



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

Medicine Hat Public School District No. 76

Legal Name of School Jurisdiction

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SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Medicine Hat Public School District No. 76 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

Rick Massini
Name

Original Copy Signed
Signature

SUPERINTENDENT

Mark Davidson
Name

Original Copy Signed
Signature

SECRETARY-TREASURER OR TREASURER

Jerry Labossiere
Name

Original Copy Signed
Signature

November 26, 2019
Board-approved Release Date

c.c. ALBERTA EDUCATION, Financial Reporting & Accountability Branch
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CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To: The Board of Trustees of
Medicine Hat Public School District No. 76

Opinion

We have audited the financial statements of Medicine Hat Public School District No. 76, which comprise the statement of financial position as at August 31, 2019 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, 2019, 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:

- 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.

INDEPENDENT AUDITORS' REPORT, continued

- 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 26, 2019

A handwritten signature in black ink that reads "Arail LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants

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

		2019	2018 (Restated)
FINANCIAL ASSETS			
Cash and cash equivalents	(Schedule 5)	\$ 9,351,475	\$ 10,822,936
Accounts receivable (net after allowances)	(Note 3)	\$ 5,659,542	\$ 4,356,020
Portfolio investments			
Operating		\$ -	\$ -
Endowments	(Schedule 5; Note 11)	\$ 2,027,281	\$ 1,950,798
Inventories for resale		\$ -	\$ -
Other financial assets		\$ -	\$ -
Total financial assets		\$ 17,038,298	\$ 17,129,754
LIABILITIES			
Bank indebtedness		\$ -	\$ -
Accounts payable and accrued liabilities	(Note 4)	\$ 4,195,502	\$ 4,857,690
Deferred contributions	(Note 5)	\$ 105,992,642	\$ 106,650,293
Employee future benefits liabilities	(Note 6)	\$ 826,660	\$ 862,748
Liability for contaminated sites		\$ -	\$ -
Other liabilities		\$ -	\$ -
Debt			
Supported: Debentures		\$ -	\$ -
Unsupported: Debentures		\$ -	\$ -
Mortgages and capital loans	(Note 7)	\$ 89,980	\$ -
Capital leases		\$ -	\$ 151,854
Total liabilities		\$ 111,104,784	\$ 112,522,585
Net debt		\$ (94,066,486)	\$ (95,392,831)
NON-FINANCIAL ASSETS			
Tangible capital assets	(Schedule 6)	\$ 118,129,698	\$ 118,084,507
Inventory of supplies		\$ -	\$ -
Prepaid expenses	(Note 8)	\$ 354,233	\$ 235,364
Other non-financial assets	(Note 9)	\$ 20	\$ 20
Total non-financial assets		\$ 118,483,951	\$ 118,319,891
Accumulated surplus	(Schedule 1; Note 10)	\$ 24,417,465	\$ 22,927,060
Accumulating surplus / (deficit) is comprised of:			
Accumulated operating surplus (deficit)		\$ 24,221,244	\$ 22,753,219
Accumulated remeasurement gains (losses)		\$ 196,221	\$ 173,841
		\$ 24,417,465	\$ 22,927,060
Contractual obligations	(Note 12)		
Contingent Liabilities	(Note 13)		

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

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

	Budget 2019	Actual 2019	Actual 2018
REVENUES			
Government of Alberta	\$ 86,709,500	\$ 87,329,217	\$ 87,728,656
Federal Government and First Nations	\$ -	\$ -	\$ -
Out of province authorities	\$ -	\$ -	\$ -
Alberta municipalities-special tax levies	\$ -	\$ -	\$ -
Property taxes	\$ -	\$ -	\$ -
Fees (Schedule 8)	\$ 887,700	\$ 915,593	\$ 875,192
Other sales and services	\$ 2,101,900	\$ 2,803,894	\$ 3,235,704
Investment income	\$ 127,500	\$ 331,660	\$ 162,127
Gifts and donations	\$ 176,500	\$ 273,748	\$ 291,250
Rental of facilities	\$ 70,000	\$ 86,838	\$ 76,705
Fundraising	\$ 578,600	\$ 412,878	\$ 426,096
Gains on disposal of capital assets	\$ -	\$ -	\$ 796,506
Other revenue	\$ -	\$ -	\$ -
Total revenues	\$ 90,651,700	\$ 92,153,828	\$ 93,592,236
EXPENSES			
Instruction - ECS	\$ 10,408,100	\$ 9,835,066	\$ 10,296,381
Instruction - Grades 1 - 12	\$ 62,141,200	\$ 63,301,423	\$ 62,962,185
Plant operations and maintenance (Schedule 4)	\$ 11,670,700	\$ 11,269,407	\$ 11,918,688
Transportation	\$ 2,305,400	\$ 2,328,505	\$ 2,250,333
Board & system administration	\$ 3,029,000	\$ 2,916,232	\$ 2,838,043
External services	\$ 1,097,300	\$ 1,035,170	\$ 1,803,326
Total expenses	\$ 90,651,700	\$ 90,685,803	\$ 92,068,956
Operating surplus (deficit)	\$ -	\$ 1,468,025	\$ 1,523,280
Accumulated operating surplus (deficit) at beginning of year		\$ 22,753,219	\$ 21,229,939
Accumulated operating surplus (deficit) at end of year	\$ -	\$ 24,221,244	\$ 22,753,219

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

STATEMENT OF CASH FLOWS
For the Year Ended August 31, 2019 (in dollars)

	2019	2018
CASH FLOWS FROM:		
A. OPERATING TRANSACTIONS		
Operating surplus (deficit)	\$ 1,468,025	\$ 1,523,280
Add (Deduct) items not affecting cash:		
Amortization of tangible capital assets	\$ 4,404,821	\$ 4,337,061
Net (gain)/loss on disposal of tangible capital assets	\$ 3,269	\$ (796,506)
Transfer of tangible capital assets (from)/to other entities	\$ -	\$ -
(Gain)/Loss on sale of portfolio investments	\$ -	\$ -
Expended deferred capital revenue recognition	\$ (3,211,369)	\$ (3,128,824)
Deferred capital revenue write-down / adjustment	\$ -	\$ -
Donations in kind	\$ -	\$ -
	\$ 2,664,746	\$ 1,935,011
(Increase)/Decrease in accounts receivable	\$ (1,303,522)	\$ 1,328,998
(Increase)/Decrease in inventories for resale	\$ -	\$ -
(Increase)/Decrease in other financial assets	\$ -	\$ -
(Increase)/Decrease in inventory of supplies	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ (118,869)	\$ 37,519
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Increase/(Decrease) in accounts payable, accrued and other liabilities	\$ (662,188)	\$ (5,365,717)
Increase/(Decrease) in deferred revenue (excluding EDCC)	\$ 2,333,339	\$ 7,882,011
Increase/(Decrease) in employee future benefit liabilities	\$ (36,088)	\$ 19,251
Supported asset previously recorded as unsupported moved to EDCC	\$ 200,000	\$ -
Total cash flows from operating transactions	\$ 3,077,418	\$ 5,837,073
B. CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	\$ (4,448,295)	\$ (10,056,821)
Net proceeds from disposal of unsupported capital assets	\$ 15,393	\$ 886,948
Other	\$ -	\$ -
Total cash flows from capital transactions	\$ (4,432,902)	\$ (9,169,873)
C. INVESTING TRANSACTIONS		
Purchases of portfolio investments	\$ (54,103)	\$ (33,810)
Proceeds on sale of portfolio investments	\$ -	\$ -
Other (Describe)	\$ -	\$ -
0	\$ -	\$ -
Total cash flows from investing transactions	\$ (54,103)	\$ (33,810)
D. FINANCING TRANSACTIONS		
Debt issuances	\$ 89,980	\$ -
Debt repayments	\$ -	\$ -
Other factors affecting debt (describe)	\$ -	\$ -
Capital lease issuances	\$ -	\$ -
Capital lease payments	\$ (151,854)	\$ (127,568)
Other (describe)	\$ -	\$ -
Other (describe)	\$ -	\$ -
Total cash flows from financing transactions	\$ (61,874)	\$ (127,568)
Increase (decrease) in cash and cash equivalents	\$ (1,471,461)	\$ (3,494,178)
Cash and cash equivalents, at beginning of year	\$ 10,822,936	\$ 14,317,114
Cash and cash equivalents, at end of year	\$ 9,351,475	\$ 10,822,936

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

STATEMENT OF CHANGE IN NET DEBT
For the Year Ended August 31, 2019 (in dollars)

	2019	2018
Operating surplus (deficit)	\$ 1,468,025	\$ 1,523,280
Effect of changes in tangible capital assets		
Acquisition of tangible capital assets	\$ (4,648,295)	\$ (10,056,821)
Amortization of tangible capital assets	\$ 4,404,821	\$ 4,337,061
Net (gain)/loss on disposal of tangible capital assets	\$ 3,269	\$ (796,506)
Net proceeds from disposal of unsupported capital assets	\$ 15,393	\$ 886,948
Write-down carrying value of tangible capital assets	\$ -	\$ -
Transfer of tangible capital assets (from)/to other entities	\$ (20,379)	\$ -
Other changes Previously unsupported asset	\$ 200,000	\$ -
Total effect of changes in tangible capital assets	\$ (45,191)	\$ (5,629,318)
Acquisition of inventory of supplies	\$ -	\$ -
Consumption of inventory of supplies	\$ -	\$ -
(Increase)/Decrease in prepaid expenses	\$ (118,869)	\$ 37,519
(Increase)/Decrease in other non-financial assets	\$ -	\$ -
Net remeasurement gains and (losses)	\$ 22,380	\$ 35,471
Other changes	\$ -	\$ -
Decrease (increase) in net debt	\$ 1,326,345	\$ (4,033,048)
Net debt at beginning of year	\$ (95,392,831)	\$ (91,359,783)
Net debt at end of year	\$ (94,066,486)	\$ (95,392,831)

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

STATEMENT OF REMEASUREMENT GAINS AND LOSSES
For the Year Ended August 31, 2019 (in dollars)

	2019	2018
Unrealized gains (losses) attributable to:		
Portfolio investments	\$ 22,380	\$ 35,471
Derivatives	\$ -	\$ -
Other	\$ -	\$ -
Amounts reclassified to the statement of operations:		
Portfolio investments	\$ -	\$ -
Derivatives	\$ -	\$ -
Other	\$ -	\$ -
Other Adjustment (Describe)	\$ -	\$ -
Net remeasurement gains (losses) for the year	\$ 22,380	\$ 35,471
Accumulated remeasurement gains (losses) at beginning of year	\$ 173,841	\$ 138,370
Accumulated remeasurement gains (losses) at end of year	\$ 196,221	\$ 173,841

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

SCHEDULE 1

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

	ACCUMULATED SURPLUS	ACCUMULATED REMEASUREMENT GAINS (LOSSES)	ACCUMULATED OPERATING SURPLUS	INVESTMENT IN TANGIBLE CAPITAL ASSETS	ENDOWMENTS	UNRESTRICTED SURPLUS	INTERNALLY RESTRICTED	
							TOTAL OPERATING RESERVES	TOTAL CAPITAL RESERVES
Balance at August 31, 2018	\$ 22,927,060	\$ 173,841	\$ 22,753,219	\$ 13,378,875	\$ 1,830,457	\$ 828,887	\$ 4,123,600	\$ 2,591,400
Prior period adjustments:								
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2018	\$ 22,927,060	\$ 173,841	\$ 22,753,219	\$ 13,378,875	\$ 1,830,457	\$ 828,887	\$ 4,123,600	\$ 2,591,400
Operating surplus (deficit)	\$ 1,468,025		\$ 1,468,025			\$ 1,468,025		
Board funded tangible capital asset additions				\$ 1,771,921		\$ (1,771,921)	\$ -	\$ -
Disposal of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ (18,661)		\$ 18,661		\$ -
Write-down of unsupported tangible capital assets or board funded portion of supported	\$ -		\$ -	\$ -		\$ -		\$ -
Net remeasurement gains (losses) for the year	\$ 22,380	\$ 22,380						
Endowment expenses & disbursements	\$ -		\$ -		\$ -	\$ -		
Endowment contributions	\$ -		\$ -		\$ -	\$ -		
Reinvested endowment income	\$ -		\$ -		\$ 27,081	\$ (27,081)		
Direct credits to accumulated surplus (Describe)	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization of tangible capital assets	\$ -			\$ (4,404,821)		\$ 4,404,821		
Capital revenue recognized	\$ -			\$ 3,211,369		\$ (3,211,369)		
Debt principal repayments (unsupported)	\$ -			\$ 151,854		\$ (151,854)		
Additional capital debt or capital leases	\$ -			\$ (89,980)		\$ 89,980		
Net transfers to operating reserves	\$ -					\$ (297,500)	\$ 297,500	
Net transfers from operating reserves	\$ -					\$ 549,300	\$ (549,300)	
Net transfers to capital reserves	\$ -					\$ (325,300)		\$ 325,300
Net transfers from capital reserves	\$ -					\$ 445,300		\$ (445,300)
Supported Items Previously Unsupported	\$ -		\$ -	\$ (339,006)	\$ -	\$ 339,006	\$ -	\$ -
Other Changes	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2019	\$ 24,417,465	\$ 196,221	\$ 24,221,244	\$ 13,661,551	\$ 1,857,538	\$ 2,358,955	\$ 3,871,800	\$ 2,471,400

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

	INTERNALLY RESTRICTED RESERVES BY PROGRAM									
	School & Instruction Related		Operations & Maintenance		Board & System Administration		Transportation		External Services	
	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves	Operating Reserves	Capital Reserves
Balance at August 31, 2018	\$ 3,648,700	\$ 720,400	\$ 299,100	\$ 302,100	\$ 79,900	\$ 1,503,100	\$ 57,100	\$ 10,200	\$ 38,800	\$ 55,600
Prior period adjustments:										
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Balance, August 31, 2018	\$ 3,648,700	\$ 720,400	\$ 299,100	\$ 302,100	\$ 79,900	\$ 1,503,100	\$ 57,100	\$ 10,200	\$ 38,800	\$ 55,600
Operating surplus (deficit)										
Board funded tangible capital asset additions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ -		\$ -		\$ 295,300		\$ 2,200		\$ -	
Net transfers from operating reserves	\$ (507,700)		\$ (27,900)		\$ -		\$ -		\$ (13,700)	
Net transfers to capital reserves		\$ -		\$ 132,000		\$ 188,200		\$ 5,100		\$ -
Net transfers from capital reserves		\$ (389,700)		\$ -		\$ -		\$ -		\$ (55,600)
Supported Items Previously Unsupported	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance at August 31, 2019	\$ 3,141,000	\$ 330,700	\$ 271,200	\$ 434,100	\$ 375,200	\$ 1,691,300	\$ 59,300	\$ 15,300	\$ 25,100	\$ -

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

	Other GoA Ministries excluding Infrastructure										
	Alberta Education	Alberta Infrastructure	Minister of Justice	Alberta Health Services	Southwest Child and Family Services	Total Other GoA Ministries	Gov't of Canada	Donations and grants from others	Other	Total other sources	Total
Deferred Contributions (DC)											
Balance at Aug 31, 2018	\$ 1,748,098	\$ -	\$ -	\$ 3,461	\$ 50,253	\$ 53,714		\$ 532,189	\$ -	\$ 532,189	\$ 2,334,001
Prior period adjustments - please explain:	-	-	-	-	-	-	-	(315,753)	-	315,753	-
Adjusted ending balance Aug. 31, 2018	\$ 1,748,098	\$ -	\$ -	\$ 3,461	\$ 50,253	\$ 53,714	\$ -	\$ 216,436	\$ -	\$ 216,436	\$ 2,018,248
Received during the year (excluding investment income)	2,585,628	-	65,000	-	-	65,000	-	29,444	-	29,444	2,680,072
transfer (to) grant/donation revenue (excluding investment income)	(2,298,425)	-	-	-	-	-	-	(95,965)	-	95,965	-
Investment earnings	-	-	-	-	-	-	-	-	-	-	-
Received during the year	64,918	-	-	-	-	-	-	-	-	-	64,918
Transferred to investment income	-	-	-	-	-	-	-	-	-	-	-
Transferred (to) from UDCC	(864,263)	-	-	-	-	-	-	-	-	-	-
Transferred directly (to) EDCC	-	-	-	-	-	-	-	-	-	-	-
Transferred (to) from others - please explain:	-	-	-	-	-	-	-	-	-	-	-
DC Closing balance at Aug 31, 2019	\$ 1,235,956	\$ -	\$ 65,000	\$ 3,461	\$ 50,253	\$ 118,714	\$ -	\$ 149,915	\$ -	\$ 149,915	\$ 1,504,585
Unspent Deferred Capital Contributions (UDCC)											
Balance at Aug 31, 2018	\$ -	\$ 78,270	\$ -	\$ -	\$ -	78,270.00	\$ -	\$ -	\$ -	\$ -	\$ 78,270
Prior period adjustments - please explain:	-	-	-	-	-	-	-	-	-	-	-
Adjusted ending balance Aug. 31, 2018	\$ -	\$ 78,270	\$ -	\$ -	\$ -	\$ 78,270	\$ -	\$ -	\$ -	\$ -	\$ 78,270
Received during the year (excluding investment income)	-	675,427	-	-	-	675,427	-	35,758	-	35,758.00	711,185
UDCC Receivable	-	1,271,554	-	-	-	1,271,554	-	-	-	-	1,271,554
transfer (to) grant/donation revenue (excluding investment income)	-	-	-	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-	-	-	-
Received during the year	-	-	-	-	-	-	-	-	-	-	-
Transferred to investment income	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposition of supported capital/ Insurance proceeds (and related interest)	-	-	-	-	-	-	-	-	-	-	-
Transferred from (to) DC	\$ 864,263	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	-	864,263
Transferred from (to) EDCC	(864,263)	(1,915,652)	-	-	-	1,915,652	-	(35,461)	-	35,461.00	-
Transferred (to) from others- please explain:	-	-	-	-	-	-	-	-	-	-	-
UDCC Closing balance at Aug 31, 2019	\$ -	\$ 109,599	\$ -	\$ -	\$ -	\$ 109,599	\$ -	\$ 297	\$ -	\$ 297	\$ 109,896
Expended Deferred Capital Contributions (EDCC)											
Balance at Aug 31, 2018	\$ 805,549	\$ 102,720,951	\$ -	\$ -	\$ -	102,720,951	\$ -	\$ 1,027,275	\$ -	\$ 1,027,275	\$ 104,553,775
Prior period adjustments - please explain:	-	-	-	-	-	-	-	-	-	-	-
Adjusted ending balance Aug. 31, 2018	\$ 805,549	\$ 102,720,951	\$ -	\$ -	\$ -	\$ 102,720,951	\$ -	\$ 1,027,275	\$ -	\$ 1,027,275	\$ 104,553,775
Donated tangible capital assets	-	-	-	-	-	-	-	-	-	-	-
Alberta Infrastructure managed projects	-	20,379	-	-	-	20,379	-	-	-	-	20,379
Transferred from DC	-	-	-	-	-	-	-	-	-	-	-
Transferred from UDCC	864,263	1,915,652	-	-	-	1,915,652	-	35,461	-	35,461.00	2,815,376
Amounts recognized as revenue (Amortization of EDCC)	(40,277)	(3,103,110)	-	-	-	3,103,110	-	(67,982)	-	67,982.00	-
Disposal of supported capital assets	-	-	-	-	-	-	-	-	-	-	-
Transferred (to) from others - please explain:	-	200,000	-	-	-	200,000	-	-	-	-	200,000
EDCC Closing balance at Aug 31, 2019	\$ 1,629,535	\$ 101,753,872	\$ -	\$ -	\$ -	\$ 101,753,872	\$ -	\$ 994,754	\$ -	\$ 994,754	\$ 104,378,161

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

REVENUES	2019							2018
	Instruction		Plant Operations and Maintenance	Transportation	Board & System Administration	External Services	TOTAL	TOTAL
	ECS	Grades 1 - 12						
(1) Alberta Education	\$ 9,686,961	\$ 61,102,727	\$ 7,367,087	\$ 2,246,975	\$ 2,949,900	\$ -	\$ 83,353,650	\$ 86,917,094
(2) Alberta Infrastructure	\$ -	\$ -	\$ 3,369,213	\$ -	\$ -	\$ -	\$ 3,369,213	\$ -
(3) Other - Government of Alberta	\$ -	\$ 17,922	\$ 7,350	\$ -	\$ -	\$ 451,222	\$ 476,494	\$ 662,353
(4) Federal Government and First Nations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(5) Other Alberta school authorities	\$ -	\$ -	\$ -	\$ -	\$ 21,127	\$ 108,733	\$ 129,860	\$ 149,209
(6) Out of province authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(7) Alberta municipalities-special tax levies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(9) Fees	\$ 112,309	\$ 803,284	\$ -	\$ -	\$ -	\$ -	\$ 915,593	\$ 875,192
(10) Other sales and services	\$ 70,220	\$ 1,964,854	\$ 18,541	\$ -	\$ 243,458	\$ 506,821	\$ 2,803,894	\$ 3,235,704
(11) Investment income	\$ 2,830	\$ 77,195	\$ 10,422	\$ 1,291	\$ 239,922	\$ -	\$ 331,660	\$ 162,127
(12) Gifts and donations	\$ 9,681	\$ 264,067	\$ -	\$ -	\$ -	\$ -	\$ 273,748	\$ 291,250
(13) Rental of facilities	\$ -	\$ -	\$ 87,838	\$ -	\$ (1,000)	\$ -	\$ 86,838	\$ 76,705
(14) Fundraising	\$ 14,601	\$ 398,277	\$ -	\$ -	\$ -	\$ -	\$ 412,878	\$ 426,096
(15) Gains on disposal of tangible capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 796,506
(16) Other revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(17) TOTAL REVENUES	\$ 9,896,602	\$ 64,628,326	\$ 10,860,451	\$ 2,248,266	\$ 3,453,407	\$ 1,066,776	\$ 92,153,828	\$ 93,592,236
EXPENSES								
(18) Certificated salaries	\$ 3,516,193	\$ 38,240,134	\$ -	\$ -	\$ 559,575	\$ -	\$ 42,315,902	\$ 42,338,621
(19) Certificated benefits	\$ 766,934	\$ 9,406,572	\$ -	\$ -	\$ 91,408	\$ -	\$ 10,264,914	\$ 10,823,961
(20) Non-certificated salaries and wages	\$ 2,124,531	\$ 6,439,440	\$ 2,923,754	\$ 68,274	\$ 1,247,100	\$ 640,243	\$ 13,443,342	\$ 12,806,255
(21) Non-certificated benefits	\$ 489,112	\$ 1,409,684	\$ 624,577	\$ 19,145	\$ 335,322	\$ 137,549	\$ 3,015,389	\$ 3,135,622
(22) SUB - TOTAL	\$ 6,896,770	\$ 55,495,830	\$ 3,548,331	\$ 87,419	\$ 2,233,405	\$ 777,792	\$ 69,039,547	\$ 69,104,459
(23) Services, contracts and supplies	\$ 2,891,687	\$ 6,534,240	\$ 4,691,955	\$ 2,235,988	\$ 611,724	\$ 230,962	\$ 17,196,556	\$ 18,570,180
(24) Amortization of supported tangible capital assets	\$ 15,102	\$ 411,924	\$ 2,784,343	\$ -	\$ -	\$ -	\$ 3,211,369	\$ 3,128,824
(25) Amortization of unsupported tangible capital assets	\$ 30,100	\$ 821,045	\$ 241,509	\$ 5,098	\$ 69,284	\$ 26,416	\$ 1,193,452	\$ 1,208,237
(26) Supported interest on capital debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(27) Unsupported interest on capital debt	\$ 181	\$ 4,938	\$ -	\$ -	\$ -	\$ -	\$ 5,119	\$ 11,827
(28) Other interest and finance charges	\$ 1,226	\$ 33,446	\$ -	\$ -	\$ 1,819	\$ -	\$ 36,491	\$ 45,429
(29) Losses on disposal of tangible capital assets	\$ -	\$ -	\$ 3,269	\$ -	\$ -	\$ -	\$ 3,269	\$ -
(30) Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(31) TOTAL EXPENSES	\$ 9,835,066	\$ 63,301,423	\$ 11,269,407	\$ 2,328,505	\$ 2,916,232	\$ 1,035,170	\$ 90,685,803	\$ 92,068,956
(32) OPERATING SURPLUS (DEFICIT)	\$ 61,536	\$ 1,326,903	\$ (408,956)	\$ (80,239)	\$ 537,175	\$ 31,606	\$ 1,468,025	\$ 1,523,280

SCHEDULE OF PLANT OPERATIONS AND MAINTENANCE
for the Year Ended August 31, 2019 (in dollars)

EXPENSES	Custodial	Maintenance	Utilities and Telecomm.	Expensed IMR, Modular Unit Relocations & Lease Payments	Facility Planning & Operations Administration	Unsupported Amortization & Other Expenses	Supported Capital & Debt Services	2019 TOTAL Operations and Maintenance	2018 TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$ 2,229,797	\$ 305,112	\$ -	\$ -	\$ 388,845			\$ 2,923,754	\$ 2,857,986
Uncertificated benefits	\$ 513,546	\$ 36,436	\$ -	\$ -	\$ 74,595			\$ 624,577	\$ 764,308
Sub-total Remuneration	\$ 2,743,343	\$ 341,548	\$ -	\$ -	\$ 463,440			\$ 3,548,331	\$ 3,622,294
Supplies and services	\$ 231,962	\$ 593,127	\$ 30,951	\$ 1,866,997	\$ 8,899			\$ 2,731,936	\$ 3,744,502
Electricity			\$ 711,794					\$ 711,794	\$ 607,614
Natural gas/heating fuel			\$ 287,722					\$ 287,722	\$ 277,723
Sewer and water			\$ 310,922					\$ 310,922	\$ 329,324
Telecommunications			\$ -					\$ -	\$ -
Insurance					\$ 223,005			\$ 223,005	\$ 221,406
ASAP maintenance & renewal payments							\$ 266,103	\$ 266,103	\$ 260,933
Amortization of tangible capital assets									
Supported							\$ 2,784,343	\$ 2,784,343	\$ 2,700,844
Unsupported						\$ 241,509		\$ 241,509	\$ 148,599
Total Amortization						\$ 241,509	\$ 2,784,343	\$ 3,025,852	\$ 2,849,443
Interest on capital debt									
Supported							\$ -	\$ -	\$ -
Unsupported						\$ -		\$ -	\$ -
Lease payments for facilities				\$ 160,473				\$ 160,473	\$ 5,449
Other interest charges						\$ -		\$ -	\$ -
Losses on disposal of capital assets						\$ 3,269		\$ 3,269	\$ -
TOTAL EXPENSES	\$ 2,975,305	\$ 934,675	\$ 1,341,389	\$ 2,027,470	\$ 695,344	\$ 244,778	\$ 3,050,446	\$ 11,269,407	\$ 11,918,688
SQUARE METRES									
School buildings								87,524.0	87,654.0
Non school buildings								3,668.0	3,668.0

Note:

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

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

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

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

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

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

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

SCHEDULE OF CASH, CASH EQUIVALENTS, AND PORTFOLIO INVESTMENTS
for the Year Ended August 31, 2019 (in dollars)

Cash & Cash Equivalents

	2019			2018
	Average Effective (Market) Yield	Cost	Amortized Cost	Amortized Cost
Cash	2%	\$ 6,851,475	\$ 6,851,475	\$ 10,822,936
Cash equivalents				
Government of Canada, direct and guaranteed	0.00%	-	-	-
Provincial, direct and guaranteed	0.00%	-	-	-
Corporate	0.00%	-	-	-
Other, including GIC's	2.58%	2,500,000	2,500,000	-
Total cash and cash equivalents	0.69%	\$ 9,351,475	\$ 9,351,475	\$ 10,822,936

Portfolio Investments

	2019			2018	
	Average Effective (Market) Yield	Cost	Fair Value	Balance	Balance
Interest-bearing securities					
Deposits and short-term securities	0.00%	\$ -	\$ -	\$ -	\$ -
Bonds and mortgages	0.00%	-	-	-	-
	0.00%	-	-	-	-
Equities					
Canadian equities	5.72%	\$ 255,731	\$ 335,398	\$ 335,398	\$ 382,707
Global developed equities	5.45%	309,152	377,379	377,379	413,610
Emerging markets equities	0.00%	-	-	-	-
Private equities	0.00%	-	-	-	-
Pooled investment funds	9.01%	1,262,677	1,311,004	1,311,004	1,150,981
Total fixed income securities	7.80%	1,827,560	2,023,781	2,023,781	1,947,298
Other					
Other - Mineral Rights	0.00%	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
Other - Mineral Rights	0.00%	-	-	-	-
Other - Mineral Rights	0.00%	-	-	-	-
Other (Specify)	0.00%	-	-	-	-
Total equities	0.00%	3,500	3,500	3,500	3,500
Total portfolio investments	7.79%	\$ 1,831,060	\$ 2,027,281	\$ 2,027,281	\$ 1,950,798

Portfolio investments**Operating**

Cost
Unrealized gains and losses

Endowments

Cost
Unrealized gains and losses
Deferred revenue

Total portfolio investments

2019	2018
\$ -	\$ -
-	-
-	-
\$ 1,831,060	\$ 1,776,957
196,221	173,841
-	-
2,027,281	1,950,798
\$ 2,027,281	\$ 1,950,798

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

	2019	2018
Under 1 year	8.0%	8.3%
1 to 5 years	36.3%	41.6%
6 to 10 years	27.8%	23.5%
11 to 20 years	27.9%	26.6%
Over 20 years	0.0%	0.0%
	100.0%	100.0%

SCHEDULE 6School Jurisdiction Code: **3050**

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

Tangible Capital Assets	2019							2018
	Land	Work In Progress*	Buildings**	Equipment	Vehicles	Computer Hardware & Software	Total	Total
Estimated useful life			25-50 Years	5-10 Years	5-10 Years	3-5 Years		
Historical cost								
Beginning of year	\$ 1,870,324	\$ 5,653,631	\$ 144,059,912	\$ 5,886,591	\$ 664,622	\$ 9,643,649	\$ 167,778,729	\$ 157,961,850
Prior period adjustments	-	-	-	-	-	-	-	-
Additions	-	1,600,839	1,583,939	155,507	-	1,128,389	4,468,674	10,056,821
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	(25,847)	-	-	(25,847)	(239,942)
Historical cost, August 31, 2019	\$ 1,870,324	\$ 7,254,470	\$ 145,643,851	\$ 6,016,251	\$ 664,622	\$ 10,772,038	\$ 172,221,556	\$ 167,778,729
Accumulated amortization								
Beginning of year	\$ -	\$ -	\$ 39,894,261	\$ 1,810,162	\$ 403,684	\$ 7,586,115	\$ 49,694,222	\$ 45,506,661
Prior period adjustments	-	-	-	-	-	-	-	-
Amortization	-	-	2,965,436	547,905	75,904	815,577	4,404,822	4,337,062
Other additions	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
Less disposals including write-offs	-	-	-	(7,186)	-	-	(7,186)	(149,501)
Accumulated amortization, August 31, 2019	\$ -	\$ -	\$ 42,859,697	\$ 2,350,881	\$ 479,588	\$ 8,401,692	\$ 54,091,858	\$ 49,694,222
Net Book Value at August 31, 2019	\$ 1,870,324	\$ 7,254,470	\$ 102,784,154	\$ 3,665,370	\$ 185,034	\$ 2,370,346	\$ 118,129,698	
Net Book Value at August 31, 2018	\$ 1,870,324	\$ 5,653,631	\$ 104,165,651	\$ 4,076,429	\$ 260,938	\$ 2,057,534		\$ 118,084,507

	2019	2018
Total cost of assets under capital lease	\$ -	\$ 643,107
Total amortization of assets under capital lease	\$ -	\$ 514,486

*Work in Progress includes \$6,772,073 in school upgrades with accumulated amortization of \$0 for CAPE school that will be transferred to CAPE school in November 2019.

SCHEDULE 7School Jurisdiction Code: **3050**

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

Board Members:	FTE	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other Paid	Other Accrued Unpaid Benefits	Expenses
Chair: Rick Massini	1.00	\$29,012	\$0	\$0			\$0	\$12,766
Other members		\$0	\$0	\$0			\$0	\$0
Catherine Wilson	1.00	\$24,334	\$4,975	\$0			\$0	\$11,056
Carolyn Freeman	1.00	\$19,031	\$4,715	\$0			\$0	\$1,482
Celina Symmonds	1.00	\$18,533	\$4,808	\$0			\$0	\$0
Deborah Forbes	1.00	\$19,778	\$4,754	\$0			\$0	\$2,135
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
	-	\$0	\$0	\$0			\$0	\$0
Subtotal	5.00	\$110,688	\$19,252	\$0			\$0	\$27,439
Mark Davidson, Superintendent	1.00	\$212,968	\$50,268	\$6,960	\$0	\$0	\$0	\$20,933
Jerry Labossiere, Secretary Treasurer	1.00	\$173,800	\$43,446	\$4,260	\$0	\$0	\$0	\$7,013
Certificated		\$42,102,934	\$9,951,297	\$82,389	\$0	\$174,000	\$0	
School based	425.10							
Non-School based	6.00							
Non-certificated		\$13,158,854	\$2,922,953	\$25,478	\$0	\$0	\$0	
Instructional	228.80							
Plant Operations & Maintenance	56.50							
Transportation	1.00							
Other	25.80							
TOTALS	750.20	\$55,759,244	\$12,987,216	\$119,087	\$0	\$174,000	\$0	\$55,385

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

1. AUTHORITY AND PURPOSE

Medicine Hat Public School District No. 76 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 accrued liabilities	Cost
Debt	Amortized 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.

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

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) OTHER FINANCIAL ASSETS

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

vi) 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.

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

a) Accounts payable and accrued liabilities

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

vii) DEFERRED REVENUE

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

Deferred revenue also includes contributions for capital expenditures, unexpended and expended. Unexpended Deferred Capital Revenue (UDCR) represent externally restricted supported capital funds provided for a specific capital purpose received or receivable by the 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.

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

viii) 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.

ix) 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. The liability is recognized net of any expected recoveries. A liability for remediation of contaminated sites normally results from an operation(s) that is no longer in productive use and is recognized 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

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

x) 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.

xi) DEBT

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

xii) 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.

xiii) 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 Expended Deferred Capital Revenue (EDCR).
- 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.

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

- 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

xiv) 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.

xv) OPERATING AND CAPITAL RESERVES

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

xvi) REVENUE RECOGNITION

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

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

Eligibility criteria are criteria that the Division has to meet in order to receive certain contributions. *Stipulations* describe what the Division must perform in order to keep the contributions. Contributions without eligibility criteria or stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity. Contributions with eligibility criteria but without stipulations are recognized as revenue when the contributions are authorized by the transferring government or entity and all eligibility criteria have been met.

Contributions with stipulations are recognized as revenue in the period that the stipulations are met, except to the extent that the contributions give rise to an obligation that meets the definition of a liability in accordance with PS 3200. Such liabilities are recorded as deferred revenue.

xvii) 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.

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

- 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.

xviii) PROGRAM REPORTING

The Division's operations have been segmented as follows:

- **ECS Instruction:** The provision of Early Childhood Services educational instructional services that fall under the basic public education mandate.
- **Grade 12 Instruction:** The provision of instructional services for grades 1 - 12 instructional services that fall under the basic public education mandate.
- **Plant Operations and Maintenance:** The operation and maintenance of all school buildings and maintenance shop facilities.
- **Transportation:** The provision of regular and special education bus services (to and from school), whether contracted or board operated, including transportation facilities.
- **Board & System Administration:** The provision of board governance and system-based / central office administration.
- **External Services:** All projects, activities, and services offered outside the public education mandate for ECS children and students in grades 1-12. Services offered beyond the mandate for public education 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.

xix) 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 14.

xx) 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.

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

xxi) 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.

xxii) CHANGE IN ACCOUNTING POLICY

The Division has prospectively adopted the following standards from September 1, 2018: PS 3430 Restructuring Transactions.

xxiii) FUTURE ACCOUNTING CHANGES

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

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

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

3. ACCOUNTS RECEIVABLE

	2019			2018
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Alberta Education - Grants	\$ 1,375,609	\$ -	\$ 1,375,609	\$ 73,150
Other Alberta school jurisdictions	-	-	-	16,502
Alberta Health Services	81,237	-	81,237	113,446
Advanced Education	-	-	-	-
Post-secondary institutions	43,514	-	43,514	-
Alberta Infrastructure	3,855,003	-	3,855,003	3,667,556
Government of Alberta Ministries				
Federal government	150,131	-	150,131	235,535
Other	154,048	-	154,048	249,831
Total	\$5,659,542	\$ -	\$5,659,542	\$4,356,020

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2019	2018
Alberta Education	\$ 334,366	\$ 327,303
Alberta Health Services	-	19,789
Accrued vacation pay liability	236,770	191,456
Other trade payables and accrued liabilities	3,063,745	4,003,389
Unearned Revenue - ELP and Foreign Student Tuition	560,621	315,753
Total	<u>\$ 4,195,502</u>	<u>\$ 4,857,690</u>

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

5. DEFERRED CONTRIBUTIONS

SOURCE AND GRANT OR FUND TYPE	DEFERRED CONTRIBUTIONS as at Aug. 31, 2018	ADD: 2018/2019 Restricted Funds Received/ Receivable	DEDUCT: 2018/2019 Restricted Funds Expended (Paid / Payable)	ADD (DEDUCT): 2018/2019 Adjustments for Returned Funds	DEFERRED CONTRIBUTIONS as at Aug. 31, 2019
Unexpended deferred operating contributions					
Alberta Education:					
Infrastructure Maintenance Renew al	\$ 1,660,177	\$ 2,217,039	-\$ 2,731,260	\$ -	\$ 1,145,956
Other Alberta Education - Dual Credit Programming	-	50,000	-	-	50,000
Other Alberta Education - Bridge to CTS Grant	80,000	50,000	(90,000)	-	40,000
Other Alberta Education - Nutrition Grant	7,618	333,507	(341,125)	-	-
Other Alberta Education	303	-	(303)	-	-
Other Government of Alberta:					
Minister of Justice - Leadership and Resiliency Program	-	65,000	-	-	65,000
Parents as Teachers Grant	50,253	-	-	-	50,253
Alberta Health Services: Mental Health Projects	3,461	-	-	-	3,461
Other Deferred Contributions:					
Other: CHHS Track	38,586	-	-	-	38,586
Other: City of Medicine Hat Grant	60,270	-	(60,270)	-	-
Other: Scholarship Income	113,797	27,366	(35,695)	-	105,468
Other: Mitchell Donation	3,783	-	-	-	3,783
Other: Health Champions Grant	-	2,078	-	-	2,078
Total unexpended deferred operating contributions	\$ 2,018,248	\$ 2,744,990	\$ (3,258,653)	\$ -	\$ 1,504,585
Unexpended deferred capital contributions (Schedule 1)	78,270	2,847,002	(2,815,376)	-	109,896
Expended deferred capital contributions (Schedule 2)	104,553,775	3,035,755	(3,211,369)	-	104,378,161
Total	\$ 106,650,293	\$ 8,627,747	\$ (9,285,398)	\$ -	\$ 105,992,642

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

6. 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, 2019, the amount contributed by the Government was \$4,471,633 (2018 - \$4,942,711).

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 \$655,400 for the year ended August 31, 2019 (2018 - \$748,455). At December 31, 2018, the Local Authorities Pension Plan reported a surplus of \$3,469,347 (2017, a surplus of \$4,835,515,000).

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

The Division participates in the multi-employer supplementary integrated pension plan (SiPP) for members of senior administration. The plan provides a supplement to the LAPP or ATRF pension 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 \$43,718 for the year ended August 31, 2019 (2018 - \$44,016).

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:

	2019	2018
Accumulating sick pay liability (non-vested)	268,200	312,600
Personal Professional Development Funds	558,460	550,148
Total	<u>\$ 826,660</u>	<u>\$ 862,748</u>

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.

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

7. DEBT

A capital equipment loan was outstanding at August 31, 2019 with an interest rate of 8.66%. The term of the loan is two years with payments made monthly.

	Principal	Interest	Total
2019-2020	\$ 41,657	\$ 5,661	\$ 47,318
2020-2021	\$ 48,323	\$ 2,256	50,579
Total	<u>\$ 89,980</u>	<u>\$ 7,917</u>	<u>\$ 97,897</u>

8. PREPAID EXPENSES

	2019	2018
Prepaid insurance	\$ 49,739	\$ 48,881
Other	304,494	186,483
Total	<u>\$ 354,233</u>	<u>\$ 235,364</u>

9. OTHER NON-FINANCIAL ASSETS

	2019	2018
Alberta Capital Finance Authority Share	\$ 20	\$ 20
Total	<u>\$ 20</u>	<u>\$ 20</u>

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

10. ACCUMULATED SURPLUS

Detailed information related to accumulated surplus is available on the Schedule of Changes in Accumulated Surplus.

	2019	2018
Unrestricted surplus	\$ 2,358,955	\$ 828,887
Operating reserves	<u>3,871,800</u>	<u>4,123,600</u>
Accumulated surplus (deficit) from operations	6,230,755	4,952,487
Investment in tangible capital assets	13,661,551	13,378,875
Capital reserves	2,471,400	2,591,400
Endow ments ⁽¹⁾	1,857,538	1,830,457
Accumulated remeasurement gains (losses)	196,221	173,841
Accumulated surplus (deficit)	<u>\$ 24,417,465</u>	<u>\$ 22,927,060</u>

Accumulated surplus (deficit) from operations (ASO) include funds of \$1,091,000 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:

	2019	2018
Accumulated surplus (deficit) from operations	\$ 6,230,755	\$ 4,952,487
Add: Non-vesting accumulating employee future benefits charged to accumulated surplus	268,200	312,600
Deduct: School generated funds included in accumulated surplus (Note 15)	<u>1,091,000</u>	<u>1,123,300</u>
Adjusted accumulated surplus (deficit) from operations ⁽²⁾	<u>\$ 5,407,955</u>	<u>\$ 4,141,787</u>

⁽¹⁾ Terms of the endowments stipulate that the principal balance be maintained permanently. Investment income of \$105,468 (2018 - \$113,797) is externally restricted for scholarships and is included in deferred revenue.

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

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

11. 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.

12. CONTRACTUAL OBLIGATIONS

	2019	2018
Building projects ⁽¹⁾	\$ 833,347	\$ 2,258,391
Building leases ⁽²⁾	-	-
Service providers ⁽³⁾	5,376,180	1,950,086
Total	\$ 6,209,527	\$ 4,208,477

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

	Building Projects	Building Leases	Service Providers
2019-2020	\$ 833,347	\$ -	\$ 3,406,593
2020-2021	-	-	1,969,587
2021-2022	-	-	-
2022-2023	-	-	-
2023-2024	-	-	-
Thereafter	-	-	-
Total	\$ 833,347	\$ -	\$ 5,376,180

13. 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, 2019 the Division's equity portion is \$161,399 (2018 – \$151,282).
- 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 \$329,730 (2018 - \$365,630).

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

14. 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, 2019 trust funds under administration were as follows:

	2019	2018
Scholarship trusts	\$ 100,926	\$ 101,783

15. SCHOOL GENERATED FUNDS

	2019	2018
School Generated Funds, Beginning of Year	\$ 1,123,300	\$ 1,150,300
Gross Receipts:		
Fees	648,485	516,090
Fundraising	412,829	426,776
Gifts and donations	184,785	255,794
Grants to schools	38,539	7,450
Other sales and services	1,422,846	1,462,070
Total gross receipts	2,707,484	2,668,180
Total Related Expenses and Uses of Funds	1,232,183	1,231,840
Total Direct Costs Including Cost of Goods Sold to Raise Funds	1,507,601	1,463,340
School Generated Funds, End of Year	<u>\$ 1,091,000</u>	<u>\$ 1,123,300</u>
Balance included in Deferred Revenue*	\$ -	\$ -
Balance included in Accounts Payable**		
Balance included in Accumulated Surplus (Operating Reserves)***	\$ 1,091,000	\$ 1,123,300

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

16. 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
Government of Alberta (GOA):				
Alberta Education				
Accounts receivable / Accounts payable	\$1,375,609	\$ 334,366		
Prepaid expenses / Deferred operating revenue	-	1,235,956		
Unexpended deferred capital revenue		-		
Expended deferred capital revenue		1,629,535		
Grant revenue & expenses			78,882,017	
ATRF payments made on behalf of district			4,471,633	
Other Alberta school jurisdictions	-	-	129,860	42,327
Transfer of schools to / from other school jurisdictions				
Alberta Treasury Board and Finance (Principal)	2,500,000			
Alberta Health	81,237	3,461	468,022	-
Alberta Health Services	-	-	-	94,154
Enterprise and Advanced Education	-	-	-	-
Post-secondary institutions	43,514	-	490,517	37,337
Alberta Infrastructure	-	-	3,369,213	-
Alberta Infrastructure	3,855,003	-		
Unexpended deferred capital revenue		109,599		
Expended deferred capital revenue		101,753,872		
Department of Justice	-	65,000	-	-
Children's Services	-	50,253	-	-
Other GOA ministries	-	-	8,472	-
Other:				
Alberta Capital Financing Authority		-		-
TOTAL 2018/2019	<u>\$7,855,363</u>	<u>\$ 105,182,042</u>	<u>\$ 87,819,734</u>	<u>\$ 173,818</u>
TOTAL 2017/2018	<u>\$3,870,654</u>	<u>\$ 106,730,696</u>	<u>\$ 88,224,115</u>	<u>\$1,722,038</u>

MEDICINE HAT PUBLIC SCHOOL DISTRICT NO.76
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2019

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.

17. 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.

18. BUDGET AMOUNTS

The budget was prepared by the Division and approved by the Board of Trustees on May 22, 2018. It is presented for information purposes only and has not been audited.

19. COMPARATIVE FIGURES

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

20. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Trustees.

21. PRIOR PERIOD ADJUSTMENTS

	Originally Reported	Adjustment	Restated
Accounts payable and accrued liabilities	\$ 4,541,937	\$ 315,753	\$ 4,857,690
Deferred contributions	106,966,046	(315,753)	106,650,293

Unearned revenue related to preschool/ELP and foreign student fees have been restated to accounts payable and accrued liabilities to reflect the adoption of Alberta Education's policy.

SCHEDULE 8							School Jurisdiction Code: 3050
UNAUDITED SCHEDULE OF FEES for the Year Ending August 31, 2019 (in dollars)							
	Actual Fees Collected 2017/2018	Budgeted Fee Revenue 2018/2019	(A) Actual Fees Collected 2018/2019	(B) Unexpended September 1, 2018*	(C) Funds Raised to Defray Fees 2018/2019	(D) Expenditures 2018/2019	(A) + (B) + (C) - (D) Unexpended Balance at August 31, 2019*
Transportation Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Basic Instruction Fees							
Basic instruction supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fees to Enhance Basic Instruction							
Technology user fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Alternative program fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fees for optional courses	\$141,028	\$168,000	\$152,716	\$5,004	\$0	\$157,720	\$0
Activity fees	\$133,291	\$105,000	\$144,859	\$23,382	\$114,821	\$283,062	\$0
Early childhood services	\$152,900	\$154,000	\$86,250	\$0	\$0	\$86,250	\$0
Other fees to enhance education	\$20,920	\$23,700	\$20,100	\$0	\$0	\$20,100	\$0
Non-Curricular fees							
Extracurricular fees	\$183,082	\$282,000	\$219,838	\$103,176	\$176,889	\$428,158	\$71,745
Non-curricular travel	\$168,377	\$75,000	\$205,196	\$25,033	\$154,064	\$347,434	\$36,859
Lunch supervision and noon hour activity fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-curricular goods and services	\$75,594	\$80,000	\$86,634	\$83,577	\$0	\$170,211	\$0
Other Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL FEES	\$875,192	\$887,700	\$915,593	\$240,172	\$445,774	\$1,492,935	\$108,604

*Unexpended balances cannot be less than \$0

Please disclose amounts paid by parents of students that are recorded as "Other sales and services", "Fundraising", or "Other revenue" (rather than fee revenue):	Actual 2019	Actual 2018
Cafeteria sales, hot lunch, milk programs	\$211,327	\$213,231
Special events, graduation, tickets	\$115,172	\$109,839
International and out of province student revenue	\$514,553	\$485,339
Sales or rentals of other supplies/services (clothing, agendas, yearbooks)	\$55,550	\$56,716
Adult education revenue	\$0	\$0
Preschool	\$0	\$0
Child care & before and after school care	\$0	\$359,842
Lost item replacement fee	\$0	\$0
	\$0	\$0
	\$0	\$0
TOTAL	\$896,602	\$1,224,967

UNAUDITED SCHEDULE OF DIFFERENTIAL FUNDING for the Year Ended August 31, 2019 (in dollars)					
	PROGRAM AREA				
	First Nations, Metis & Inuit (FNMI)	ECS Program Unit Funding (PUF)	English as a Second Language (ESL)	Inclusive Education	Small Schools by Necessity (Revenue only)
Funded Students in Program	342	351	287		
Federally Funded Students					
REVENUES					
Alberta Education allocated funding	\$ 395,253	\$ 7,049,550	\$ 312,197	\$ 5,358,226	\$ 613,495
Other funding allocated by the board to the program	\$ -	\$ 83,018	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 395,253	\$ 7,132,568	\$ 312,197	\$ 5,358,226	\$ 613,495
EXPENSES (Not allocated from BASE, Transportation, or other funding)					
Instructional certificated salaries & benefits	\$ 118,100	\$ 2,181,940	\$ 341,196	\$ 3,363,912	
Instructional non-certificated salaries & benefits	\$ 168,651	\$ 2,399,886	\$ 125,525	\$ 3,056,012	
SUB TOTAL	\$ 286,751	\$ 4,581,826	\$ 466,721	\$ 6,419,924	
Supplies, contracts and services	\$ 38,799	\$ 2,550,742	\$ 7,873	\$ 323,396	
Program planning, monitoring & evaluation	\$ -	\$ -	\$ -	\$ -	
Facilities (required specifically for program area)	\$ -	\$ -	\$ -	\$ -	
Administration (administrative salaries & services)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
Other (please describe)	\$ -	\$ -	\$ -	\$ -	
TOTAL EXPENSES	\$ 325,550	\$ 7,132,568	\$ 474,594	\$ 6,743,320	
NET FUNDING SURPLUS (SHORTFALL)	\$ 69,703	\$ -	\$ (162,397)	\$ (1,385,094)	

SCHEDULE 10School Jurisdiction Code: 3050

UNAUDITED SCHEDULE OF CENTRAL ADMINISTRATION EXPENSES for the Year Ended August 31, 2019 (in dollars)								
EXPENSES	Allocated to Board & System Administration				Allocated to Other Programs			TOTAL
	Salaries & Benefits	Supplies & Services	Other	TOTAL	Salaries & Benefits	Supplies & Services	Other	
Office of the superintendent	\$ 332,635	\$ 45,707	\$ -	\$ 378,342	\$ -	\$ -	\$ -	\$ 378,342
Educational administration (excluding superintendent)	\$ 274,541	\$ 15,323	\$ -	\$ 289,864	\$ -	\$ -	\$ -	\$ 289,864
Business administration	\$ 724,733	\$ 174,600	\$ -	\$ 899,333	\$ -	\$ -	\$ -	\$ 899,333
Board governance (Board of Trustees)	\$ 131,573	\$ 117,239	\$ -	\$ 248,812	\$ -	\$ -	\$ -	\$ 248,812
Information technology	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Human resources	\$ 490,794	\$ 36,349	\$ -	\$ 527,143	\$ -	\$ -	\$ -	\$ 527,143
Central purchasing, communications, marketing	\$ 84,905	\$ 19,415	\$ -	\$ 104,320	\$ -	\$ -	\$ -	\$ 104,320
Payroll	\$ 166,574	\$ -	\$ -	\$ 166,574	\$ -	\$ -	\$ -	\$ 166,574
Administration - insurance			\$ 69,574	\$ 69,574			\$ -	\$ 69,574
Administration - amortization			\$ 69,284	\$ 69,284			\$ -	\$ 69,284
Administration - other (admin building, interest)			\$ 99,892	\$ 99,892			\$ -	\$ 99,892
Othe Central Office	\$ 27,650	\$ -	\$ 35,444	\$ 63,094	\$ -	\$ -	\$ -	\$ 63,094
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 2,233,405	\$ 408,633	\$ 274,194	\$ 2,916,232	\$ -	\$ -	\$ -	\$ 2,916,232

School Jurisdiction Code:		3050	
Average Estimated # of Students Served Per Meal:		647.00	
SCHEDULE 11			
UNAUDITED SCHEDULE OF NUTRITION PROGRAM EXPENDITURES			
for the Year Ending August 31, 2019			
	Budget 2019	2019	
REVENUES			
Alberta Education - current	\$ 333,507	\$	333,507
Alberta Education - prior year	\$ -	\$	7,618
Other Funding	\$ -	\$	-
TOTAL REVENUES	\$ 333,507	\$	341,125
EXPENSES			
Salaries & Benefits			
Nutrition Coordinators Salary	\$ 60,580	\$	52,281
Nutrition Coordinators Benefits	\$ 8,730	\$	7,075
Nutrition Assistants Salary	\$ 63,310	\$	65,750
Nutrition Assistants Benefits	\$ 4,940	\$	4,427
	\$ -	\$	-
Subtotal: Salaries & Benefits	\$ 137,560	\$	129,533
Food Supplies	\$ 131,430	\$	113,336
Small Kitchenware			
Measuring cups & measuring spoons	\$ -	\$	-
Plates, bowls & cups	\$ 8,000	\$	12,717
Utensils	\$ -	\$	-
Other biodegradable cups, plates, cutlery	\$ 10,810	\$	15,386
Other (please describe)	\$ -	\$	-
Subtotal: Small Kitchenware	\$ 18,810	\$	28,103
Non-Capitalized Assets			
Microwave	\$ -	\$	-
Refrigerator	\$ -	\$	-
Toaster	\$ -	\$	-
Stove	\$ -	\$	-
Tables	\$ -	\$	-
Dishwasher	\$ -	\$	-
Carts to move food	\$ -	\$	-
Garden tower	\$ -	\$	-
Salad bar	\$ -	\$	-
Other (Blender, water dispenser, delivery)	\$ -	\$	-
Subtotal: Non-capitalized Assets	\$ -	\$	-
Training (e.g. food safety training, food prep courses, workshops, training materials)	\$ 1,200	\$	136
Contracted Services (please describe)			
Vendor / Company	\$ 40,000	\$	64,524
Food Delivery	\$ -	\$	-
Vendor Profit	\$ -	\$	-
Subtotal: Contracted Services	\$ 40,000	\$	64,524
Other Expenses			
Kitchen aprons	\$ -	\$	-
Family / Nutritional education nights	\$ 4,000	\$	5,493
Cleaning and sanitation supplies	\$ -	\$	-
Travel & accommodation for Cohort B meetings	\$ 507	\$	-
Other (please describe)	\$ -	\$	-
Subtotal: Other Expenses	\$ 4,507	\$	5,493
TOTAL EXPENSES	\$ 333,507	\$	341,125
ANNUAL SURPLUS/DEFICIT			
	\$ -	\$	-