%
Inflation and productivity rate - Teachers (excluding merit and promotion) (per annum)	2.50%	2.50%
Inflation and productivity rate - Non-Teachers (excluding merit and promotion) (per annum)	3.00%	3.00%
Expected average remaining service life (years)	13	13

Liability for Employee Future Benefits	2020	2019
Accrued Benefit Obligation - beginning of year	\$ 1,771,100	\$ 1,463,400
Current period service cost	164,100	114,200
Interest cost	36,900	46,000
Benefit payments	(50,800)	(89,300)
Actuarial losses	90,300	209,000
Plan amendments	-	27,800
Accrued Benefit Obligation - end of year	2,011,600	1,771,100
Unamortized net actuarial gains	65,200	171,500
Liability for Employee Future Benefits	\$ 2,076,800	\$ 1,942,600

Expense for Employee Future Benefits	2020	2019
Current period service cost	\$ 164,100	\$ 114,200
Amortization of net actuarial gain	(16,000)	(34,600)
Benefit cost	148,100	79,600
Interest cost	36,900	46,000
Total Employee Future Benefits Expense	\$ 185,000	\$ 125,600

6. PENSION PLANS

Multi-Employer Defined Benefit Plans

Information on the multi-employer pension plans to which the school division contributes is as follows:

i) Saskatchewan Teachers' Retirement Plan (STRP) and Saskatchewan Teachers' Superannuation Plan (STSP)

The STRP and STSP provide retirement benefits based on length of service and pensionable earnings.

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

The STRP and STSP are funded by contributions by the participating employee members and the Government of Saskatchewan. The school division's obligation to the STRP and STSP is limited to collecting and remitting contributions of the employees at rates determined by the plans. Accordingly, these financial statements do not include any expense for employer contributions to these plans. Net pension assets or liabilities for these plans are not reflected in these financial statements as ultimate responsibility for retirement benefits rests with the Saskatchewan Teachers' Federation for the STRP and with the Government of Saskatchewan for the STSP.

Details of the contributions to these plans for the school division's employees are as follows:

	2020			2019
	STRP	STSP	TOTAL	TOTAL
Number of active School Division members	503	5	508	530
Member contribution rate (percentage of salary)	9.50%/11.70%	6.05%/7.85%	6.05%/11.70%	6.05%/11.70%
Member contributions for the year	\$ 3,723,056	\$ 639	\$ 3,723,695	\$ 3,731,387

ii) Municipal Employees' Pension Plan (MEPP)

The MEPP provides retirement benefits based on length of service and pensionable earnings.

The MEPP is funded by employer and employee contributions at rates set by the Municipal Employees' Pension Commission.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees which could affect future contribution rates and/or benefits.

The contributions to the MEPP by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for this plan are not recognized in these financial statements. The plan is accounted for as a defined contribution plan whereby the school division's contributions are expensed when due.

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

Details of the MEPP are as follows:

	2020	2019
Number of active School Division members	595	620
Member contribution rate (percentage of salary)	9.00%	9.00%
School Division contribution rate (percentage of salary)	9.00%	9.00%
Member contributions for the year	\$ 1,422,404	\$ 1,365,957
School Division contributions for the year	\$ 1,422,404	\$ 1,369,793
Actuarial extrapolation date	Dec-31-2019	Dec-31-2018
Plan Assets (in thousands)	\$ 2,819,222	\$ 2,487,505
Plan Liabilities (in thousands)	\$ 2,160,754	\$ 2,024,269
Plan Surplus (in thousands)	\$ 658,468	\$ 463,236

7. ACCOUNTS RECEIVABLE

All accounts receivable presented on the statement of financial position are net of any valuation allowances for doubtful accounts. Details of accounts receivable balances and allowances are as follows:

	2020			2019		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Capital Grant Receivable	\$ 220,000	\$ -	\$ 220,000	\$ 222,866	\$ -	\$ 222,866
Other Ministry Grants Receivable	1,623,373	-	1,623,373	-	-	-
Receivable from First Nations	13,211	13,211	-	177,540	13,211	164,329
GST Receivable	173,935	-	173,935	168,765	-	168,765
Accrued Interest	37,657	-	37,657	-	-	-
Other	188,541	-	188,541	174,120	27,116	147,004
Total Accounts Receivable	\$ 2,256,717	\$ 13,211	\$ 2,243,506	\$ 743,291	\$ 40,327	\$ 702,964

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2020	2019
Accrued Salaries and Benefits	\$ 909,180	\$ 928,571
Supplier Payments	2,660,439	1,080,041
Liability for Contaminated Sites	500,000	500,000
Accrued Interest Payable	69,495	74,527
Capital Holdbacks	134,681	97,838
Total Accounts Payable and Accrued Liabilities	\$ 4,273,795	\$ 2,680,977

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

The school division recognized an estimated liability for contaminated site of \$500,000 (2019 - \$500,000) for the remediation of Sidney Street School using environmental assessment studies. The nature of the liability is hydrocarbon contamination to the soil due to underground gas storage tanks. The assumptions used in estimating the liability include estimation of remediation costs in the environmental studies coupled with past best practices of costs associated with the remediation solutions. The amount of estimated recoveries is \$0 (2019 - \$0).

9. LONG-TERM DEBT

Details of long-term debt are as follows:

	2020	2019
Capital Loans:		
Bank of Nova Scotia fixed rate (4.09%), secured by security agreement for Municipalities and School Boards, maturing July 2023. Monthly blended payments of \$30,410.	\$ 1,318,590	\$ 1,622,725
TD Bank fixed rate (3.58%), unsecured, maturing April 2033. Monthly blended payments of \$55,379.	6,763,849	7,176,177
TD Bank fixed rate (2.70%), unsecured, maturing October 2034. Monthly blended payments of \$9,122.	1,287,583	-
Innovation CU fixed rate (4.26%), secured by general security agreement and assignment of book debts, paid out October 2019. Monthly blended payments of \$6,745.	-	873,698
Innovation CU fixed rate (2.60%), secured by general security agreement and assignment of book debts, paid out October 2019. Monthly blended payments of \$3,129.	-	473,879
Royal Bank fixed rate (3.33%), unsecured, maturing November 2035. Annual blended payments of \$173,208.	2,121,793	2,221,040
Total Long-Term Debt	\$ 11,491,815	\$ 12,367,519

Future principal repayments over the next 5 years are estimated as follows:

	Capital Loans		Total
2021	\$	927,933.0	\$ 927,933
2022		962,365	962,365
2023		998,090	998,090
2024		1,004,154	1,004,154
2025		700,492	700,492
Thereafter		6,898,781	6,898,781
Total	\$	11,491,815	\$ 11,491,815

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

Principal and interest payments on the long-term debt are as follows:				
	Capital Loans	2020	2019	
Principal	\$ 2,223,304	\$ 2,223,304	\$ 859,406	
Interest	420,043	420,043	453,614	
Total	\$ 2,643,347	\$ 2,643,347	\$ 1,313,020	

10. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at Aug. 31, 2019	Additions during the Year	Revenue recognized in the Year	Balance as at Aug. 31, 2020
Capital projects:				
Federal capital tuition	\$ 111,531	\$ -	\$ -	\$ 111,531
Total capital projects deferred revenue	111,531	-	-	111,531
Non-Capital deferred revenue:				
Climate Action Incentive Funding	162,567	-	-	162,567
Chinook International Program	43,570	-	14,365	29,205
CAMPS - Fundraising	20,028	-	20,028	-
English as Additional Language Grant	2,070	-	2,070	-
Rentals	13	-	1	12
Tuition	-	4,403	-	4,403
Total Non-Capital deferred revenue	228,248	4,403	36,464	196,187
Total Deferred Revenue	\$ 339,779	\$ 4,403	\$ 36,464	\$ 307,718

11. COMPLEMENTARY SERVICES

Complementary services represent those services and programs where the primary purpose is other than K-12 learning/learning support, but which have the specific objective of enhancing the school division's ability to successfully deliver its K-12 curriculum/learning programs.

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

Following is a summary of the revenue and expenses of the Complementary Services programs operated by the school division:

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Violent Threat Risk Assessment	Chinook International Program	2020	2019
Revenue:					
Operating Grants	\$ 336,622	\$ -	\$ -	\$ 336,622	\$ 333,391
Fees and Other Revenue	-	11,535	81,494	93,029	70,924
Total Revenue	336,622	11,535	81,494	429,651	404,315
Expenses:					
Salaries & Benefits	366,106	-	-	366,106	371,155
Instructional Aids	5,605	-	1,911	7,516	5,884
Supplies and Services	-	-	15,897	15,897	16,966
Communications	-	-	151	151	3,461
Travel	1,276	2,952	4,427	8,655	6,112
Professional Development (Non-Salary Costs)	312	-	-	312	-
Student Related Expenses	-	-	1,752	1,752	1,994
Contracted Transportation & Allowances	-	-	37,550	37,550	31,809
Amortization of Tangible Capital Assets	488	-	-	488	1,007
Total Expenses	373,787	2,952	61,688	438,427	438,388
Excess (Deficiency) of Revenue over Expenses	\$ (37,165)	\$ 8,583	\$ 19,806	\$ (8,776)	\$ (34,073)

12. EXTERNAL SERVICES

External services represent those services and programs that are outside of the school division's learning/learning support and complementary programs. These services have no direct link to the delivery of the school division's K-12 programs nor do they directly enhance the school division's ability to deliver its K-12 programs.

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2020

Following is a summary of the revenue and expenses of the External Services programs operated by the school division:

Summary of External Services Revenues and Expenses, by Program	Family Advocacy Worker	2020	2019
Revenue:			
Operating Grants	\$ 114,468	\$ 114,468	\$ 102,492
Fees and Other Revenue	-	-	5,669
Total Revenue	114,468	114,468	108,161
Expenses:			
Salaries & Benefits	62,758	62,758	59,636
Instructional Aids	2,614	2,614	3,252
Supplies and Services	31,367	31,367	25,188
Non-Capital Equipment	4,664	4,664	5,386
Communications	998	998	1,225
Travel	6,199	6,199	10,607
Professional Development	493	493	65
Total Expenses	109,093	109,093	105,359
Excess of Revenue over Expenses	\$ 5,375	\$ 5,375	\$ 2,802

13. ACCUMULATED SURPLUS

Accumulated surplus represents the financial assets and non-financial assets of the school division less liabilities. This represents the accumulated balance of net surplus arising from the operations of the school division including school generated funds.

Certain amounts of the accumulated surplus, as approved by the board of education, have been designated for specific future purposes. These internally restricted amounts, or designated assets, are included in the accumulated surplus presented in the statement of financial position. The school division does not maintain separate bank accounts for the designated assets.

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Details of accumulated surplus are as follows:

	August 31 2019	Additions during the year	Reductions during the year	August 31 2020
Invested in Tangible Capital Assets:				
Net Book Value of Tangible Capital Assets	\$ 89,094,262	\$ 2,342,581	\$ (4,882,797)	\$ 86,554,046
Less: Debt owing on Tangible Capital Assets	12,367,519	-	(875,704)	11,491,815
	76,726,743	2,342,581	(4,007,093)	75,062,231
PMR maintenance project allocations (1)	1,636,293	2,261,495	(1,875,921)	2,021,867
Designated Assets:				
Capital Projects:				
Designated for tangible capital asset expenditures	-	307,981	-	307,981
Designated for emergent funding project	-	500,000	-	500,000
	-	807,981	-	807,981
Other:				
School generated funds	1,328,464	305,451	-	1,633,915
Professional Development	1,290,011	45,835	(349,592)	986,254
School budget carryovers	794,845	137,097	-	931,942
Curriculum Renewal	1,500,000	-	-	1,500,000
Frontier Playground	1,720	-	-	1,720
Board Election	24,000	-	-	24,000
Nutrition	-	28,974	-	28,974
Kids First Literacy	-	5,327	-	5,327
Family Advocacy Project	43,287	49	-	43,336
	4,982,327	522,733	(349,592)	5,155,468
Unrestricted Surplus	17,366,573	2,089,301	-	19,455,874
Total Accumulated Surplus	\$ 100,711,936	\$ 8,024,091	\$ (6,232,606)	\$ 102,503,421

- (1) **PMR Maintenance Project Allocations** represent transfers received from the Ministry of Education as funding support for maintenance projects on the school division's approved 3 year capital maintenance plans. Unspent funds at the end of a fiscal year are designated for future approved capital plan maintenance project expenditures.

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14. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on June 10, 2019 and the Minister of Education on August 26, 2019.

15. TRUSTS

The school division, as the trustee, administers trust funds for scholarships. The trust assets and transactions are not included in the financial statements.

Information about these trusts is as follows:

	Scholarships	
	<u>2020</u>	<u>2019</u>
Cash and short-term investments	\$ 276,539	\$ 289,510
Total Assets	276,539	289,510
Revenues		
Contributions and donations	2,000	11,796
Interest on investments	4,719	6,515
	<u>6,719</u>	<u>18,311</u>
Expenses		
Recipient Payouts	19,690	17,363
	<u>19,690</u>	<u>17,363</u>
Excess (Deficiency) of Revenues over Expenses	(12,971)	948
Trust Fund Balance, Beginning of Year	289,510	288,562
Trust Fund Balance, End of Year	\$ 276,539	\$ 289,510

16. CONTRACTUAL RIGHTS

Significant contractual rights of the school division are as follows:

- Bussing contract to transport Holy Trinity Roman Catholic Separate School Division students based on a yearly calculated cost per student applied to the number of Holy Trinity students transported. This contract is in effect for 5 years effective August 31, 2018.
- Climate Action Initiative Funding Agreement in the amount of \$199,666 will be received upon the completion of contracts for projects as approved in original funding application.

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17. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The school division has ongoing service commitments for school/office equipment. Copier contract and commitments are as follows:

Operating Leases	Copier	Total
Future minimum payments:		
2022	\$ 294,634	\$ 294,634
2023	294,634	294,634
2024	294,634	294,634
2025	294,634	294,634
Total	\$ 1,178,536	\$ 1,178,536

Significant contractual obligations and commitments of the school division for construction contracts are as follows:

- Construction contract in the amount of \$516,015 for replacement of windows and doors at O.M. Irwin School to be completed in 2021 of which \$350,000 will be funded through Climate Action Incentive Funding (CAIF)
- Construction contract in the amount of \$148,557 for replacement of windows at Sidney Street School to be completed in 2021 of which \$49,332 will be funded through CAIF.

18. UNRECOGNIZED ASSETS

The school division has several properties with mineral rights attached and several pieces of artwork that are not recognized because a reasonable estimate cannot be made because the costs, benefits and economic value of such items cannot be reasonably and verifiably quantified using existing methods.

19. COMPARATIVE INFORMATION

Certain comparative figures have been reclassified to conform to current year's presentation.

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20. RISK MANAGEMENT

The school division is exposed to financial risks from its financial assets and liabilities. These risks include credit risk, liquidity risk and market risk (consisting of interest rate risk and foreign exchange risk).

i) Credit Risk

Credit risk is the risk to the school division from potential non-payment of accounts receivable. The credit risk related to the school division's receivables from the provincial government, federal government and their agencies are considered to be minimal. For other receivables, the school division has adopted credit policies which include close monitoring of overdue accounts. The school division does not have a significant exposure to any individual customer. Management reviews accounts receivable on a case by case basis to determine if a valuation allowance is necessary to reflect impairment in collectability.

The aging of grants and other accounts receivable at August 31, 2020 was:

	August 31, 2020				
	Total	0-30 days	30-60 days	60-90 days	Over 90 days
Other Ministry Grants Receivable	\$ 1,843,373	\$ 1,843,373	\$ -	\$ -	\$ -
Other Receivables	239,409	101,199	38,406	38,406	61,398
Gross Receivables	2,082,782	1,944,572	38,406	38,406	61,398
Allowance for Doubtful Accounts	(13,211)	-	-	-	(13,211)
Net Receivables	\$ 2,069,571	\$ 1,944,572	\$ 38,406	\$ 38,406	\$ 48,187

Receivable amounts related to GST are not applicable to credit risk, as these do not meet the definition of a financial instrument.

ii) Liquidity Risk

Liquidity risk is the risk that the school division will not be able to meet its financial obligations as they come due. The school division manages liquidity risk by maintaining adequate cash balances and continually monitoring budget practices and cash flows. The following table sets out the contractual maturities of the school division's financial liabilities:

	August 31, 2020				
	Total	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 4,273,795	\$ 3,773,795	\$ -	\$ -	\$ 500,000
Long-term debt	11,491,815	514,474	413,459	3,665,101	6,898,781
Total	\$ 15,765,610	\$ 4,288,269	\$ 413,459	\$ 3,665,101	\$ 7,398,781

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Long-term debt repayments of \$10,173,225 included in the above amounts are repayments on unsecured debt.

iii) Market Risk

The school division is exposed to market risks with respect to interest rates and foreign currency exchange rates, as follows:

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The school division's interest rate exposure relates to cash and cash equivalents and portfolio investments. The school division also has an authorized bank line of credit of \$21,000,000 with interest payable monthly at a rate of prime less 1.00% per annum. This line of credit was approved by the Minister of Education on May 5, 2011. Changes in the bank's prime rate can cause fluctuation in interest payments and cash flows. There was no balance outstanding on this credit facility as of August 31, 2020.

The school division minimizes these risks by:

- holding cash in an account at a Canadian bank, denominated in Canadian currency
- investing in GICs and term deposits for short terms at fixed interest rates
- managing cash flows to minimize utilization of its bank line of credit
- managing its interest rate risk on long-term debt through the exclusive use of fixed rate terms for its long-term debt

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The school division is exposed to currency risk on purchases denominated in U.S. dollars for which the related accounts payable balances are subject to exchange rate fluctuations; however, the school division believes that it is not subject to significant foreign exchange risk from its financial instruments.

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21. COVID-19 PANDEMIC

The COVID-19 pandemic is complex and rapidly evolving. It has caused material disruption to businesses and has resulted in an economic slowdown. The school division continues to assess and monitor the impact of COVID-19 on its financial condition. The magnitude and duration of COVID-19 is uncertain and, accordingly, it is difficult to reliably measure the potential future impact on the school division's financial position and operations.