

Minutes of the Special Meeting of the Board of Education of the Chinook School Division No. 211 held on Monday, November 22, 2021 at 3:00 p.m. at the Chinook Education Centre.

PRESENT: Kimberly Pridmore
Katelyn Toney
Ken Duncalfe
Rachael Eliason
Dianne Hahn
Gwen Humphrey
Susan Mouland
Rachelle Patzer
Tim Ramage

Regrets: Shane Andrus

Mark Benesh – Director of Education
Kathy Robson – Deputy Director of Education
Sharie Sloman – Chief Financial Officer
Joanne Booth – Communications Coordinator
Katie Andreas – Executive Assistant

The meeting was called to order at 3:00 p.m. by Chair Kimberly Pridmore.

AGENDA 178/21 Patzer THAT the Special Meeting Agenda be approved as circulated and revised.

CARRIED

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

AUDITORS 179/21 Ramage THAT The Auditors Report is received

CARRIED

ANNUAL REPORT 180/21 Humphrey THAT the Annual Report, including Financial Statements and Public Accounts, for the Chinook School Division No. 211 for the period of September 1, 2020 to August 31, 2021 be approved pending any significant changes made after Ministry of Education and Finance format, review and approval.

CARRIED

SPECIAL MEETING ----- November 22, 2021

AUDITORS 181/21 Duncalfe
REPORT

THAT the Auditor’s Report and Financial Statement, Supporting Schedules and notes for the period ending August 31, 2021, be approved as attached pending any significant changes made after Ministry of Education and Finance format, review and approve.

CARRIED

Tim Ramage excused himself from the meeting due to a conflict of interest.

COVID-19 182/21 Toney
TESTING
KITS

THAT The Chinook Board of Education will cover the cost of COVID-19 self-testing kits required under AP 405.1, until March 31, 2022 and will review at that time.

Tim Ramage returned to the public meeting.

ADJOURN 183/21 Mouland

THAT we do now adjourn.

CARRIED

Board Chair

CFO

Audited Financial Statements

Of the Chinook School Division No. 211

School Division No. 2110500

For the Period Ending: August 31, 2021

Sharie Sloman
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 22, 2021

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, 2021, 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, 2021, 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 of Trustees approval of draft financial statements >>

Chinook School Division No. 211
Statement of Financial Position
as at August 31, 2021

	2021	2020
	\$	\$
Financial Assets		
Cash and Cash Equivalents	26,358,593	27,518,214
Accounts Receivable (Note 7)	1,097,653	2,243,506
Portfolio Investments (Note 3)	5,613,211	3,307,487
Total Financial Assets	33,069,457	33,069,207
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	3,567,154	4,273,795
Long-Term Debt (Note 9)	10,566,507	11,491,815
Liability for Employee Future Benefits (Note 5)	2,215,800	2,076,800
Deferred Revenue (Note 10)	59,031	307,718
Total Liabilities	16,408,492	18,150,128
Net Financial Assets	16,660,965	14,919,079
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	84,350,920	86,554,046
Inventory of Supplies Held for Consumption	771,427	727,724
Prepaid Expenses	353,893	302,572
Total Non-Financial Assets	85,476,240	87,584,342
Accumulated Surplus (Note 13)	102,137,205	102,503,421

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, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
REVENUES	(Note 14)		
Grants	78,999,553	83,706,777	80,042,760
Tuition and Related Fees	965,148	909,562	1,000,112
School Generated Funds	2,234,400	1,331,271	1,851,322
Complementary Services (Note 11)	366,456	354,514	429,651
External Services (Note 12)	85,896	80,736	114,468
Other	572,430	465,714	752,021
Total Revenues (Schedule A)	83,223,883	86,848,574	84,190,334
EXPENSES			
Governance	399,756	410,666	352,505
Administration	3,316,800	3,399,410	3,113,464
Instruction	56,763,856	57,556,333	52,834,146
Plant	13,562,870	13,859,634	13,993,142
Transportation	10,011,314	9,172,585	9,005,010
Tuition and Related Fees	713,150	671,702	569,529
School Generated Funds	2,181,701	1,274,581	1,562,577
Complementary Services (Note 11)	436,475	411,437	438,427
External Services (Note 12)	74,861	74,412	109,093
Other	370,971	384,030	420,956
Total Expenses (Schedule B)	87,831,754	87,214,790	82,398,849
Operating Surplus (Deficit) for the Year	(4,607,871)	(366,216)	1,791,485
Accumulated Surplus from Operations, Beginning of Year	102,503,421	102,503,421	100,711,936
Accumulated Surplus from Operations, End of Year	97,895,550	102,137,205	102,503,421

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, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
	(Note 14)		
Net Financial Assets, Beginning of Year	14,919,079	14,919,079	10,692,916
Changes During the Year			
Operating Surplus (Deficit) for the Year	(4,607,871)	(366,216)	1,791,485
Acquisition of Tangible Capital Assets (Schedule C)	555,000	(2,451,040)	(2,342,581)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	123,649	128,943
Net Gain on Disposal of Capital Assets (Schedule C)	-	(39,928)	(486)
Amortization of Tangible Capital Assets (Schedule C)	4,297,700	4,570,445	4,754,340
Net Acquisition of Inventory of Supplies	-	(43,703)	(180,164)
Net Change in Other Non-Financial Assets	-	(51,321)	74,626
Change in Net Financial Assets	244,829	1,741,886	4,226,163
Net Financial Assets, End of Year	15,163,908	16,660,965	14,919,079

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, 2021**

	2021	2020
	\$	\$
OPERATING ACTIVITIES		
Operating Surplus (Deficit) for the Year	(366,216)	1,791,485
Add Non-Cash Items Included in Surplus / Deficit (Schedule D)	4,530,517	4,753,854
Net Change in Non-Cash Operating Activities (Schedule E)	234,501	211,444
Cash Provided by Operating Activities	4,398,802	6,756,783
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(2,451,040)	(2,342,581)
Proceeds on Disposal of Tangible Capital Assets	123,649	128,943
Cash Used by Capital Activities	(2,327,391)	(2,213,638)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(5,575,977)	(3,271,281)
Proceeds on Disposal of Portfolio Investments	3,270,253	1,500,000
Cash Used by Investing Activities	(2,305,724)	(1,771,281)
FINANCING ACTIVITIES		
Proceeds from Issuance of Long-Term Debt	-	1,347,600
Repayment of Long-Term Debt	(925,308)	(2,223,304)
Cash Used by Financing Activities	(925,308)	(875,704)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,159,621)	1,896,160
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	27,518,214	25,622,054
CASH AND CASH EQUIVALENTS, END OF YEAR	26,358,593	27,518,214

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

Chinook School Division No. 211
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Grants			
Operating Grants			
Ministry of Education Grants			
Operating Grant	76,347,138	76,856,894	75,158,884
Other Ministry Grants	2,102,273	2,834,057	3,978,638
Total Ministry Grants	78,449,411	79,690,951	79,137,522
Other Provincial Grants	-	3,559,435	-
Grants from Others	350,475	456,391	465,238
Total Operating Grants	78,799,886	83,706,777	79,602,760
Capital Grants			
Ministry of Education Capital Grants	199,667	-	440,000
Total Capital Grants	199,667	-	440,000
Total Grants	78,999,553	83,706,777	80,042,760
Tuition and Related Fees Revenue			
Operating Fees			
Tuition Fees			
School Boards	43,500	47,850	43,500
Federal Government and First Nations	515,541	436,227	499,678
Individuals and Other	-	26,439	51,963
Total Tuition Fees	559,041	510,516	595,141
Transportation Fees	406,107	399,046	404,971
Total Operating Tuition and Related Fees	965,148	909,562	1,000,112
Total Tuition and Related Fees Revenue	965,148	909,562	1,000,112
School Generated Funds Revenue			
Non-Curricular Fees			
Commercial Sales - GST	4,400	-	-
Commercial Sales - Non-GST	100,000	39,597	83,946
Fundraising	800,000	336,771	989,143
Grants and Partnerships	210,000	5,168	26,894
Students Fees	270,000	14,817	157,602
Other	850,000	934,918	593,737
Total Non-Curricular Fees	2,234,400	1,331,271	1,851,322
Total School Generated Funds Revenue	2,234,400	1,331,271	1,851,322
Complementary Services			
Operating Grants			
Ministry of Education Grants			
Operating Grant	338,396	338,396	336,622
Total Operating Grants	338,396	338,396	336,622
Fees and Other Revenue			
Tuition and Related Fees	28,060	9,118	81,494
Other Revenue	-	7,000	11,535
Total Fees and Other Revenue	28,060	16,118	93,029
Total Complementary Services Revenue	366,456	354,514	429,651

Chinook School Division No. 211
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
External Services			
Operating Grants			
Ministry of Education Grants			
Other Ministry Grants	76,896	80,736	114,468
Total Operating Grants	76,896	80,736	114,468
Fees and Other Revenue			
Other Revenue	9,000	-	-
Total Fees and Other Revenue	9,000	-	-
Total External Services Revenue	85,896	80,736	114,468
Other Revenue			
Miscellaneous Revenue	313,000	184,909	333,294
Sales & Rentals	9,430	14,311	15,711
Investments	250,000	226,566	402,530
Gain on Disposal of Capital Assets	-	39,928	486
Total Other Revenue	572,430	465,714	752,021
TOTAL REVENUE FOR THE YEAR	83,223,883	86,848,574	84,190,334

Chinook School Division No. 211
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Governance Expense			
Board Members Expense	144,612	187,552	131,708
Professional Development - Board Members	15,000	1,775	9,034
Grants to School Community Councils	56,144	-	48,416
Elections	40,000	51,344	500
Other Governance Expenses	144,000	169,995	162,847
Total Governance Expense	399,756	410,666	352,505
Administration Expense			
Salaries	2,318,178	2,514,425	2,305,639
Benefits	289,885	288,620	261,095
Supplies & Services	226,750	213,140	199,397
Non-Capital Furniture & Equipment	44,500	20,750	12,767
Building Operating Expenses	102,500	124,954	85,323
Communications	101,934	86,303	84,240
Travel	79,500	38,365	46,836
Professional Development	47,250	6,754	4,415
Amortization of Tangible Capital Assets	106,303	106,099	113,752
Total Administration Expense	3,316,800	3,399,410	3,113,464
Instruction Expense			
Instructional (Teacher Contract) Salaries	39,146,932	39,701,693	36,536,515
Instructional (Teacher Contract) Benefits	1,975,285	2,142,192	1,912,137
Program Support (Non-Teacher Contract) Salaries	8,666,840	8,766,791	8,056,574
Program Support (Non-Teacher Contract) Benefits	1,636,442	1,713,266	1,600,617
Instructional Aids	1,814,274	1,372,916	1,330,692
Supplies & Services	836,035	1,163,687	699,684
Non-Capital Furniture & Equipment	782,567	1,433,556	961,021
Communications	183,798	201,520	196,191
Travel	634,227	191,383	314,628
Professional Development	469,491	196,457	547,426
Student Related Expense	445,480	389,977	468,622
Amortization of Tangible Capital Assets	172,485	282,895	210,039
Total Instruction Expense	56,763,856	57,556,333	52,834,146

Chinook School Division No. 211
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Plant Operation & Maintenance Expense			
Salaries	3,348,888	3,475,378	3,384,903
Benefits	626,409	636,477	607,987
Supplies & Services	14,400	6,631	5,482
Non-Capital Furniture & Equipment	49,100	97,165	37,780
Building Operating Expenses	6,853,402	6,849,902	7,098,123
Communications	15,258	13,801	12,671
Travel	151,500	136,609	122,237
Professional Development	12,000	1,104	4,294
Amortization of Tangible Capital Assets	2,491,913	2,642,567	2,719,665
Total Plant Operation & Maintenance Expense	13,562,870	13,859,634	13,993,142
Student Transportation Expense			
Salaries	4,143,879	4,350,884	4,192,272
Benefits	771,222	816,101	793,683
Supplies & Services	1,936,812	1,198,666	1,015,372
Non-Capital Furniture & Equipment	1,163,777	867,980	973,389
Building Operating Expenses	215,500	270,480	183,755
Communications	34,908	23,890	19,399
Travel	30,000	23,349	27,292
Professional Development	25,918	1,410	6,920
Contracted Transportation	166,290	84,932	91,501
Amortization of Tangible Capital Assets	1,523,008	1,534,893	1,701,427
Total Student Transportation Expense	10,011,314	9,172,585	9,005,010
Tuition and Related Fees Expense			
Tuition Fees	648,150	604,650	509,537
Transportation Fees	65,000	67,052	59,992
Total Tuition and Related Fees Expense	713,150	671,702	569,529
School Generated Funds Expense			
Academic Supplies & Services	10,000	14,739	11,290
Cost of Sales	300,000	103,274	289,034
Non-Capital Furniture & Equipment	18,000	4,138	15,607
School Fund Expenses	1,850,000	1,148,729	1,237,677
Amortization of Tangible Capital Assets	3,701	3,701	8,969
Total School Generated Funds Expense	2,181,701	1,274,581	1,562,577

Chinook School Division No. 211
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2021

	2021 Budget	2021 Actual	2020 Actual
	\$	\$	\$
Complementary Services Expense			
Instructional (Teacher Contract) Salaries & Benefits	233,984	232,684	215,032
Program Support (Non-Teacher Contract) Salaries & Benefits	109,723	98,444	99,078
Transportation Salaries & Benefits	60,268	52,961	51,996
Instructional Aids	6,110	1,567	7,516
Supplies & Services	6,000	19,892	15,897
Communications	3,100	175	151
Travel	2,000	524	8,655
Professional Development (Non-Salary Costs)	2,000	-	312
Student Related Expenses	-	-	1,752
Contracted Transportation & Allowances	13,000	4,900	37,550
Amortization of Tangible Capital Assets	290	290	488
Total Complementary Services Expense	436,475	411,437	438,427
External Service Expense			
Program Support (Non-Teacher Contract) Salaries & Benefits	62,361	61,712	62,758
Instructional Aids	-	997	2,614
Supplies & Services	1,000	4,797	31,367
Non-Capital Furniture & Equipment	-	3,180	4,664
Communications	1,500	1,261	998
Travel	8,000	2,465	6,199
Professional Development (Non-Salary Costs)	2,000	-	493
Total External Services Expense	74,861	74,412	109,093
Other Expense			
Interest and Bank Charges			
Current Interest and Bank Charges	2,400	2	912
Interest on Capital Loans	368,571	384,028	420,044
Total Interest and Bank Charges	370,971	384,030	420,956
Total Other Expense	370,971	384,030	420,956
TOTAL EXPENSES FOR THE YEAR	87,831,754	87,214,790	82,398,849

Chinook School Division No. 211
Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2021

	Land		Buildings		Buildings	School	Other	Furniture and	Computer	Computer	Assets	2021	2020
	Land	Improvements	Buildings	Improvements	Short-Term	Buses	Vehicles	Equipment	Hardware and	Software	Under Construction		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
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	18,604,040	1,842,424	3,626,673	715,953	57,997	167,675	158,576,084	159,323,000
Additions/Purchases	1,379	30,317	-	-	-	994,560	97,135	794,125	285,116	8,022	240,386	2,451,040	2,342,581
Disposals	-	-	-	-	-	(703,154)	(169,108)	-	-	-	-	(872,262)	(3,089,497)
Transfers to (from)	-	-	372,405	-	-	-	-	-	-	-	(372,405)	-	-
Closing Balance as of August 31	1,232,379	2,588,978	118,947,046	1,985,305	9,211,715	18,895,446	1,770,451	4,420,798	1,001,069	66,019	35,656	160,154,862	158,576,084
Tangible Capital Assets - Amortization													
Opening Balance as of September 1	-	1,436,120	50,433,468	632,625	4,809,586	10,472,046	1,542,432	2,558,026	135,846	1,889	-	72,022,038	70,228,738
Amortization of the Period	-	91,513	2,204,986	99,265	391,298	1,190,571	145,498	302,143	133,570	11,601	-	4,570,445	4,754,340
Disposals	-	-	-	-	-	(619,433)	(169,108)	-	-	-	-	(788,541)	(2,961,040)
Closing Balance as of August 31	N/A	1,527,633	52,638,454	731,890	5,200,884	11,043,184	1,518,822	2,860,169	269,416	13,490	N/A	75,803,942	72,022,038
Net Book Value													
Opening Balance as of September 1	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
Closing Balance as of August 31	1,232,379	1,061,345	66,308,592	1,253,415	4,010,831	7,852,262	251,629	1,560,629	731,653	52,529	35,656	84,350,920	86,554,046
Change in Net Book Value	1,379	(61,196)	(1,832,581)	(99,265)	(391,298)	(279,732)	(48,363)	491,982	151,546	(3,579)	(132,019)	(2,203,126)	(2,540,216)
Disposals													
Historical Cost	-	-	-	-	-	703,154	169,108	-	-	-	-	872,262	3,089,497
Accumulated Amortization	-	-	-	-	-	619,433	169,108	-	-	-	-	788,541	2,961,040
Net Cost	-	-	-	-	-	83,721	-	-	-	-	-	83,721	128,457
Price of Sale	-	-	-	-	-	107,666	15,983	-	-	-	-	123,649	128,943
Gain (Loss) on Disposal	-	-	-	-	-	23,945	15,983	-	-	-	-	39,928	486

Chinook School Division No. 211
Schedule D: Non-Cash Items Included in Surplus / Deficit
for the year ended August 31, 2021

	2021	2020
	\$	\$
Non-Cash Items Included in Surplus / Deficit		
Amortization of Tangible Capital Assets (Schedule C)	4,570,445	4,754,340
Net Gain on Disposal of Tangible Capital Assets (Schedule C)	(39,928)	(486)
Total Non-Cash Items Included in Surplus / Deficit	4,530,517	4,753,854

Chinook School Division No. 211
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2021

	2021	2020
	\$	\$
Net Change in Non-Cash Operating Activities		
Decrease (Increase) in Accounts Receivable	1,145,853	(1,540,542)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(706,641)	1,592,818
Increase in Liability for Employee Future Benefits	139,000	134,200
Increase (Decrease) in Deferred Revenue	(248,687)	130,506
Increase in Inventory of Supplies Held for Consumption	(43,703)	(180,164)
Decrease (Increase) in Prepaid Expenses	(51,321)	74,626
Total Net Change in Non-Cash Operating Activities	234,501	211,444

CHINOOK SCHOOL DIVISION NO. 211
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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.

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

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
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- the liability for employee future benefits of \$2,215,800 (2020 - \$2,076,800) because actual experience may differ significantly from actuarial estimations.
- uncollectible accounts receivable of \$13,211 (2020 - \$13,211) because actual collectability may differ from initial estimates.
- accrued liabilities for contaminated sites of \$500,000 (2020 - \$500,000) because actual remediation costs may differ from valuation estimates.
- useful lives of capital assets and related accumulated amortization of \$75,803,942 (2020 - \$72,022,038) 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.

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.

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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.

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:

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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 Held 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, 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.

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*.

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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.

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 that meets the definition of a liability 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.

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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.

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3. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

	2021	2020
Portfolio investments in the cost and amortized cost category:	<u>Cost</u>	<u>Cost</u>
GICs:		
Affinity Credit Union, 2.75%, maturing November, 2022	\$ 7,410	\$ 7,410
Canaccord Genuity, 1.05%, maturing September, 2021	100,000	-
Canaccord Genuity, 0.84%, maturing September, 2021	100,000	-
Canaccord Genuity, 1.10%, maturing September, 2021	100,000	-
Canaccord Genuity, 0.90%, maturing September, 2021	100,000	-
Canaccord Genuity, 1.08%, maturing September, 2021	100,000	-
Canaccord Genuity, 1.30%, maturing September, 2021	250,000	-
Canaccord Genuity, 0.95%, maturing November, 2021	100,000	-
Canaccord Genuity, 0.98%, maturing November, 2021	250,000	-
Canaccord Genuity, 1.00%, maturing November, 2021	100,000	-
Canaccord Genuity, 0.98%, maturing November, 2021	100,000	-
Canaccord Genuity, 0.90%, maturing November, 2021	219,177	-
Canaccord Genuity, 1.04%, maturing December, 2021	100,000	-
Canaccord Genuity, 1.03%, maturing December, 2021	100,000	-
Canaccord Genuity, 0.91%, maturing December, 2021	100,000	-
Canaccord Genuity, 0.90%, maturing December, 2021	250,000	-
Canaccord Genuity, 0.95%, maturing December, 2021	100,000	-
Canaccord Genuity, 1.00%, maturing December, 2021	100,000	-
Canaccord Genuity, 0.90%, maturing January, 2022	750,000	-
Canaccord Genuity, 1.00%, maturing April, 2022	250,000	-
Canaccord Genuity, 0.81%, maturing April, 2022	100,000	-
Canaccord Genuity, 0.81%, maturing April, 2022	100,000	-
Canaccord Genuity, 0.80%, maturing April, 2022	100,000	-
Canaccord Genuity, 0.80%, maturing April, 2022	100,000	-
Canaccord Genuity, 0.81%, maturing April, 2022	100,000	-
Canaccord Genuity, 0.90%, maturing April, 2022	1,024,227	-
Canaccord Genuity, 1.10%, maturing June, 2022	781,869	-
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
Co-op and Credit Union Equity	30,528	29,823
Total portfolio investments reported at cost and amortized cost	\$ 5,613,211	\$ 3,307,487

CHINOOK SCHOOL DIVISION NO. 211
NOTES TO THE FINANCIAL STATEMENTS
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4. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2021 Actual	2020 Actual
Governance	\$ 172,076	\$ 238,590	\$ -	\$ -	\$ 410,666	\$ 352,505
Administration	2,803,045	490,266	-	106,099	3,399,410	3,113,464
Instruction	52,323,942	4,949,496	-	282,895	57,556,333	52,834,146
Plant	4,111,855	7,105,212	-	2,642,567	13,859,634	13,993,142
Transportation	5,166,985	2,470,707	-	1,534,893	9,172,585	9,005,010
Tuition and Related Fees	-	671,702	-	-	671,702	569,529
School Generated Funds	-	1,270,880	-	3,701	1,274,581	1,562,577
Complementary Services	384,089	27,058	-	290	411,437	438,427
External Services	61,712	12,700	-	-	74,412	109,093
Other	-	2	384,028	-	384,030	420,956
TOTAL	\$ 65,023,704	\$ 17,236,613	\$ 384,028	\$ 4,570,445	\$ 87,214,790	\$ 82,398,849

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, 2021 and extrapolated the results to estimate the Liability for Employee Future Benefits as at August 31, 2021.

Details of the employee future benefits are as follows:

	2021	2020
Long-term assumptions used:		
Discount rate at end of period (per annum)	1.97%	1.54%
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	2021	2020
Accrued Benefit Obligation - beginning of year	\$ 2,011,600	\$ 1,771,100
Current period service cost	178,600	164,100
Interest cost	33,200	36,900
Benefit payments	(63,700)	(50,800)
Actuarial losses (gains)	(579,400)	90,300
Accrued Benefit Obligation - end of year	1,580,300	2,011,600
Unamortized net actuarial gains	635,500	65,200
Liability for Employee Future Benefits	\$ 2,215,800	\$ 2,076,800

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Expense for Employee Future Benefits	2021	2020
Current period service cost	\$ 178,600	\$ 164,100
Amortization of net actuarial gain	(9,100)	(16,000)
Benefit cost	169,500	148,100
Interest cost	33,200	36,900
Total Employee Future Benefits Expense	\$ 202,700	\$ 185,000

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.

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:

	2021			2020
	STRP	STSP	TOTAL	TOTAL
Number of active School Division members	519	1	520	508
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	\$ 3,925,383	\$ 86	\$ 3,925,469	\$ 3,723,695

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NOTES TO THE FINANCIAL STATEMENTS
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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.

Details of the MEPP are as follows:

	2021	2020
Number of active School Division members	661	595
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	\$ 1,520,373	\$ 1,422,404
School Division contributions for the year	\$ 1,521,460	\$ 1,422,404
Actuarial extrapolation date	Dec-31-2020	Dec-31-2019
Plan Assets (in thousands)	\$ 3,221,426	\$ 2,819,222
Plan Liabilities (in thousands)	\$ 2,382,526	\$ 2,160,754
Plan Surplus (in thousands)	\$ 838,900	\$ 658,468

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:

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	2021			2020		
	Total Receivable	Valuation Allowance	Net of Allowance	Total Receivable	Valuation Allowance	Net of Allowance
Capital Grant Receivable	\$ 220,000	\$ -	\$ 220,000	\$ 220,000	\$ -	\$ 220,000
Provincial Grants Receivable	500,000	-	500,000	\$ 1,623,373	\$ -	1,623,373
Receivable from First Nations	56,834	13,211	43,623	13,211	13,211	-
GST Receivable	173,028	-	173,028	173,935	-	173,935
Accrued Interest	31,111	-	31,111	37,657	-	37,657
Other	129,891	-	129,891	188,541	-	188,541
Total Accounts Receivable	\$ 1,110,864	\$ 13,211	\$ 1,097,653	\$ 2,256,717	\$ 13,211	\$ 2,243,506

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2021	2020
Accrued Salaries and Benefits	\$ 884,501	\$ 909,180
Supplier Payments	2,008,052	2,660,439
Liability for Contaminated Sites	500,000	500,000
Accrued Interest Payable	66,697	69,495
Capital Holdbacks	107,904	134,681
Total Accounts Payable and Accrued Liabilities	\$ 3,567,154	\$ 4,273,795

The school division recognized an estimated liability for contaminated site of \$500,000 (2020 - \$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 (2020 - \$0).

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NOTES TO THE FINANCIAL STATEMENTS
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9. LONG-TERM DEBT

Details of long-term debt are as follows:

	2021	2020
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.	\$ 1,001,680	\$ 1,318,590
TD Bank fixed rate (3.58%), unsecured, maturing April 2033. Monthly blended payments of \$55,379.	6,333,730	6,763,849
TD Bank fixed rate (2.70%), unsecured, maturing October 2034. Monthly blended payments of \$9,122.	1,211,857	1,287,583
Royal Bank fixed rate (3.33%), unsecured, maturing November 2035. Annual blended payments of \$173,208.	2,019,240	2,121,793
Total Long-Term Debt	\$ 10,566,507	\$ 11,491,815

Future principal repayments over the next 5 years are estimated as follows:			
	Capital Loans		Total
2022	\$	958,811	\$ 958,811
2023		994,444	994,444
2024		1,000,387	1,000,387
2025		696,599	696,599
2026		720,825	720,825
Thereafter		6,195,441	6,195,441
Total	\$	10,566,507	\$ 10,566,507

Principal and interest payments on the long-term debt are as follows:				
	Capital Loans		2021	2020
Principal	\$	925,308	\$ 925,308	\$ 2,223,304
Interest		384,028	384,028	420,044
Total	\$	1,309,336	\$ 1,309,336	\$ 2,643,348

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NOTES TO THE FINANCIAL STATEMENTS
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10. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at Aug. 31, 2020	Additions during the Year	Revenue recognized in the Year	Balance as at Aug. 31, 2021
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	29,205	29,815	-	59,020
Rentals	12	-	1	11
Tuition	4,403	-	4,403	-
Total Non-Capital deferred revenue	196,187	29,815	166,971	59,031
Total Deferred Revenue	\$ 307,718	\$ 29,815	\$ 278,502	\$ 59,031

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.

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

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Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Violent Threat Risk Assessment	Chinook International Program	2021	2020
Revenue:					
Operating Grants	\$ 338,396	\$ -	\$ -	\$ 338,396	\$ 336,622
Fees and Other Revenue	-	7,000	9,118	16,118	93,029
Total Revenue	338,396	7,000	9,118	354,514	429,651
Expenses:					
Salaries & Benefits	384,089	-	-	384,089	366,106
Instructional Aids	1,567	-	-	1,567	7,516
Supplies and Services	-	12,192	7,700	19,892	15,897
Communications	-	-	175	175	151
Travel	524	-	-	524	8,655
Professional Development (Non-Salary Costs)	-	-	-	-	312
Student Related Expenses	-	-	-	-	1,752
Contracted Transportation & Allowances	-	-	4,900	4,900	37,550
Amortization of Tangible Capital Assets	290	-	-	290	488
Total Expenses	386,470	12,192	12,775	411,437	438,427
Deficiency of Revenue over Expenses	\$ (48,074)	\$ (5,192)	\$ (3,657)	\$ (56,923)	\$ (8,776)

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.

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

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Summary of External Services Revenues and Expenses, by Program	Family Advocacy Worker	KidsFirst	2021	2020
Revenue:				
Operating Grants	\$ 80,736	\$ -	\$ 80,736	\$ 114,468
Total Revenue	80,736	-	80,736	114,468
Expenses:				
Salaries & Benefits	61,712	-	61,712	62,758
Instructional Aids	997	-	997	2,614
Supplies and Services	-	4,797	4,797	31,367
Non-Capital Equipment	3,180	-	3,180	4,664
Communications	1,261	-	1,261	998
Travel	2,465	-	2,465	6,199
Professional Development	-	-	-	493
Total Expenses	69,615	4,797	74,412	109,093
Excess (Deficiency) of Revenue over Expenses	\$ 11,121	\$ (4,797)	\$ 6,324	\$ 5,375

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.

Details of accumulated surplus are as follows:

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	August 31 2020	Additions during the year	Reductions during the year	August 31 2021
Invested in Tangible Capital Assets:				
Net Book Value of Tangible Capital Assets	\$ 86,554,046	\$ 2,451,040	\$ (4,654,166)	\$ 84,350,920
Less: Debt owing on Tangible Capital Assets	11,491,815	-	(925,308)	10,566,507
	75,062,231	2,451,040	(3,728,858)	73,784,413
PMR maintenance project allocations (1)	2,021,867	2,262,053	(1,284,235)	2,999,685
Federal capital tuition reserves (2)	-	111,531	(15,651)	95,880
Education Emerg Pandemic Support prog allocation (3)	-	3,559,435	(2,578,803)	980,632
Designated Assets:				
Capital Projects:				
Designated for tangible capital asset expenditures	307,981	51,000	(307,981)	51,000
Designated for emergent funding project	500,000	-	(411,081)	88,919
	807,981	51,000	(719,062)	139,919
Other:				
School generated funds	1,633,915	80,809	-	1,714,724
Professional Development	986,254	296,369	(70,184)	1,212,439
School budget carryovers	931,942	61,450	-	993,392
Curriculum Renewal	1,500,000	-	-	1,500,000
Frontier Playground	1,720	-	-	1,720
Board Election	24,000	5,000	-	29,000
Nutrition	28,974	19,307	-	48,281
Mental Health First Aid	-	36,800	-	36,800
KidsFirst Literacy	5,327	-	(4,797)	530
Family Advocacy Project	43,336	11,351	-	54,687
Technology - Web Access Points	-	200,000	-	200,000
Facilities - Cooler replacement	-	70,000	-	70,000
	5,155,468	781,086	(74,981)	5,861,573
Unrestricted Surplus	19,455,874	-	(1,180,771)	18,275,103
Total Accumulated Surplus	\$ 102,503,421	\$ 9,216,145	\$ (9,582,361)	\$ 102,137,205

- (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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- (2) **Federal Capital Tuition Reserves** represent reserves that were created as a result of the Ministry of Education direction to set aside a portion of the tuition collected from First Nations students. These reserves are to be used to fund future capital projects for schools with First Nations students.
- (3) **Education Emergency Pandemic Support Program Allocation** represent transfers received from the Ministry of Finance in 2020-21 to support costs related to the COVID-19 pandemic in the current and following school year. Unspent funds at the end of the 2021-22 school year must be repaid to the Government of Saskatchewan.

14. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on June 8, 2020 and the Minister of Education on August 14, 2020.

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>2021</u>	<u>2020</u>
Cash and short-term investments	\$ 265,930	\$ 276,539
Total Assets	265,930	276,539
Revenues		
Contributions and donations	2,103	2,000
Interest on investments	2,215	4,719
	<u>4,318</u>	<u>6,719</u>
Expenses		
Recipient Payouts	14,927	19,690
	<u>14,927</u>	<u>19,690</u>
Deficiency of Revenues over Expenses	(10,609)	(12,971)
Trust Fund Balance, Beginning of Year	276,539	289,510
Trust Fund Balance, End of Year	\$ 265,930	\$ 276,539

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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.

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

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. 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).

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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, 2021 was:

	August 31, 2021				
	Total	0-30 days	30-60 days	60-90 days	Over 90 days
Grants Receivable	\$ 720,000	\$ 220,000	\$ -	\$ -	\$ 500,000
Other Receivables	141,969	61,692	44,897	-	35,380
Gross Receivables	861,969	281,692	44,897	-	535,380
Allowance for Doubtful Accounts	(13,211)	-	-	-	(13,211)
Net Receivables	\$ 848,758	\$ 281,692	\$ 44,897	\$ -	\$ 522,169

Receivable amounts related to GST and PST 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, 2021				
	Total	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 3,567,154	\$ 3,067,154	\$ -	\$ -	\$ 500,000
Long-term debt	10,566,507	527,418	431,393	3,412,254	6,195,442
Total	\$ 14,133,661	\$ 3,594,572	\$ 431,393	\$ 3,412,254	\$ 6,695,442

Long-term debt repayments of \$9,564,827 included in the above amounts are repayments on unsecured debt.

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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 \$6,800,000 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, 2021.

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.

20. 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.