

**AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2021**  
[Education Act, Sections 139, 140, 244]

**3050 The Medicine Hat Public Board of Education**

Legal Name of School Jurisdiction

**601 1 Avenue SW Medicine Hat AB T1A 4Y7**

Mailing Address

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Contact Numbers and Email Address

**SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The financial statements of 3050 The Medicine Hat Public Board of Education presented to Alberta Education have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements, including notes, have been prepared in accordance with Canadian Public Sector Accounting Standards and follow format prescribed by Alberta Education.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong system of budgetary control.

***Board of Trustees Responsibility***

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the audited financial statements with management in detail and approved the financial statements for release.

***External Auditors***

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors were given full access to school jurisdiction records.

***Declaration of Management and Board Chair***

To the best of our knowledge and belief, these financial statements reflect, in all material respects, the financial position, results of operations, remeasurement gains and losses, changes in net financial assets (debt), and cash flows for the year in accordance with Canadian Public Sector Accounting Standards.

**BOARD CHAIR**

**Ms. Catherine Wilson**

Name

Signature

**SUPERINTENDENT**

**Mr. Mark Davidson**

Name

Signature

**SECRETARY-TREASURER OR TREASURER**

**Jerry Labossiere**

Name

Signature

**November 23, 2021**

Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch  
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**TABLE OF CONTENTS**

	<b>Page</b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>3</b>
<b>STATEMENT OF FINANCIAL POSITION</b>	<b>5</b>
<b>STATEMENT OF OPERATIONS</b>	<b>6</b>
<b>STATEMENT OF CASH FLOWS</b>	<b>7</b>
<b>STATEMENT OF CHANGE IN NET FINANCIAL ASSETS</b>	<b>8</b>
<b>STATEMENT OF REMEASUREMENT GAINS AND LOSSES</b>	<b>9</b>
<b>SCHEDULE 1: SCHEDULE OF NET ASSETS</b>	<b>10</b>
<b>SCHEDULE 2: SCHEDULE OF DEFERRED CONTRIBUTIONS</b>	<b>12</b>
<b>SCHEDULE 3: SCHEDULE OF PROGRAM OPERATIONS</b>	<b>14</b>
<b>SCHEDULE 4: SCHEDULE OF OPERATIONS AND MAINTENANCE</b>	<b>15</b>
<b>SCHEDULE 5: SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS</b>	<b>16</b>
<b>SCHEDULE 6: SCHEDULE OF TANGIBLE CAPITAL ASSETS</b>	<b>17</b>
<b>SCHEDULE 7: SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES</b>	<b>18</b>
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>19</b>
<b>SCHEDULE 8: UNAUDITED SCHEDULE OF FEES</b>	<b>34</b>
<b>SCHEDULE 9: UNAUDITED SCHEDULE OF SYSTEM ADMINISTRATION</b>	<b>35</b>



CHARTERED PROFESSIONAL ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To: The Board of Trustees of  
Medicine Hat Public Board of Education

### *Opinion*

We have audited the financial statements of Medicine Hat Public Board of Education, which comprise the statement of financial position as at August 31, 2021 and the statements of operations, change in net debt, remeasurement gains and losses, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements and related schedules present fairly, in all material respects, the financial position of the Division as at August 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Division 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 the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### *Auditor's Responsibilities for the Audit of the Financial Statements*

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

## INDEPENDENT AUDITORS' REPORT, continued

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Division's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt of the Division's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Division to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Lethbridge, Alberta

November 23, 2021

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Chartered Professional Accountants

**STATEMENT OF FINANCIAL POSITION**  
As at August 31, 2021 (in dollars)

	2021	2020
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents (Schedule 5)	\$ 15,305,325	\$ 14,725,785
Accounts receivable (net after allowances) (Note 3)	\$ 814,503	\$ 339,398
Portfolio investments		
Operating	\$ -	\$ -
Endowments (Schedules 1 & 5; Note 9)	\$ 2,360,265	\$ 2,095,072
Inventories for resale	\$ -	\$ 216,629
Other financial assets	\$ -	\$ -
<b>Total financial assets</b>	\$ 18,480,093	\$ 17,376,884
<b>LIABILITIES</b>		
Bank indebtedness	\$ -	\$ -
Accounts payable and accrued liabilities (Note 4)	\$ 5,260,465	\$ 4,445,286
Unspent deferred contributions (Schedule 2)	\$ 2,217,209	\$ 1,975,927
Employee future benefits liabilities (Note 5)	\$ 715,242	\$ 607,575
Environmental liabilities	\$ -	\$ -
Other liabilities	\$ -	\$ -
Debt		
Supported: Debentures	\$ -	\$ -
Unsupported: Debentures	\$ -	\$ -
Mortgages and capital loans	\$ -	\$ 44,990
Capital leases	\$ -	\$ -
<b>Total liabilities</b>	\$ 8,192,916	\$ 7,073,778
<b>Net financial assets</b>	\$ 10,287,177	\$ 10,303,106
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 6)	\$ 111,206,960	\$ 111,140,006
Inventory of supplies	\$ -	\$ -
Prepaid expenses (Note 7)	\$ 409,459	\$ 355,663
Other non-financial assets (Note 8)	\$ 20	\$ 20
<b>Total non-financial assets</b>	\$ 111,616,439	\$ 111,495,689
<b>Net assets before spent deferred capital contributions</b>	\$ 121,903,616	\$ 121,798,795
Spent deferred capital contributions (Schedule 2)	\$ 97,293,690	\$ 97,268,365
<b>Net assets</b>	\$ 24,609,926	\$ 24,530,430
<b>Net assets</b> (Note 8)		
Accumulated surplus (deficit) (Schedule 1)	\$ 24,275,236	\$ 24,282,264
Accumulated remeasurement gains (losses)	\$ 334,690	\$ 248,166
	\$ 24,609,926	\$ 24,530,430
<b>Contractual obligations</b> (Note 10)		
<b>Contingent liabilities</b> (Note 11)		

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

**STATEMENT OF OPERATIONS**  
**For the Year Ended August 31, 2021 (in dollars)**

	Budget 2021	Actual 2021	Actual 2020
<b>REVENUES</b>			
Government of Alberta	\$ 84,198,900	\$ 84,472,016	\$ 82,288,148
Federal Government and other government grants	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 1,444,500	\$ 812,806	\$ 1,031,595
Sales of services and products	\$ 2,321,600	\$ 2,417,194	\$ 2,913,532
Investment income	\$ 182,000	\$ 160,936	\$ 210,606
Donations and other contributions	\$ 635,000	\$ 310,696	\$ 683,018
Other revenue	\$ 76,700	\$ 77,948	\$ 85,195
<b>Total revenues</b>	\$ 88,858,700	\$ 88,251,596	\$ 87,212,094
<b>EXPENSES</b>			
Instruction - Pre Kindergarten	\$ 4,786,400	\$ 3,733,637	\$ 6,998,892
Instruction - Kindergarten to Grade 12	\$ 66,218,500	\$ 67,078,302	\$ 64,021,790
Operations and maintenance (Schedule 4)	\$ 11,731,100	\$ 11,788,041	\$ 10,626,658
Transportation	\$ 2,317,300	\$ 2,249,489	\$ 1,897,289
System administration	\$ 2,922,800	\$ 2,737,359	\$ 2,918,884
External services	\$ 882,600	\$ 702,943	\$ 816,081
<b>Total expenses</b>	\$ 88,858,700	\$ 88,289,771	\$ 87,279,594
<b>Annual operating surplus (deficit)</b>	\$ -	\$ (38,175)	\$ (67,500)
Endowment contributions and reinvested income	\$ -	\$ 31,147	\$ 128,520
<b>Annual surplus (deficit)</b>	\$ -	\$ (7,028)	\$ 61,020
<b>Accumulated surplus (deficit) at beginning of year</b>	\$ 24,282,264	\$ 24,282,264	\$ 24,221,244
<b>Accumulated surplus (deficit) at end of year</b>	\$ 24,282,264	\$ 24,275,236	\$ 24,282,264

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

**STATEMENT OF CASH FLOWS**  
For the Year Ended August 31, 2021 (in dollars)

	2021	2020
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATING TRANSACTIONS</b>		
Annual surplus (deficit)	\$ (7,028)	\$ 61,020
Add (Deduct) items not affecting cash:		
Amortization of tangible capital assets	\$ 4,601,979	\$ 4,452,617
Net (gain)/loss on disposal of tangible capital assets	\$ (11,447)	\$ 2,381
Transfer of tangible capital assets (from)/to other entities	\$ -	\$ -
(Gain)/Loss on sale of portfolio investments	\$ -	\$ -
Spent deferred capital recognized as revenue	\$ (3,427,920)	\$ (3,233,330)
Deferred capital revenue write-down / adjustment	\$ -	\$ 6,772,073
Increase/(Decrease) in employee future benefit liabilities	\$ 107,667	\$ (219,085)
Donations in kind	\$ -	\$ -
	\$ -	\$ -
	\$ 1,263,251	\$ 7,835,676
(Increase)/Decrease in accounts receivable	\$ (475,105)	\$ 5,320,144
(Increase)/Decrease in inventories for resale	\$ 216,629	\$ (216,629)
(Increase)/Decrease in other financial assets	\$ -	\$ -
(Increase)/Decrease in inventory of supplies	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ (53,796)	\$ (1,430)
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Increase/(Decrease) in accounts payable, accrued and other liabilities	\$ 815,179	\$ 249,784
Increase/(Decrease) in unspent deferred contributions	\$ 241,282	\$ 361,446
Increase/(Decrease) in environmental liabilities	\$ -	\$ -
Supported asset previously recorded as unsupported moved to EDCC	\$ -	\$ -
<b>Total cash flows from operating transactions</b>	<b>\$ 2,007,440</b>	<b>\$ 13,548,991</b>
<b>B. CAPITAL TRANSACTIONS</b>		
Acquisition of tangible capital assets	\$ (4,735,386)	\$ (4,246,015)
Net proceeds from disposal of unsupported capital assets	\$ 77,900	\$ 8,636
Other (Describe)	\$ -	\$ -
<b>Total cash flows from capital transactions</b>	<b>\$ (4,657,486)</b>	<b>\$ (4,237,379)</b>
<b>C. INVESTING TRANSACTIONS</b>		
Purchases of portfolio investments	\$ (178,669)	\$ (15,846)
Proceeds on sale of portfolio investments	\$ -	\$ -
Other (Describe)	\$ -	\$ -
Other (Describe)	\$ -	\$ -
<b>Total cash flows from investing transactions</b>	<b>\$ (178,669)</b>	<b>\$ (15,846)</b>
<b>D. FINANCING TRANSACTIONS</b>		
Debt issuances	\$ -	\$ -
Debt repayments	\$ (44,990)	\$ (44,990)
Increase (decrease) in spent deferred capital contributions	\$ 3,453,245	\$ (3,876,466)
Capital lease issuances	\$ -	\$ -
Capital lease payments	\$ -	\$ -
Other	\$ -	\$ -
Other	\$ -	\$ -
<b>Total cash flows from financing transactions</b>	<b>\$ 3,408,255</b>	<b>\$ (3,921,456)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>\$ 579,540</b>	<b>\$ 5,374,310</b>
<b>Cash and cash equivalents, at beginning of year</b>	<b>\$ 14,725,785</b>	<b>\$ 9,351,475</b>
<b>Cash and cash equivalents, at end of year</b>	<b>\$ 15,305,325</b>	<b>\$ 14,725,785</b>

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

**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**For the Year Ended August 31, 2021 (in dollars)**

	2021	2020
Annual surplus (deficit)	\$ (7,028)	\$ 61,020
<b>Effect of changes in tangible capital assets</b>		
Acquisition of tangible capital assets	\$ (4,735,386)	\$ (4,246,015)
Amortization of tangible capital assets	\$ 4,601,979	\$ 4,452,617
Net (gain)/loss on disposal of tangible capital assets	\$ (11,447)	\$ 2,381
Net proceeds from disposal of unsupported capital assets	\$ 77,900	\$ 8,636
Write-down carrying value of tangible capital assets	\$ -	\$ -
Transfer of tangible capital assets (from)/to other entities	\$ -	\$ -
Other changes            Transfer of Cape school	\$ -	\$ 6,772,073
<b>Total effect of changes in tangible capital assets</b>	\$ (66,954)	\$ 6,989,692
Acquisition of inventory of supplies	\$ -	\$ -
Consumption of inventory of supplies	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ (53,796)	\$ (1,430)
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Net remeasurement gains and (losses)	\$ 86,524	\$ 51,945
Change in spent deferred capital contributions      (Schedule 2)	\$ 25,325	\$ (7,109,796)
Other changes	\$ -	\$ -
<b>Increase (decrease) in net financial assets</b>	\$ (15,929)	\$ (8,569)
<b>Net financial assets at beginning of year</b>	\$ 10,303,106	\$ 10,311,675
<b>Net financial assets at end of year</b>	\$ 10,287,177	\$ 10,303,106

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



**STATEMENT OF REMEASUREMENT GAINS AND LOSSES**

For the Year Ended August 31, 2021 (in dollars)

	2021	2020
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ 86,524	\$ 51,945
	\$ -	\$ -
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ -	\$ -
	\$ -	\$ -
Other	\$ -	\$ -
Other Adjustment (Describe)	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ 86,524	\$ 51,945
<b>Accumulated remeasurement gains (losses) at beginning of year</b>	<b>\$ 248,166</b>	<b>\$ 196,221</b>
<b>Accumulated remeasurement gains (losses) at end of year</b>	<b>\$ 334,690</b>	<b>\$ 248,166</b>

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

**SCHEDULE 1**

**SCHEDULE OF NET ASSETS**  
For the Year Ended August 31, 2021 (in dollars)

	NET ASSETS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED SURPLUS (DEFICIT)	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
<b>Balance at August 31, 2020</b>	\$ 24,530,430	\$ 248,166	\$ 24,282,264	\$ 13,826,644	\$ 1,986,058	\$ 1,590,662	\$ 4,026,400	\$ 2,852,500
<b>Prior period adjustments:</b>								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted Balance, August 31, 2020</b>	\$ 24,530,430	\$ 248,166	\$ 24,282,264	\$ 13,826,644	\$ 1,986,058	\$ 1,590,662	\$ 4,026,400	\$ 2,852,500
Operating surplus (deficit)	\$ (38,175)		\$ (38,175)			\$ (38,175)		
Board funded tangible capital asset additions				\$ 1,282,138		\$ (556,038)	\$ -	\$ (726,100)
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ (66,453)		\$ 66,453		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year	\$ 86,524	\$ 86,524						
Endowment expenses & disbursements	\$ -		\$ -		\$ -	\$ -		
Endowment contributions	\$ -		\$ -		\$ -	\$ -		
Reinvested endowment income	\$ 31,147		\$ 31,147		\$ 31,147	\$ -		
Direct credits to accumulated surplus (Describe)	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -			\$ (4,601,979)		\$ 4,601,979		
Capital revenue recognized	\$ -			\$ 3,427,920		\$ (3,427,920)		
Debt principal repayments (unsupported)	\$ -			\$ 44,990		\$ (44,990)		
Additional capital debt or capital leases	\$ -			\$ -		\$ -		
Net transfers to operating reserves	\$ -					\$ (243,100)	\$ 243,100	
Net transfers from operating reserves	\$ -					\$ 2,300	\$ (2,300)	
Net transfers to capital reserves	\$ -					\$ (1,149,300)		\$ 1,149,300
Net transfers from capital reserves	\$ -					\$ -		\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Balance at August 31, 2021</b>	\$ 24,609,926	\$ 334,690	\$ 24,275,236	\$ 13,913,260	\$ 2,017,205	\$ 801,871	\$ 4,267,200	\$ 3,275,700

**SCHEDULE 1**

**SCHEDULE OF NET ASSETS**  
For the Year Ended August 31, 2021 (in dollars)

	INTERNALLY RESTRICTED RESERVES BY PROGRAM									
	School & Instruction Related		Operations & Maintenance		System Administration		Transportation		External Services	
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
<b>Balance at August 31, 2020</b>	\$ 3,594,600	\$ 400,200	\$ 275,800	\$ 482,700	\$ 74,600	\$ 1,969,600	\$ 56,500	\$ -	\$ 24,900	\$ -
<b>Prior period adjustments:</b>										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted Balance, August 31, 2020</b>	\$ 3,594,600	\$ 400,200	\$ 275,800	\$ 482,700	\$ 74,600	\$ 1,969,600	\$ 56,500	\$ -	\$ 24,900	\$ -
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ -	\$ (617,100)	\$ -	\$ (109,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ -		\$ -		\$ -		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported		\$ -		\$ -		\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year										
Endowment expenses & disbursements										
Endowment contributions										
Reinvested endowment income										
Direct credits to accumulated surplus (Describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets										
Capital revenue recognized										
Debt principal repayments (unsupported)										
Additional capital debt or capital leases										
Net transfers to operating reserves	\$ 156,000		\$ 27,100		\$ 57,700		\$ 2,300		\$ -	
Net transfers from operating reserves	\$ -		\$ -		\$ -		\$ -		\$ (2,300)	
Net transfers to capital reserves		\$ 801,400		\$ 81,000		\$ 266,900		\$ -		\$ -
Net transfers from capital reserves		\$ -		\$ -		\$ -		\$ -		\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Balance at August 31, 2021</b>	\$ 3,750,600	\$ 584,500	\$ 302,900	\$ 454,700	\$ 132,300	\$ 2,236,500	\$ 58,800	\$ -	\$ 22,600	\$ -

**SCHEDULE OF DEFERRED CONTRIBUTIONS  
(EXTERNALLY RESTRICTED CONTRIBUTIONS ONLY)  
For the Year Ended August 31, 2021 (in dollars)**

	Alberta Education					Other GoA Ministries					Gov't of Canada
	IMR	CMR	Safe Return to Class	Others	Total Education	Alberta Infrastructure	Children's Services	Health	Other GOA Ministries	Total Other GoA Ministries	
<b>Deferred Operating Contributions (DOC)</b>											
Balance at August 31, 2020	\$ 914,876	\$ -	\$ -	\$ 68,446	\$ 983,322	\$ -	\$ -	\$ -	\$ 8,924	\$ 8,924	\$ -
Prior period adjustments - please explain:	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted ending balance August 31, 2020</b>	<b>\$ 914,876</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 68,446</b>	<b>\$ 983,322</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,924</b>	<b>\$ 8,924</b>	<b>\$ -</b>
Received during the year (excluding investment income)	\$ 2,115,777	\$ -	\$ 2,594,900	\$ -	\$ 4,795,514	\$ -	\$ -	\$ -	\$ 65,000	\$ 65,000	\$ -
Transfer (to) grant/donation revenue (excluding investment income)	\$ (154,570)	\$ -	\$ (2,594,900)	\$ (20,026)	\$ (2,854,333)	\$ -	\$ -	\$ -	\$ (49,221)	\$ (49,221)	\$ -
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Received during the year	\$ 17,242	\$ -	\$ -	\$ -	\$ 17,242	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from UDCC	\$ (944,944)	\$ -	\$ -	\$ -	\$ (944,944)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred directly (to) SDCC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>DOC closing balance at August 31, 2021</b>	<b>\$ 1,948,381</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 48,420</b>	<b>\$ 1,996,801</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,703</b>	<b>\$ 24,703</b>	<b>\$ -</b>
<b>Unspent Deferred Capital Contributions (UDCC)</b>											
Balance at August 31, 2020	\$ -	\$ 783,905	\$ -	\$ -	\$ 783,905	\$ 48,926	\$ -	\$ -	\$ -	\$ 48,926	\$ -
Prior period adjustments - please explain:	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted ending balance August 31, 2020</b>	<b>\$ -</b>	<b>\$ 783,905</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 783,905</b>	<b>\$ 48,926</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 48,926</b>	<b>\$ -</b>
Received during the year (excluding investment income)	\$ -	\$ 1,358,186	\$ -	\$ -	\$ 1,358,186	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UDCC Receivable	\$ -	\$ 304,100	\$ -	\$ -	\$ 304,100	\$ 52,487	\$ -	\$ -	\$ -	\$ 52,987	\$ -
Transfer (to) grant/donation revenue (excluding investment income)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Received during the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred to investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds on disposition of supported capital/ Insurance proceeds (and related interest)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from (to) DOC	\$ 944,944	\$ -	\$ -	\$ -	\$ 944,944	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from (to) SDCC	\$ (944,944)	\$ (2,434,762)	\$ -	\$ -	\$ (3,379,706)	\$ (73,539)	\$ -	\$ -	\$ -	\$ (73,539)	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>UDCC closing balance at August 31, 2021</b>	<b>\$ -</b>	<b>\$ 11,429</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,429</b>	<b>\$ 28,374</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 28,374</b>	<b>\$ -</b>
<b>Total Unspent Deferred Contributions at August 31, 2021</b>	<b>\$ 1,948,381</b>	<b>\$ 11,429</b>	<b>\$ -</b>	<b>\$ 48,420</b>	<b>\$ 2,008,230</b>	<b>\$ 28,374</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,703</b>	<b>\$ 53,077</b>	<b>\$ -</b>
<b>Spent Deferred Capital Contributions (SDCC)</b>											
Balance at August 31, 2020	\$ 3,073,047	\$ 1,280,395	\$ -	\$ -	\$ 4,353,442	\$ 91,985,262	\$ -	\$ -	\$ -	\$ 91,985,262	\$ -
Prior period adjustments - please explain:	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Adjusted ending balance August 31, 2020</b>	<b>\$ 3,073,047</b>	<b>\$ 1,280,395</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,353,442</b>	<b>\$ 91,985,262</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 91,985,262</b>	<b>\$ -</b>
Donated tangible capital assets				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alberta Infrastructure managed projects					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from DOC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred from UDCC	\$ 944,944	\$ 2,434,762	\$ -	\$ -	\$ 3,379,706	\$ 73,539	\$ -	\$ -	\$ -	\$ 73,539	\$ -
Amounts recognized as revenue (Amortization of SDCC)	\$ (177,793)	\$ (81,169)	\$ -	\$ -	\$ (258,962)	\$ (3,103,865)	\$ -	\$ -	\$ -	\$ (3,103,865)	\$ -
Disposal of supported capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>SDCC closing balance at August 31, 2021</b>	<b>\$ 3,840,198</b>	<b>\$ 3,633,988</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,474,186</b>	<b>\$ 88,954,936</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 88,954,936</b>	<b>\$ -</b>

SCHEDULE 2

School Jurisdiction Code:

3050

	Other Sources			Total
	Donations and grants from others	Other	Total other sources	
<b>Deferred Operating Contributions (DOC)</b>				
Balance at August 31, 2020	\$ 150,850	\$ -	\$ 150,850	\$ 1,143,096
Prior period adjustments - please explain:	-	-	\$ -	\$ -
<b>Adjusted ending balance August 31, 2020</b>	<b>\$ 150,850</b>	<b>\$ -</b>	<b>\$ 150,850</b>	<b>\$ 1,143,096</b>
Received during the year (excluding investment income)	\$ 46,760	\$ -	\$ 46,760	\$ 4,907,274
Transfer (to) grant/donation revenue (excluding investment income)	\$ (41,708)	\$ -	\$ (41,708)	\$ (2,945,262)
Investment earnings	\$ -	\$ -	\$ -	\$ -
Received during the year	\$ -	\$ -	\$ -	\$ 17,242
Transferred to investment income	\$ -	\$ -	\$ -	\$ -
Transferred (to) from UDCC	\$ -	\$ -	\$ -	\$ (944,944)
Transferred directly (to) SDCC	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -
<b>DOC closing balance at August 31, 2021</b>	<b>\$ 155,902</b>	<b>\$ -</b>	<b>\$ 155,902</b>	<b>\$ 2,177,406</b>
<b>Unspent Deferred Capital Contributions (UDCC)</b>				
Balance at August 31, 2020	\$ -	\$ -	\$ -	\$ 832,831
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -
<b>Adjusted ending balance August 31, 2020</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 832,831</b>
Received during the year (excluding investment income)	\$ -	\$ -	\$ -	\$ 1,358,186
UDCC Receivable	\$ -	\$ -	\$ -	\$ 357,087
Transfer (to) grant/donation revenue (excluding investment income)	\$ -	\$ -	\$ -	\$ -
Investment earnings	\$ -	\$ -	\$ -	\$ -
Received during the year	\$ -	\$ -	\$ -	\$ -
Transferred to investment income	\$ -	\$ -	\$ -	\$ -
Proceeds on disposition of supported capital/ Insurance proceeds (and related interest)	\$ -	\$ -	\$ -	\$ -
Transferred from (to) DOC	\$ -	\$ -	\$ -	\$ 944,944
Transferred from (to) SDCC	\$ -	\$ -	\$ -	\$ (3,453,245)
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -
<b>UDCC closing balance at August 31, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 39,803</b>
<b>Total Unspent Deferred Contributions at August 31, 2021</b>	<b>\$ 155,902</b>	<b>\$ -</b>	<b>\$ 155,902</b>	<b>\$ 2,217,209</b>
<b>Spent Deferred Capital Contributions (SDCC)</b>				
Balance at August 31, 2020	\$ 929,661	\$ -	\$ 929,661	\$ 97,268,365
Prior period adjustments - please explain:	\$ -	\$ -	\$ -	\$ -
<b>Adjusted ending balance August 31, 2020</b>	<b>\$ 929,661</b>	<b>\$ -</b>	<b>\$ 929,661</b>	<b>\$ 97,268,365</b>
Donated tangible capital assets	\$ -	\$ -	\$ -	\$ -
Alberta Infrastructure managed projects			\$ -	\$ -
Transferred from DOC	\$ -	\$ -	\$ -	\$ -
Transferred from UDCC	\$ -	\$ -	\$ -	\$ 3,453,245
Amounts recognized as revenue (Amortization of SDCC)	\$ (65,093)	\$ -	\$ (65,093)	\$ (3,427,920)
Disposal of supported capital assets	\$ -	\$ -	\$ -	\$ -
Transferred (to) from others - please explain:	\$ -	\$ -	\$ -	\$ -
<b>SDCC closing balance at August 31, 2021</b>	<b>\$ 864,568</b>	<b>\$ -</b>	<b>\$ 864,568</b>	<b>\$ 97,293,690</b>

**SCHEDULE OF PROGRAM OPERATIONS  
for the Year Ended August 31, 2021 (in dollars)**

REVENUES	2021								2020
	Instruction		Operations and Maintenance	Transportation	System Administration	External Services	TOTAL	TOTAL	
	Pre Kindergarten	Kindergarten to Grade 12							
(1) Alberta Education	\$ 4,343,488	\$ 63,348,937	\$ 7,637,228	\$ 2,415,766	\$ 2,856,600	\$ -	\$ 80,602,019	\$ 78,354,486	
(2) Alberta Infrastructure	\$ -	\$ 415,063	\$ 2,968,931	\$ -	\$ -	\$ -	\$ 3,383,994	\$ 3,346,524	
(3) Other - Government of Alberta	\$ -	\$ 49,221	\$ -	\$ -	\$ -	\$ 436,782	\$ 486,003	\$ 549,238	
(4) Federal Government and First Nations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(5) Other Alberta school authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,900	
(6) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(7) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(8) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(9) Fees	\$ 16,796	\$ 796,010	\$ -	\$ -	\$ -	\$ -	\$ 812,806	\$ 1,031,595	
(10) Sales of services and products	\$ -	\$ 1,646,729	\$ 2,677	\$ -	\$ 263,088	\$ 504,700	\$ 2,417,194	\$ 2,913,532	
(11) Investment income	\$ -	\$ 76,497	\$ 14,379	\$ 167	\$ 69,893	\$ -	\$ 160,936	\$ 210,606	
(12) Gifts and donations	\$ -	\$ 157,676	\$ 65,093	\$ -	\$ -	\$ -	\$ 222,769	\$ 392,706	
(13) Rental of facilities	\$ -	\$ -	\$ 66,501	\$ -	\$ -	\$ -	\$ 66,501	\$ 85,195	
(14) Fundraising	\$ -	\$ 87,927	\$ -	\$ -	\$ -	\$ -	\$ 87,927	\$ 290,312	
(15) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ 11,447	\$ -	\$ -	\$ -	\$ 11,447	\$ -	
(16) Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>(17) TOTAL REVENUES</b>	\$ 4,360,284	\$ 66,578,060	\$ 10,766,256	\$ 2,415,933	\$ 3,189,581	\$ 941,482	\$ 88,251,596	\$ 87,212,094	
<b>EXPENSES</b>									
(18) Certificated salaries	\$ 1,274,241	\$ 39,834,629	\$ -	\$ -	\$ 560,067	\$ -	\$ 41,668,937	\$ 40,886,081	
(19) Certificated benefits	\$ 174,571	\$ 10,292,629	\$ -	\$ -	\$ 96,200	\$ -	\$ 10,563,400	\$ 10,198,800	
(20) Non-certificated salaries and wages	\$ 597,473	\$ 7,537,165	\$ 3,521,877	\$ 68,686	\$ 1,209,248	\$ 507,644	\$ 13,442,093	\$ 13,253,717	
(21) Non-certificated benefits	\$ 134,431	\$ 1,876,536	\$ 880,992	\$ 18,889	\$ 321,024	\$ 107,486	\$ 3,339,358	\$ 3,262,069	
(22) SUB - TOTAL	\$ 2,180,716	\$ 59,540,959	\$ 4,402,869	\$ 87,575	\$ 2,186,539	\$ 615,130	\$ 69,013,788	\$ 67,600,667	
(23) Services, contracts and supplies	\$ 1,532,547	\$ 6,288,823	\$ 4,117,158	\$ 2,156,816	\$ 483,081	\$ 70,167	\$ 14,648,592	\$ 15,173,649	
(24) Amortization of supported tangible capital assets	\$ -	\$ 415,063	\$ 3,012,857	\$ -	\$ -	\$ -	\$ 3,427,920	\$ 3,233,330	
(25) Amortization of unsupported tangible capital assets	\$ 20,374	\$ 811,725	\$ 255,157	\$ 5,098	\$ 64,059	\$ 17,646	\$ 1,174,059	\$ 1,219,287	
(26) Supported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
(27) Unsupported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,441	
(28) Other interest and finance charges	\$ -	\$ 21,732	\$ -	\$ -	\$ 3,680	\$ -	\$ 25,412	\$ 43,839	
(29) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,381	
(30) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>(31) TOTAL EXPENSES</b>	\$ 3,733,637	\$ 67,078,302	\$ 11,788,041	\$ 2,249,489	\$ 2,737,359	\$ 702,943	\$ 88,289,771	\$ 87,279,594	
<b>(32) OPERATING SURPLUS (DEFICIT)</b>	\$ 626,647	\$ (500,242)	\$ (1,021,785)	\$ 166,444	\$ 452,222	\$ 238,539	\$ (38,175)	\$ (67,500)	

**SCHEDULE OF OPERATIONS AND MAINTENANCE**  
for the Year Ended August 31, 2021 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR/CMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2021 TOTAL Operations and Maintenance	2020 TOTAL Operations and Maintenance
Non-certificated salaries and wages	\$ 2,332,041	\$ 885,711	\$ -	\$ -	\$ 304,125			\$ 3,521,877	\$ 2,896,735
Non-certificated benefits	\$ 590,288	\$ 218,821	\$ -	\$ -	\$ 71,883			\$ 880,992	\$ 711,336
<b>SUB-TOTAL REMUNERATION</b>	\$ 2,922,329	\$ 1,104,532	\$ -	\$ -	\$ 376,008			\$ 4,402,869	\$ 3,608,071
Supplies and services	\$ 231,546	\$ 1,585,392	\$ 25,499	\$ 154,570	\$ 10,694			\$ 2,007,701	\$ 2,198,790
Electricity			\$ 739,839					\$ 739,839	\$ 606,063
Natural gas/heating fuel			\$ 292,697					\$ 292,697	\$ 240,884
Sewer and water			\$ 336,305					\$ 336,305	\$ 264,892
Telecommunications			\$ -					\$ -	\$ -
Insurance					\$ 456,164			\$ 456,164	\$ 322,229
ASAP maintenance & renewal payments							\$ 280,129	\$ 280,129	\$ 261,778
Amortization of tangible capital assets									
Supported							\$ 3,012,857	\$ 3,012,857	\$ 2,824,352
Unsupported						\$ 255,157		\$ 255,157	\$ 292,702
<b>TOTAL AMORTIZATION</b>						\$ 255,157	\$ 3,012,857	\$ 3,268,014	\$ 3,117,054
Interest on capital debt									
Supported							\$ -	\$ -	\$ -
Unsupported						\$ -		\$ -	\$ -
Lease payments for facilities				\$ 4,323				\$ 4,323	\$ 4,516
Other interest charges						\$ -		\$ -	\$ -
Losses on disposal of capital assets						\$ -		\$ -	\$ 2,381
<b>TOTAL EXPENSES</b>	\$ 3,153,875	\$ 2,689,924	\$ 1,394,340	\$ 158,893	\$ 842,866	\$ 255,157	\$ 3,292,986	\$ 11,788,041	\$ 10,626,658

  

SQUARE METRES									
School buildings								89,281.0	87,542.0
Non school buildings								3,668.0	3,668.0

**Notes:**

**Custodial:** All expenses related to activities undertaken to keep the school environment and maintenance shops clean and safe.

**Maintenance:** All expenses associated with the repair, replacement, enhancement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components. Maintenance expenses exclude operational costs related to expensed Infrastructure Maintenance Renewal (IMR), CMR & Modular Unit relocations, as they are reported on separately.

**Utilities & Telecommunications:** All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

**Expensed IMR, CMR & Modular Unit Relocation & Lease Payments:** All operational expenses associated with non-capitalized IMR and CMR projects, modular unit (portable) relocation, and payments on leased facilities.

**Facility Planning & Operations Administration:** All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees & contractors, school facility planning & project 'administration', administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.

**Unsupported Amortization & Other Expenses:** All expenses related to unsupported capital assets amortization and interest on unsupported capital debt.

**Supported Capital & Debt Services:** All expenses related to supported capital assets amortization and interest on supported capital debt.

**SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS**  
for the Year Ended August 31, 2021 (in dollars)

**Cash & Cash Equivalents**

	2021			2020
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash	1%	\$ 15,305,325	\$ 15,305,325	\$ 14,725,785
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Other, including GIC's	0.00%	-	-	-
Total cash and cash equivalents		\$ 15,305,325	\$ 15,305,325	\$ 14,725,785

**Portfolio Investments**

	2021			2020	
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
<b>Interest-bearing securities</b>					
Deposits and short-term securities	1.00%	\$ 706	\$ 706	\$ 706	\$ 7,908
Bonds and mortgages					
	1.00%	706	706	706	7,908
<b>Equities</b>					
Canadian equities	8.24%	\$ 318,951	\$ 440,400	\$ 440,400	\$ 340,033
Global developed equities	7.34%	407,242	585,235	585,235	441,497
Emerging markets equities		-	-	-	-
Private equities		-	-	-	-
Pooled investment funds	-0.18%	1,291,326	1,330,424	1,330,424	1,302,134
Total fixed income securities	3.26%	2,017,519	2,356,059	2,356,059	2,083,664
<b>Other</b>					
Other - Mineral Rights	0.00%	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
Total equities	0.00%	3,500	3,500	3,500	3,500
Total portfolio investments	3.26%	\$ 2,021,725	\$ 2,360,265	\$ 2,360,265	\$ 2,095,072

**Portfolio investments**

**Operating**

Cost  
Unrealized gains and losses

**Endowments**

Cost  
Unrealized gains and losses  
Deferred revenue

**Total portfolio investments**

	2021	2020
Cost	\$ -	\$ -
Unrealized gains and losses	-	-
Endowments Cost	\$ 2,021,725	\$ 1,846,906
Unrealized gains and losses	338,540	248,166
Deferred revenue	-	-
<b>Total portfolio investments</b>	\$ 2,360,265	\$ 2,095,072

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

	2021	2020
Under 1 year	12.6%	14.0%
1 to 5 years	38.0%	27.0%
6 to 10 years	26.2%	28.0%
11 to 20 years	23.2%	31.0%
Over 20 years	0.0%	0.0%
	100.0%	100.0%



**SCHEDULE 6**

School Jurisdiction Code: 3050

**SCHEDULE OF TANGIBLE CAPITAL ASSETS  
For the Year Ended August 31, 2021 (in dollars)**

Tangible Capital Assets	2021						2020
	Land	Work In Progress*	Buildings	Equipment	Vehicles	Computer Hardware & Software	Total
Estimated useful life			25-50 Years	5-10 Years	5-10 Years	3-5 Years	
<b>Historical cost</b>							
Beginning of year	\$ 1,870,324	\$ -	\$ 149,493,661	\$ 6,115,260	\$ 664,622	\$ 11,535,309	\$ 169,679,176
Prior period adjustments	-	-	-	-	-	-	-
Additions	-	777,586	3,087,510	217,909	35,290	617,089	4,735,384
Transfers in (out)	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	(106,917)	-	-	(106,917)
Historical cost, August 31, 2021	\$ 1,870,324	\$ 777,586	\$ 152,581,171	\$ 6,226,252	\$ 699,912	\$ 12,152,398	\$ 174,307,643
<b>Accumulated amortization</b>							
Beginning of year	\$ -	\$ -	\$ 45,880,468	\$ 2,884,134	\$ 555,492	\$ 9,219,076	\$ 58,539,170
Prior period adjustments	-	-	-	-	-	-	-
Amortization	-	-	3,211,502	537,017	56,033	797,425	4,601,977
Other additions	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	(40,464)	-	-	(40,464)
Accumulated amortization, August 31, 2021	\$ -	\$ -	\$ 49,091,970	\$ 3,380,687	\$ 611,525	\$ 10,016,501	\$ 63,100,683
<b>Net Book Value at August 31, 2021</b>	\$ 1,870,324	\$ 777,586	\$ 103,489,201	\$ 2,845,565	\$ 88,387	\$ 2,135,897	\$ 111,206,960
<b>Net Book Value at August 31, 2020</b>	\$ 1,870,324	\$ -	\$ 103,613,193	\$ 3,231,126	\$ 109,130	\$ 2,316,233	\$ 111,140,006

	2021	2020
Total cost of assets under capital lease	\$ -	\$ -
Total amortization of assets under capital lease	\$ -	\$ -

\*Work in Progress includes \$777,586 in building maintenance projects, expected to be completed in January 2022.

**SCHEDULE 7**

School Jurisdiction Code: 3050

**SCHEDULE OF REMUNERATION AND MONETARY INCENTIVES  
For the Year Ended August 31, 2021 (in dollars)**

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits	Expenses
Chair - Catherine Wilson	1.00	\$25,245	\$5,460	\$0			\$0	\$427
Other members								
Carolyn Freeman	1.00	\$19,500	\$5,150	\$0			\$0	\$0
Celina Symmonds	1.00	\$19,500	\$5,150	\$0			\$0	\$0
Deborah Forbes	1.00	\$19,500	\$5,150	\$0			\$0	\$0
Rick Massini	1.00	\$27,361	\$0	\$0			\$0	\$2,169
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
<b>Subtotal</b>	<b>5.00</b>	<b>\$111,106</b>	<b>\$20,910</b>	<b>\$0</b>			<b>\$0</b>	<b>\$2,596</b>
Mark Davidson , Superintendent	1.00	\$204,000	\$56,575	\$6,960	\$0	\$0	\$0	\$3,115
Jerry Labossiere, Secretary Treasurer	1.00	\$173,800	\$47,717	\$4,260	\$0	\$0	\$0	\$2,016
Certificated		\$41,464,937	\$10,231,228	\$77,837	\$0	\$190,800	\$0	
School based	411.00							
Non-School based	6.00							
Non-certificated		\$13,157,187	\$3,243,708	\$22,763	\$0	\$0	\$0	
Instructional	206.50							
Plant Operations & Maintenance	57.80							
Transportation	1.00							
Other	23.50							
<b>TOTALS</b>	<b>712.80</b>	<b>\$55,111,030</b>	<b>\$13,600,138</b>	<b>\$111,820</b>	<b>\$0</b>	<b>\$190,800</b>	<b>\$0</b>	<b>\$7,727</b>

**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2021**

**1. AUTHORITY AND PURPOSE**

The Medicine Hat Public Board of Education is an independent legal entity with an elected Board of Trustees as stipulated in the *School Act* (Alberta) and is operating as the Medicine Hat Public School Division (the Division). The Division is registered as a charitable organization under the *Income Tax Act* (Canada) and, therefore, is exempt from income tax and may issue official receipts to donors for income tax purposes.

The Division delivers education programs under the authority of the Education Act, 2012, Chapter E-0.3.

The Division receives funding for instruction and support under Education Grants Regulation (AR 120/2008). The regulation allows for the setting of conditions and use of grant monies. The Division is limited on certain funding allocations and administration expenses.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with the Canadian Public Sector Accounting Standards (PSAS). The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

**i) BASIS OF FINANCIAL REPORTING**

**a) Valuation of Financial Assets and Liabilities**

The Division's financial assets and liabilities are generally measured as follows:

<u>Financial Statement Component</u>	<u>Measurement</u>
Cash and cash equivalents	Cost
Accounts receivable	Lower of cost or net recoverable value
Portfolio investments	Fair value and amortized cost
Accounts payable and other accrued liabilities	Cost

**b) Financial Assets**

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

Financial assets are the Division's financial claims on external organizations and individuals, and inventories for resale at the year end.

**ii) CASH AND CASH EQUIVALENTS**

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

**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2021**

**iii) ACCOUNTS RECEIVABLE**

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

**iv) PORTFOLIO INVESTMENTS**

The Division has investments in bonds and equity mutual funds that have no maturity date or a maturity greater than three months. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value. Discounts and premiums arising on the purchase of fixed income securities are amortized over the term of the investments.

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

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

Scholarship Endowment Funds are included in Financial Assets in the Consolidated Statement of Financial Position. Contributions and income pertaining to scholarship endowment funds are recognized on the Statement of Operations and must be held in perpetuity in accordance with the agreement with the donor. Provisions of the agreement require that a portion of the income is reinvested each year. The residual may be disbursed for the purposes of the scholarship. Undisbursed funds earned on endowment principal are recognized as deferred revenue or as revenue in the year to the extent that stipulations have been met. Donors have placed restrictions on their contributions to endowments, for example capital preservation. The principal restriction is that the original contribution should be maintained intact in perpetuity. Other restrictions may include spending investment income earned by endowments for specific operational or capital purposes, or capitalizing a certain amount of investment income to maintain and grow the real value of endowments.

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

**v) INVENTORIES FOR RESALE**

Inventories for resale are valued at the lower of cost and net realizable value. Cost is determined on first-in, first-out basis.

**vi) OTHER FINANCIAL ASSETS**

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

**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2021**

**vii) LIABILITIES**

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

**a) Accounts payable and other accrued liabilities**

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

**viii) DEFERRED CONTRIBUTIONS**

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

Deferred contributions also includes contributions for capital expenditures, unspent and spent. Unspent Deferred Capital Contributions (UDCC) represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the Division, but the related expenditure has not been made at year-end. These contributions must also have stipulations that meet the definition of a liability per PS 3200 when expended.

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

**ix) EMPLOYEE FUTURE BENEFITS**

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

The Division accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include multi-employer defined-benefit retirement plans, vested or accumulating sick leave, early retirement, retirement/severance, job-training and counseling, post-employment benefit continuation and various qualifying compensated absences.

**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2021**

**x) LIABILITY FOR CONTAMINATED SITES**

Contaminated sites are a result of contamination of a chemical, organic or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment. A liability for remediation of contaminated site may arise from an operation that is either in productive use or no longer in productive use and may also arise from an unexpected event resulting in contamination. The resulting liability is recognized net of any expected recoveries, when all of the following criteria are met:

- (a) an environmental standard exists;
- (b) contamination exceeds the environmental standard;
- (c) the Division is directly responsible or accepts responsibility;
- (d) it is expected that future economic benefits will be given up; and
- (e) a reasonable estimate of the amount can be made

**xi) ASSET RETIREMENT OBLIGATIONS**

The Division has determined that it has a conditional asset retirement obligation relating to certain school sites. These obligations will be discharged in the future by funding through the Alberta Government. The Division believes that there is insufficient information to estimate the fair value of the asset retirement obligation because the settlement date or the range of potential settlement dates has not been determined and information is not available to apply an expected present value technique.

**xii) DEBT**

Loans are recognized at their face value amount less unamortized discount, which includes issue expenses.

**xiii) NON-FINANCIAL ASSETS**

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

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

**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2021**

**xiv) TANGIBLE CAPITAL ASSETS**

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost, including amounts directly related to the acquisition, design, construction, development, or betterment of the asset. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value at the date of donation, except in circumstances where fair value cannot be reasonably determined, when they are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at original cost less accumulated amortization.
- Construction-in-progress is recorded as a transfer to the applicable asset class at substantial completion.
- Buildings include site and leasehold improvements as well as assets under capital lease.
- Sites and buildings are written down to residual value when conditions indicate they no longer contribute to the ability of the Division to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. For supported assets, the write-downs are accounted for as reductions to Spent deferred capital contributions (SDCC).
- Buildings that are demolished or destroyed are written-off.
- Tangible capital assets with costs in excess of \$5,000 are capitalized.
- Leases that, from the point of view of the lessee, transfer substantially all the benefits and risks incident to ownership of the property to the Division are considered capital leases. These are accounted for as an asset and an obligation. Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs, e.g., insurance, maintenance costs, etc. The discount rate used to determine the present value of the lease payments is the lower of the Division's rate for incremental borrowing or the interest rate implicit in the lease.
- Tangible capital assets are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	25 – 50 years
Equipment	5 – 10 years
Vehicles	5 – 10 years
Computer Hardware & Software	3 - 10 years

**xv) PREPAID EXPENSES**

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

**xvi) OPERATING AND CAPITAL RESERVES**

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

**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2021**

**xvii) REVENUE RECOGNITION**

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recognized as unearned revenue and recorded in accounts payable and other accrued liabilities.

Endowment contributions, matching contributions, and associated investment income allocated for preservation of endowment capital purchasing power are recognized in the Consolidated Statement of Operations in the period in which they are received.

Government transfers

Transfers from all governments are referred to as government transfers. Government transfers and associated externally restricted investment income are recognized as deferred contributions if the eligibility criteria for use of the transfer, or the stipulations together with the Division's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the Division complies with its communicated use of these transfers.

All other government transfers, without stipulations for the use of the transfer, are recognized as revenue when the transfer is authorized and the Division meets the eligibility criteria (if any).

Donations and non-Government contributions

Donations and non-government contributions are received from individuals, corporations, and private sector not-for-profit organizations. Donations and non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted donations and non-government contributions are recognized as revenue in the year received or in the year the funds are committed to the Division if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted donations, non-government contributions and realized and unrealized gains and losses for the associated externally restricted investment income are recognized as deferred contributions if the terms for their use, or the terms along with the Division's actions and communications as to the use, create a liability. These resources are recognized as revenue as the terms are met and, when applicable, the Division complies with its communicated use.

In-kind donations of services and materials are recognized at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist the Division, the value of their services are not recognized as revenue and expenses in the (consolidated) financial statements because fair value cannot be reasonably determined.

Grants and donations for land

The Division records transfers and donations for the purchase of the land as a liability when received and as revenue when the Division purchases the land. The Division records in-kind contributions of land as revenue at the fair value of the land. When the Division cannot determine the fair value, it records such in-kind contributions at nominal value.



**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2021**

Investment income

Investment income includes dividend and interest income and realized gains or losses on the sale of portfolio investments. Unrealized gains and losses on portfolio investments that are not from restricted transfers, donations or contributions are recognized in the (Consolidated) Statement of Accumulated Remeasurement Gains and Losses until the related investments are sold. Once realized, these gains or losses are recognized in the (Consolidated) Statement of Operations.

**xviii) EXPENSES**

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

Allocation of Costs

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

**xix) PROGRAM REPORTING**

The Division's operations have been segmented as follows:

- **Pre-K Instruction:** The provision of Pre-Kindergarten educational instructional services that fall under the basic public education mandate.
- **K to Grade 12 Instruction:** The provision of instructional services for Kindergarten to Grade 12 that fall under the basic public education mandate.
- **Operations and Maintenance:** The operation and maintenance of all school buildings and maintenance shop facilities.
- **Transportation:** The provision of regular and special education bus services (to and from school), whether contracted or board operated, including transportation facilities.
- **System Administration:** The provision of board governance and system-based / central office administration.
- **External Services:** All projects, activities, and services offered outside the public education mandate for ECS children and students in grades 1-12. Services offered beyond the mandate for public education are to be self-supporting, and Alberta Education funding may not be utilized to support these programs.

The allocation of revenues and expenses are reported by program, source, and object on the Schedule of Program Operations. Respective instruction expenses include the cost of certificated teachers, non-certificated teaching assistants as well as a proportionate share of supplies & services, school administration & instruction support, and System Instructional Support.

**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2021**

**xx) TRUSTS UNDER ADMINISTRATION**

The Division has property that has been transferred or assigned to it to be administered or directed by a trust agreement or statute. The Division holds title to the property for the benefit of the beneficiary. Trusts under administration have been excluded from the financial reporting of the Division. Trust balances can be found in Note 12.

**xxi) FINANCIAL INSTRUMENTS**

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The Division recognizes a financial instrument when it becomes a party to a financial instrument contract.

**xxii) MEASUREMENT UNCERTAINTY**

The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the potential impairment of assets, rates for amortization and estimated employee future benefits.

**xxiii) FUTURE ACCOUNTING CHANGES**

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

- **PS 3280 Asset Retirement Obligations (effective September 1, 2022)**  
Effective April 1, 2021, this standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.
- **PS 3400 Revenue (effective September 1, 2023)**  
This standard provides guidance on how to account for and report on revenue, and specifically, it addresses revenue arising from exchange transactions and non-exchange transactions.

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

**3. ACCOUNTS RECEIVABLE**

	2021			2020
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Grants	\$ 35,111	\$ -	\$ 35,111	\$ 30,081
Alberta Health Services	51,090	-	51,090	57,627
Alberta Infrastructure	357,087	-	357,087	-
Federal government	125,392	-	125,392	167,868
Other	245,823	-	245,823	83,822
Total	<u>\$ 814,503</u>	<u>\$ -</u>	<u>\$ 814,503</u>	<u>\$ 339,398</u>

**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2021**

**4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2021	2020
Alberta Education - WMA	\$ 1,758,891	\$ -
Alberta Education - Other	40,467	79,366
Accrued vacation pay liability	269,967	246,461
Other trade payables and accrued liabilities	2,412,155	3,892,164
Unearned Revenue		
ELP and Foreign Student Tuition	778,985	227,295
<b>Total</b>	<b>\$ 5,260,465</b>	<b>\$ 4,445,286</b>

**5. BENEFIT PLANS**

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

Current and past service costs of the Alberta Teachers Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Division does not make pension contributions for certificated staff. The Government portion of the current service contribution to the Alberta Teachers Retirement Fund on behalf of the Division is included in both revenues and expenses. For the school year ended August 31, 2021, the amount contributed by the Government was \$4,457,080 (2020 - \$4,501,736).

The Division participates in a multi-employer pension plan, the Local Authorities Pension Plan. The Division is not responsible for future funding of the plan deficit other than through contribution increases. The expense for this pension plan is equivalent to the annual contributions of \$750,109 for the year ended August 31, 2021 (2020 - \$749,941). At December 31, 2019, the Local Authorities Pension Plan reported a surplus of \$4,961,337,000 (2019, a surplus of \$7,913,261,000).

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

The Division participates in the multi-employer supplementary integrated pension plan (SiPP) for members of senior administration. The plan provides a supplement to the LAPP or ATRF pension to a full 2% of pensionable earnings multiplied by pensionable service, limited by the *Income Tax Act*. The annual expenditure for this pension plan is equivalent to the annual contributions of \$47,917 for the year ended August 31, 2021 (2020 - \$46,050).

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

Employee future benefit liabilities consist of the following:

	2021	2020
Accumulating sick pay liability (non-vested)	297,800	256,100
Personal Professional Development Funds	417,442	351,475
<b>Total</b>	<b>\$ 715,242</b>	<b>\$ 607,575</b>

**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2021**

The Division offers an early retirement incentive plan to all eligible Teachers to a maximum of \$25,000. To be eligible, teachers must have been under contract for a minimum of 10 consecutive years and have achieved a Teacher Retirement Fund Index of 85 after turning 55 years of age. If the 85 factor is reached prior to age 55, they become eligible at age 55. This is an event driven termination benefit and as such, no accrual is required.

The Division's contract with the Teachers Union allows for an auto renew 90-day sick plan policy. As the sick leave automatically renews, there is no accrual as it is an event driven compensated absence that does not vest or accumulate.

Effective September 1, 2013, the contract for the Educational Assistants, Custodial and Clerical staff came into effect which has a sick leave accrual of sixty-five days.

**6. PREPAID EXPENSES**

	<b>2021</b>	<b>2020</b>
Prepaid insurance	\$ 94,456	\$ 70,786
Other	315,003	284,877
<b>Total</b>	<b>\$ 409,459</b>	<b>\$ 355,663</b>

**7. OTHER NON-FINANCIAL ASSETS**

	<b>2021</b>	<b>2020</b>
Alberta Capital Finance Authority Share	\$ 20	\$ 20
<b>Total</b>	<b>\$ 20</b>	<b>\$ 20</b>

**8. NET ASSETS**

Detailed information related to net assets is available on the Schedule of Net Assets. Accumulated surplus may be summarized as follows:

	<b>2021</b>	<b>2020</b>
Unrestricted surplus	\$ 801,871	\$ 1,590,662
Operating reserves	4,267,200	4,026,400
Accumulated surplus (deficit) from operations	5,069,071	5,617,062
Investment in tangible capital assets	13,913,260	13,826,644
Capital reserves	3,275,700	2,852,500
Endow ments <sup>(1)</sup>	2,017,205	1,986,058
Accumulated rremeasurement gains (losses)	334,690	248,166
<b>Accumulated surplus (deficit)</b>	<b>\$24,609,926</b>	<b>\$24,530,430</b>

**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2021**

Accumulated surplus (deficit) from operations (ASO) include funds of \$1,169,500 that are raised at school level and are not available to spend at board level.

The Division has recorded a provision for employee future benefits. Since this provision reflects estimated future obligations, it is not required to be funded from current operations.

The Division's adjusted surplus (deficit) from operations is calculated as follows:

	<b>2021</b>	<b>2020</b>
Accumulated surplus (deficit) from operations	\$ 5,069,071	\$ 5,617,062
Add: Non-vesting accumulating employee future benefits charged to accumulated surplus	297,800	256,100
Deduct: School generated funds included in accumulated surplus (Note 21)	<u>1,169,500</u>	<u>1,118,200</u>
Adjusted accumulated surplus (deficit) from operations <sup>(2)</sup>	<u>\$ 4,197,371</u>	<u>\$ 4,754,962</u>

<sup>(1)</sup> Terms of the endowments stipulate that the principal balance be maintained permanently. Investment income of \$143,038 (2020 - \$96,278) is externally restricted for scholarships and is included in deferred contributions.

<sup>(2)</sup> Adjusted accumulated surplus represents funding available for use by the Division after deducting funds committed for use by the schools.

**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2021**

**9. ENDOWMENTS**

Endowments represent principal amounts contributed for student scholarships. The conditions of the endowment agreement are such that principal amounts must be held in perpetuity in accordance with stipulations placed by the contributor. Endowment assets are held in portfolio assets.

**10. CONTRACTUAL OBLIGATIONS**

	<b>2021</b>	<b>2020</b>
Building projects <sup>(1)</sup>	\$ 245,059	\$ -
Building leases <sup>(2)</sup>	-	-
Service providers <sup>(3)</sup>	3,604,450	3,437,708
Other (Specify)	-	-
Other	-	-
<b>Total</b>	<b>3,849,509</b>	<b>3,437,708</b>

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

	<b>Building Projects</b>	<b>Building Leases</b>	<b>Service Providers</b>
2021-2022	\$ 245,059	\$ -	\$ 3,604,450
2022-2023	-	-	-
2023-2024	-	-	-
2024-2025	-	-	-
2025-2026	-	-	-
Thereafter	-	-	-
<b>Total</b>	<b>\$ 245,059</b>	<b>\$ -</b>	<b>\$ 3,604,450</b>

**11. CONTINGENT LIABILITIES**

- i) The Division is a member of an Urban School Insurance Consortium (USIC). A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements as the value of equity is subject to liability claims. As at August 31, 2021 the Division's equity portion is \$282,592 (2020 – \$142,816).
- ii) The Division, in conduct of its normal activities, is a defendant in various legal proceedings. While the ultimate outcome of these proceedings cannot be predicted at this time, it is the opinion of the Division's administration that adequate provision for these proceedings has been made in the Division accounts. It is believed that the resolution of the proceedings will not have a material effect on the financial position of the Division; however, should any additional losses result from the resolutions of these proceedings, such amounts would be expensed as the related amounts become known to the Division.
- iii) The Division is contingently liable for corporate credit cards issued with a combined authorized credit limit of \$425,200 (2020 - \$451,530).

**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2021**

**12. TRUSTS UNDER ADMINISTRATION**

The Division administers trust funds on behalf of the beneficiaries specified in the agreement or statute. These amounts are held on behalf of others with no power of appropriation and, therefore, are not reported in these financial statements.

At August 31, 2021 trust funds under administration were as follows:

	2021	2020
Scholarship trusts	105,478	109,305
Total	<u>\$ 105,478</u>	<u>\$ 109,305</u>

**13. SCHOOL GENERATED FUNDS**

	2021	2020
School Generated Funds, Beginning of Year	\$1,118,200	\$1,091,000
Gross Receipts:		
Fees	111,242	605,522
Fundraising	87,875	290,322
Gifts and donations	114,567	254,988
Grants to schools	9,700	7,430
Other sales and services	1,104,548	1,177,011
Total gross receipts	1,427,932	2,335,273
Total Related Expenses and Uses of Funds	1,025,873	1,123,675
Total Direct Costs Including Cost of Goods Sold to Raise Funds	350,759	1,184,398
School Generated Funds, End of Year	<u>\$1,169,500</u>	<u>\$1,118,200</u>
Balance included in Deferred Contributions*	\$ -	\$ -
Balance included in Accounts Payable**	\$ -	\$ -
Balance included in Accumulated Surplus (Operating Reserves)	\$1,169,500	\$1,118,200

**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2021**

**14. RELATED PARTY TRANSACTIONS**

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

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

**i) ALBERTA GOVERNMENT DEPARTMENTS**

	Balances		Transactions	
	Financial Assets (at cost or net realizable value)	Liabilities (at amortized cost)	Revenues	Expenses
<b>Government of Alberta (GOA):</b>				
<b>Alberta Education</b>				
Accounts receivable / Accounts payable	\$ 35,111	\$ 1,799,358		
Prepaid expenses / Deferred operating revenue		1,996,801		
Unexpended deferred capital contributions		11,429		
Spent deferred capital revenue		7,474,186		
Grant revenue & expenses			76,144,939	
ATRF payments made on behalf of district			4,457,080	
<b>Alberta Health Services</b>	51,090		436,782	
<b>Post-secondary institutions</b>			504,700	73,541
<b>Alberta Infrastructure</b>				
Alberta Infrastructure	357,087		280,129	
Unexpended deferred capital contributions		28,374		
Spent deferred capital contributions		88,954,936	3,383,994	
Other GOA ministry - Department of Justice		24,703	49,221	
<b>TOTAL 2020/2021</b>	<u>443,288</u>	<u>100,289,787</u>	<u>85,256,845</u>	<u>73,541</u>
<b>TOTAL 2019/2020</b>	<u>87,708</u>	<u>98,243,148</u>	<u>82,727,742</u>	<u>56,639</u>

**ii) MEDICINE HAT PUBLIC SCHOOLS' EDUCATION FOUNDATION**

The Division provides certain administrative services and occupancy at no cost to the Medicine Hat Public Schools' Education Foundation.

**15. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY**

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



**THE MEDICINE HAT PUBLIC BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2021**

**16. BUDGET AMOUNTS**

The budget was prepared by the Division and approved by the Board of Trustees on May 26, 2020. It is presented for information purposes only and has not been audited.

**17. COMPARATIVE FIGURES**

The comparative figures have been reclassified where necessary to conform to the 2020/21 presentation.

**18. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were approved by the Board of Trustees.

**SCHEDULE 8**

**UNAUDITED SCHEDULE OF FEES**  
For the Year Ended August 31, 2021 (in dollars)

	Actual Fees Collected 2019/2020	Budgeted Fee Revenue 2020/2021	(A) Actual Fees Collected 2020/2021	(B) Unspent September 1, 2020*	(C) Funds Raised to Defray Fees 2020/2021	(D) Expenditures 2020/2021	(A) + (B) + (C) - (D) Unspent Balance at August 31, 2021*
<b>Transportation Fees</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Basic Instruction Fees</b>							
Basic instruction supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Fees to Enhance Basic Instruction</b>							
Technology user fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Alternative program fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fees for optional courses	\$135,768	\$153,000	\$126,999	\$0	\$0	\$126,999	\$0
Activity fees	\$119,190	\$145,000	\$41,278	\$0	\$0	\$41,278	\$0
Early childhood services	\$304,236	\$645,500	\$462,709	\$0	\$0	\$462,709	\$0
Other fees to enhance education	\$19,590	\$21,000	\$27,576	\$0	\$0	\$27,576	\$0
<b>Non-Curricular fees</b>							
Extracurricular fees	\$211,371	\$280,000	\$118,772	\$71,745	\$0	\$190,517	\$0
Non-curricular travel	\$160,048	\$125,000	\$0	\$36,859	\$0	\$36,859	\$0
Lunch supervision and noon hour activity fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-curricular goods and services	\$81,392	\$75,000	\$35,472	\$0	\$0	\$35,472	\$0
Other Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL FEES</b>	\$1,031,595	\$1,444,500	\$812,806	\$108,604	\$0	\$921,410	\$0

\*Unspent balances cannot be less than \$0

Please disclose amounts paid by parents of students that are recorded as "Sales of services and products", "Fundraising", or "Other revenue" (rather than fee revenue):	Actual 2021	Actual 2020
Cafeteria sales, hot lunch, milk programs	\$383,049	\$324,573
Special events, graduation, tickets	\$59,015	\$34,071
International and out of province student revenue	\$240,190	\$498,820
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$64,923	\$54,614
Adult education revenue	\$0	\$0
Preschool	\$16,796	\$63,300
Child care & before and after school care	\$0	\$0
Lost item replacement fee	\$0	\$0
0	\$0	\$0
0	\$0	\$0
0	\$0	\$0
<b>TOTAL</b>	\$763,973	\$975,378

**SCHEDULE 9**

**UNAUDITED SCHEDULE OF SYSTEM ADMINISTRATION**  
**For the Year Ended August 31, 2021 (in dollars)**

EXPENSES	Allocated to System Administration 2021			
	Salaries & Benefits	Supplies & Services	Other	TOTAL
Office of the superintendent	\$ 322,182	\$ 14,745	\$ -	\$ 336,927
Educational administration (excluding superintendent)	284,102	5,643	-	289,745
Business administration	633,503	124,776	-	758,279
Board governance (Board of Trustees)	132,016	91,784	-	223,800
Information technology	-	-	-	-
Human resources	539,017	56,327	-	595,344
Central purchasing, communications, marketing	106,607	14,466	-	121,073
Payroll	163,686	-	-	163,686
Administration - insurance			55,468	55,468
Administration - amortization			64,059	64,059
Administration - other (admin building, interest)			123,552	123,552
WCB	5,426	-	-	5,426
	-	-	-	-
	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>\$ 2,186,539</b>	<b>\$ 307,741</b>	<b>\$ 243,079</b>	<b>\$ 2,737,359</b>
Less: Amortization of unsupported tangible capital assets				(\$64,059)
<b>TOTAL FUNDED SYSTEM ADMINISTRATION EXPENSES</b>				<b>2,673,300</b>

REVENUES	2021
System Administration grant from Alberta Education	2,856,603
System Administration other funding/revenue from Alberta Education (ATRF, secondment revenue, etc)	
System Administration funding from others	332,978
<b>TOTAL SYSTEM ADMINISTRATION REVENUES</b>	<b>3,189,581</b>
Transfers (to)/from System Administration reserves	-
Transfers to other programs	-
<b>SUBTOTAL</b>	<b>3,189,581</b>
2020 - 21 System Administration expense (over) under spent	\$516,281