



North East School Division #200
2014-15 Annual Report

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Education in a Culture of Excellence

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<http://www.nesd.ca/Board/accountabilityreports/Pages/default.aspx>

Letter of Transmittal



Honourable Don Morgan Q.C.
Minister of Education

Dear Minister Morgan:

The Board of Education of North East School Division #200 is pleased to provide you and the residents of the school division with the 2014-15 annual report. This report outlines activities and accomplishments of the school division and provides audited financial statements for the fiscal year September 1, 2014 to August 31, 2015.

Respectfully submitted

A handwritten signature in black ink that reads "Kathy Ponath". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Kathy Ponath
Chairperson

Introduction

This annual report presents an overview of the North East School Division's goals, activities and results for the fiscal year September 1, 2014 to August 31, 2015.

This report provides a snapshot of the North East School Division, its governance structures, students, staff, programs and facilities. It includes information such as an organizational chart, school list, and payee list. In addition to detailing the school division's goals, activities and performance, this report outlines how the division is deploying the Education Sector Strategic Plan in relation to its school division plan. The report provides a financial overview and financial statements that have been audited by an independent auditor following the Canadian Generally Accepted Auditing Standards.

School Division Profile

About Us

The North East School Division is a rural school division with 22 schools located in 13 communities. The Division is located in north east Saskatchewan and encompasses approximately 11,000 square kilometres. It spans a geographic area from Naicam in the south, Smeaton in the north, Hudson Bay in the east, and Melfort in the west. The map on the right shows the geographic location of North East School Division.



The Division is divided into eight subdivisions for purposes of board representation.

Much of the North East School Division is rural, with four larger centers, Nipawin, Tisdale, Hudson Bay and Melfort with the school division head office being located in Melfort. The North East School Division serves one Hutterite colony and interacts with four local First Nations.

Agriculture, mining, tourism, and manufacturing all play a significant role in the economy of the north east. Much like the rest of Saskatchewan, the north east area has been witness to an influx of immigrants who support the growing economy.

Division Philosophical Foundation

Division Mission Statement

Our mission is to ensure every student has the opportunity to succeed.

Division Vision Statement

Our vision is education in a culture of excellence

Division Guiding Principles

Success in the North East School Division is achieved through the following shared values.

Commitment to Be your Best

We are committed to the pursuit of excellence and the achievement of one's personal best.

Responsible

We are committed to individual and organizational accountability.

Inclusive

We are committed to a culture of mutual respect which is responsive to the diversity among people.

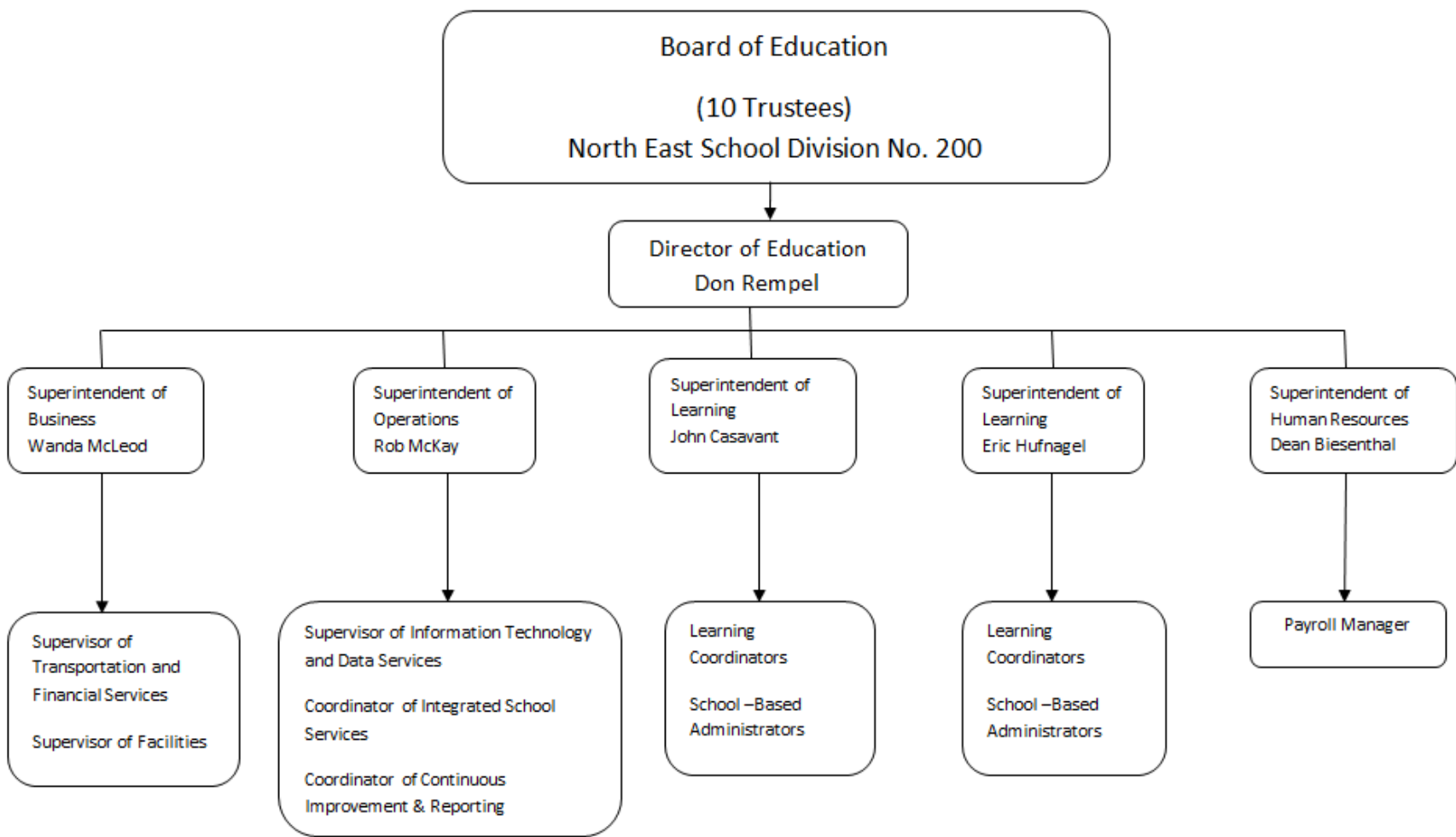
Cooperative

We are committed to collaborative relationships fostered by open communications.

Ethical

We are committed to conducting ourselves with integrity and compassion.

Division Organizational Chart



School List

| School | Grades | Location |
|--|--------|----------------------------|
| Arborfield School | K-12 | Arborfield |
| Bjorkdale School | K-12 | Bjorkdale |
| Brunswick School | K-6 | Melfort |
| Carrot River Elementary School | K-4 | Carrot River |
| Carrot River Junior and Senior High School | 5-12 | Carrot River |
| Central Park Elementary School | K-3 | Central Park |
| Gronlid School | K-12 | Gronlid |
| Hudson Bay Composite High School | 7-12 | Hudson Bay |
| L.P. Miller Comprehensive School | 7-12 | Nipawin |
| Maude Burke School | K-6 | Melfort |
| Melfort & Unit Comprehensive Collegiate | 7-12 | Melfort |
| Naicam School | K-12 | Naicam |
| Porcupine Plain Comprehensive School | K-12 | Porcupine Plain |
| Reynolds Central School | K-6 | Melfort |
| Star City Colony School | K-9 | Star City Hutterite Colony |
| Star City School | K-12 | Star City |
| Stewart Hawke Elementary School | K-6 | Hudson Bay |
| Tisdale Elementary School | K-5 | Tisdale |
| Tisdale Middle & Secondary School | 6-12 | Tisdale |
| Wagner Elementary School | 4-6 | Nipawin |
| White Fox School | K-9 | White Fox |
| William Mason School | K-12 | Choiceland |

Program Overview

Schools in North East School Division are diverse and offer a broad range of academic, practical/vocational, fine arts and extra-curricular programs in well maintained facilities. Each one of our twenty-two schools offers a unique and specialized educational program designed to best meet the individual learning needs of the students being served.

North East School Division has maintained a strong focus on curriculum implementation and renewal at all grades and in all subject areas. Following the leadership and guidelines provided by The Ministry of Education, educators are engaged in professional development in-servicing to ensure they are well informed of educational research, best practices and innovations.

North East School Division has focused its attention on providing students with high quality curriculum, instruction, and assessment that is responsive to individual student needs. North East School Division continually utilizes data informed evidence and research to report continuous improvement while ensuring our students are supported for their 21st century learning.

In addition, each school in the division offers specialized programming that responds to the needs of its students. The following list identifies programs in operation at one or more of the division's schools:

- Alternative programming for vulnerable students
- Child care facilities
- Core French instruction
- Community education philosophy
- On-line course delivery
- English as an Additional Language programming
- Extra-curricular programming
- Music/band programming
- Nutrition programs
- Prekindergarten programs
- Technology-enhanced learning

Additional services and supports are offered to students and teachers by specialized School Division staff including:

- Curriculum coordinators and consultants
- Educational psychologists
- English as an Additional Language consultant
- Digital Learning consultants
- First Nations' and Métis consultant
- Occupational Therapists
- Speech and language pathologists
- Counselling consultants

Strategic Direction and Reporting

Introduction of the Education Sector Strategic Plan

Saskatchewan's PreK-12 education sector has undergone a significant shift in strategic planning. Throughout 2013-14, provincial school divisions and the Ministry of Education collaboratively developed an Education Sector Strategic Plan (ESSP) for 2014-2020. The ESSP aligns the work of all school divisions and the Ministry of Education. The plan was developed using a new planning methodology that integrated priority identification; strategic planning; performance measurement, reporting and review; and, course correction to achieve outcomes. The ESSP identified two one-year, short term priority areas, and five two-to-five year priority areas. The plan is expected to shape a new direction in education for the benefit of all Saskatchewan students. North East School Division's Board of Education approved the strategic plan in 2014, along with the Government of Saskatchewan.

The first cycle of the ESSP was deployed in 2014-15.

Enduring Strategies

As a part of the ESSP, education sector leaders developed enduring strategies. Enduring strategies are an expression of the core beliefs of the education sector. The enduring strategies support a Student First approach by placing the student front and centre and ensuring all students in Saskatchewan have the education and skills needed to succeed when they graduate from high school.

The Enduring Strategies include:

- Culturally relevant and engaging curriculum
- Differentiated, high quality instruction
- Culturally appropriate and authentic assessment
- Targeted and relevant professional learning
- Strong family, school, and community partnerships
- Alignment of human, physical, and fiscal resources

2014-15 One Year Priorities

ESSP One Year Priority Area: *In partnership with First Nations and Métis stakeholders, develop a First Nations and Métis student achievement initiative.*

2014-15 ESSP Actions for the One Year Priority

Actions within this priority area include the establishment of an action research model to inform teachers' professional development in culturally responsive pedagogy, the development of a centralized assessment management and delivery system to measure, track and report student growth, and the development and

implementation of data-sharing protocols that facilitate transition plans for students moving through and between systems.

2014-15 School Division Goals and Actions for the One Year Priority

North East School Division has a strong First Nations and Métis Education Plan (FNMEP) and has received additional funds to support the plan from the Ministry of Education's First Nations and Métis Education Achievement Funds (FNMEAF). The focus on the FNMEP has been to provide additional supports and services to First Nations and Métis (FNM) students to improve educational outcomes. NESD has the goal to have 75% of its FNM students achieve the fully meeting grade level on all curricular outcomes.

In 2014-15, North East School Division partnered with Kinistin and Yellow Quill First Nations as well as the Saskatoon Tribal Council (STC) under the Invitational Shared Services Initiative (ISSI). Some of the students reside on the First Nation and some are enrolled at Tisdale Middle and Secondary School (TMSS). The ISSI grant also supports the services of a shared mathematics consultant for on reserve support. The Partnership identified goals for improving high school completion rates and improving attendance through better monitoring and parental contact.

Each of the partners recognized that there is a disparity between graduation rates of FNM students and non-FNM students in Saskatchewan. This disparity results in inequities between the economic opportunities for FNM students compared to their non-FNM counterparts. To address the current state, the partners decided to share the services of Graduation Mentors for Kinistin and Yellow Quill students. The Graduation Mentors were hired late in the year but were able to begin to build positive relationships with staff, students and parents.

North East School Division provided leadership in the development of a sector wide education initiative called Following Their Voices which is being implemented in 17 Saskatchewan schools in 2015-16. The development stage in 2014-15 sought the voices of First Nation and Métis youth and applied the perspectives of Saskatchewan elders and knowledge keepers to develop culturally responsive understandings and indicators which can inform whole school reform and staff development. The Education Sector Strategic Plan will guide the scaling up of this program into additional school communities over the next several years.

Measures

North East School Division is able to collect data on students attending schools within its jurisdiction. Discussions are continuing between First Nations and the school division in an effort to replicate the data collection for students attending other schools. We recognize that improvements need to be made regarding data collection. The data that is collected reports on engagement and attendance.

The table below identifies the percentage of students who are interested and motivated as identified by the 2014-15 *Tell Them From Me (TTFM)* student survey.

| Tell Them From Me, 2014-15 | | |
|--|---------------------|-------------------------|
| Students who are Interested and Motivated (%), Grade 7 – 12 | | |
| Year | FNM students | Non-FNM students |
| 2014-15 | 91% | 89% |

Source: TTFM, NESD Data, May 2015

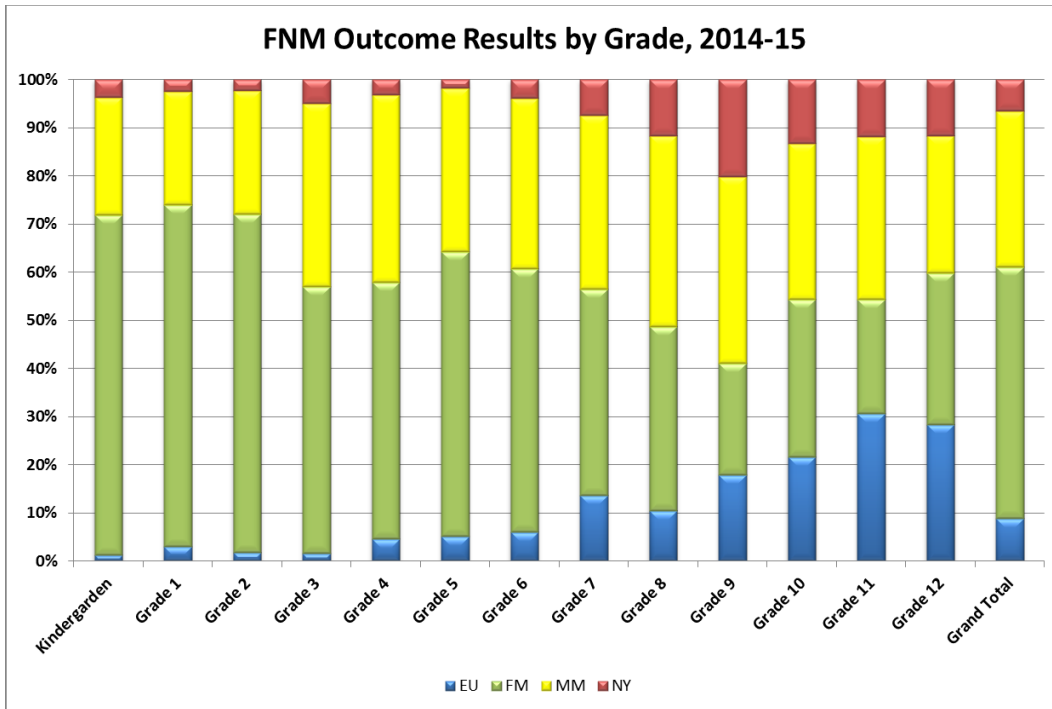
North East School Division is very pleased with the results of the TTFM survey indicating 91% of FNM students are interested and motivated in their education. In addition to the overall percentage, is the fact that non-FNM students scored 89%. It is nice to see virtually no significant difference between the two sub-populations.

The table below identifies the percentage of classes missed over the past two years by both FNM students and non-FNM students.

| Classes Absent (%), All Grades | | |
|---------------------------------------|---------------------|-------------------------|
| Year | FNM students | Non-FNM students |
| 2013-14 | 10.74% | 3.50% |
| 2014-15 | 11.88% | 3.23% |

Source: NESD Skopus Data Warehouse, Sept. 2015

North East School Division is pleased with the attendance rate of non-FNM students being less than 4%. However, we recognize FNM students are absent from school more than three times this rate. All schools now have that data available to them on a monthly basis. As well, North East School Division continues to make use of its First Nations Métis Education (FNME) Consultant to foster partnerships and assist with parental and elder engagement. North East School Division recognizes that improving the attendance rate along with high levels of student interest and motivation will improve the overall graduation rate of FNM students.



Source: NESD Skopus, Sept. 2015

Overall in our division, we have not reached the goal of 75% of FNM students at the Fully Meeting (FM) or above level. In the early years of Grades K – 2, we are very close to meeting the goal as those grades are above 70%. We appear to have less success with students in the middle years (Grade 8 & 9). Only 41% of grade 9 students have reached the FM or above level. The results rebound as the students move through to their Grade 12 year where we report 61% of FNM students are at the FM or above level on all curricular outcomes.

This data, in conjunction with the attendance data, the engagement data, and other achievement data all suggest NESD has more work to do when it comes to FNM student achievement. We need to make greater efforts getting the students to school and keeping them engaged in school.

ESSP One Year Priority Area: *Identify and implement a unified set of provincial high impact reading assessment, instruction, and intervention strategies in 2014-15.*

2014-15 ESSP Actions for the One Year Priority

Actions within this priority area include the collection of Grade 3 reading levels for all students in Saskatchewan, the development of a sector reading strategy, and the creation of provincial and school division primary grade reading literacy teams.

2014-15 School Division Goals and Actions for One Year Priority

North East School Division has a process in place to ensure Reading is assessed with Grade 1-3 students using the Diagnostic Levelled Reading (DLR) program. This DLR program makes use of Northern Lights School Division and North East School Division benchmarking system. Grade 1 students are assessed twice per year whereas; Grade 2 and 3 students are assessed three times per year.

In order to support the reading goals from the education sector and division, the school division distributed benchmarking kits to all locations. These kits included such things as levelled books and benchmarks. In addition to the kits, the school division purchased Levelled Literacy Intervention (LLI) kits. These kits are used in targeted locations where the data suggests the greatest need.

All of North East School Division Prekindergarten to Grade 3 schools have been granted Targeted Literacy Support through their Student Support Services staffing allocation. This allotment has been timetabled by principals to be either reading coaches or co-teachers depending upon the need and context of the schools. Additionally, all schools have timetabled a common English Language Arts time across the school. This has allowed teachers and students to explore reading strategies based upon need as opposed to the artificial grade levels.

2014-15 Two to Five Year Priorities

ESSP Two to Five Year Priority Area: *By June 2020, 80% of students will be at grade level or above in reading, writing, and math.*

2014-15 ESSP Actions for the Two to Five Year Priority

Actions within this priority area include the purchase of a provincial data system to track student achievement, the development of an instructional practices model for reading, writing, and math, the development of a job-embedded professional learning model, and the development and implementation of division-based common math assessments.

2014-15 ESSP Improvement Targets for the Two to Five Year Priority

By June 2015, at least 78% of Grade 3 students will be reading at or above grade level.

By June 2018, 80% of Grades 5 and 8 students will be proficient on identified numeracy outcomes on the provincial math assessment.

By June 2020, at least 80% of Grades 4, 7, and 10 students will be proficient on the provincial writing assessment.

2014-15 School Division Goals and Actions for the Two to Five Year Priority

Within this priority North East School Division set short term goals including:

- By June 2016, 75% of our Grades 1-9 students are at the Fully Meeting (FM) level or Enriched Understanding (EU) level on the RAD assessment.
- By June 2016, 75% of our Grade 1 – 3 students at the Fully Meeting (FM) level or Enriched Understanding (EU) level on the Diagnostic Levelled Reading assessment.

North East School Division outlined the followed actions to support this priority:

- Assessed 100% of Grades 1-9 students using the Reading Assessment District (RAD)
- Provided moderation training workshops for Grades 1-6 teachers with RAD
- Provided data response workshops for Grades 7-9 teachers with RAD
- Disseminated and supported the Saskatchewan Reads document and website
- Deployed student services staffing allocation within the staffing formula to focus on reading interventions
- Monitored the administration and reporting of the NESD Diagnostic Levelled Reading(DLR) levels in Grades 1-3

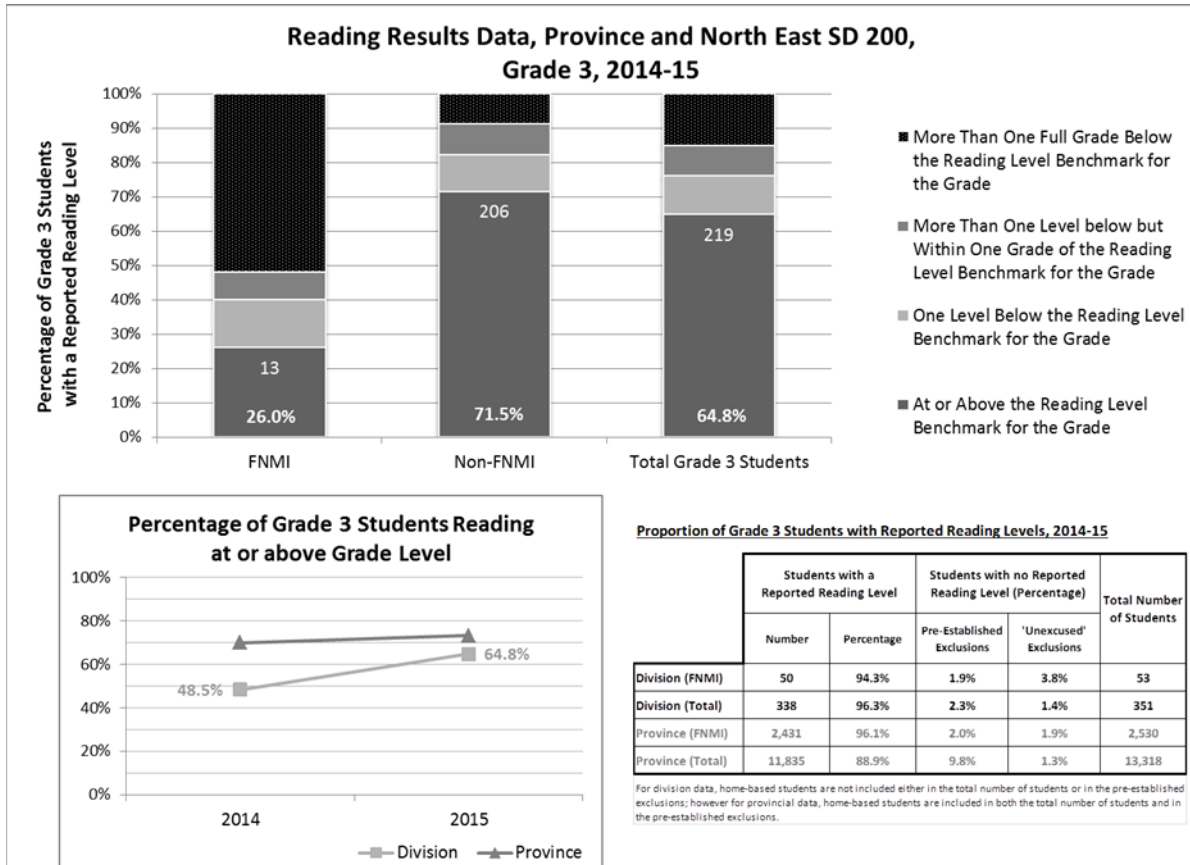
Measures

The table below identifies the growth North East School Division students experienced in DLR during the 2014-15 school year.

| | Percentage of NESD Students at Each Level of DLR | | | | | | | |
|-------|--|-----|-----|-----|------------------|-----|-----|-----|
| | Initial Assessment | | | | Final Assessment | | | |
| Grade | NY | MM | FM | EU | NY | MM | FM | EU |
| 1 | 20% | 46% | 23% | 11% | 2% | 8% | 22% | 68% |
| 2 | 18% | 32% | 19% | 31% | 21% | 29% | 22% | 28% |
| 3 | 28% | 13% | 27% | 32% | 16% | 18% | 18% | 48% |

North East School Division is very pleased with the growth shown in all of Grades 1 – 3; in particular, at Grade 1 where 90% of our students are already at grade level or higher. NESD recognizes that greater improvement is required in both Grades 2 and 3. In Grade

2, only 50% of our students are reading at grade level and in Grade 3, only 66% of our students are at grade level or higher.



Note:

Reading level groupings are based on provincially developed benchmarks. The percentages of students in each of the reading level groupings were found using the number of students with reported reading levels as the denominator in the calculations. Students who were excluded or who did not participate in the reading assessment were not included in the denominator for these calculations.

Results for populations of fewer than 10 students have not been reported to avoid identifying individuals or very small groups of students.

FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Source: Ministry of Education, Student Data System (Data run on July 20, 2015).

NESD is proud of some of the results reported above. Overall, we have 64.8% of Grade 3 students reading at or above the Reading Level Benchmark. When we include the students who are only 1 level the Reading Level Benchmark for Grade 3, NESD is close to

achieving the goal of 78% of students at grade level. Unfortunately, when the results are disaggregated, the percentage lowers considerably with only 26.0% of FNMI Grade 3 students reading at or above the Benchmark. Further to this troubling statistic is the fact that just over 50% of the FNMI students are more than one full grade level below the Benchmark.

The high percentage of FNMI students that scored more than one full grade level below the reading benchmark (55.3%) is an indication that additional supports are needed in schools with higher FNMI student populations. One area of celebration revolves around this cohort of students as they transitioned from Grade 2 to Grade 3 from 2014 to 2015. The overall percentage of students at grade level increased from 53.6% to 64.8%. Further to this, we experienced growth with FNMI students from 20.0% at grade level in 2014 to 26.0% at grade level in 2015. The non-FNMI students also rose from 58.5% in 2014 to 71.5% in 2015. These improvements suggest the supports being delivered across the division are beginning to work.

NESD is also pleased to report 96.3% of our students have a reported reading level. As well, 94.3% of the FNMI students within NESD have a reported reading level. Provincially, 88.9% of students have a reported reading level while 96.1% of the province's FNMI students have a reported reading level.

ESSP Two to Five Year Priority Area: *By June 2020, collaboration between First Nations and Métis and non- First Nations and Métis partners will result in significant improvement in First Nations and Métis achievement and graduation rates.*

2014-15 ESSP Actions for the Two to Five Year Priority

Actions within this priority area include the engagement of First Nations and Métis leaders to develop partnerships and plans to increase student achievement and graduation rates, the identification or development of instruments to measure student progress, the facilitation of student transition plans, and the development of First Nations language programming.

2014-15 ESSP Improvement Target for the Two to Five Year Priority

*Achieve an increase **% increase in the First Nations and Métis graduation rate per year.*

2014-15 School Division Goals and Actions for the Two to Five Year Priority

Within this priority area North East School division set the following short term goals:

- By June 2015, baseline FNMI student attendance will be collected through Skopus (the NESD data warehouse)
- By June 2015, 80% of administrators and teachers will self-assess at the synthesis or refinement level of the NESD rubric

- By June 2015, FNMI on-time graduation rate and credit attainment rate will improve by at least 5%

Some of the actions taken over the past year to achieve our goals included:

- Developed a credit attainment plan for all students who are behind credits for on-time graduation
- Continued the student mentorship program at Tisdale Middle & Secondary School
- Delivered consistent, high-level FNMI professional development for NESD teachers and FNMI stakeholders on the topic of First Nations' content, perspectives and ways of knowing in a classroom context.
- FNMI consultant provided additional support at Response to Instruction (RtI) meetings involving FNMI students
- Student Support Services team meetings developed strategies and teacher supports for the Nipawin attendance area

Measures

| Average Final Marks in Selected Secondary-Level Courses 2014-15 | | | | | | |
|---|--------------|---------------|----------|---------------|----------|---------------|
| Subject | All Students | | Non-FNMI | | FNMI | |
| | Province | North East SD | Province | North East SD | Province | North East SD |
| English Language Arts A 10 | 72.4 | 79.1 | 75.1 | 79.6 | 61.5 | 75.3 |
| English Language Arts B 10 | 72.7 | 78.8 | 75.2 | 79.2 | 61.7 | 75.3 |
| Science 10 | 71.2 | 75.2 | 74.1 | 76.2 | 59.7 | 68.6 |
| Math: Workplace and Apprenticeship 10 | 71.3 | 79.1 | 74.6 | 79.8 | 59.2 | 74.1 |
| Math: Foundations and Pre-calculus 10 | 71.3 | 75.9 | 73.2 | 76.3 | 60.5 | 72.8 |
| English Language Arts 20 | 73.4 | 78.1 | 75.1 | 78.5 | 64.4 | 75.0 |
| Math: Workplace and Apprenticeship 20 | 67.2 | 72.5 | 69.3 | 72.4 | 62.0 | 72.9 |
| Math: Foundations 20 | 72.3 | 76.1 | 73.8 | 76.5 | 64.4 | 72.5 |

Notes:

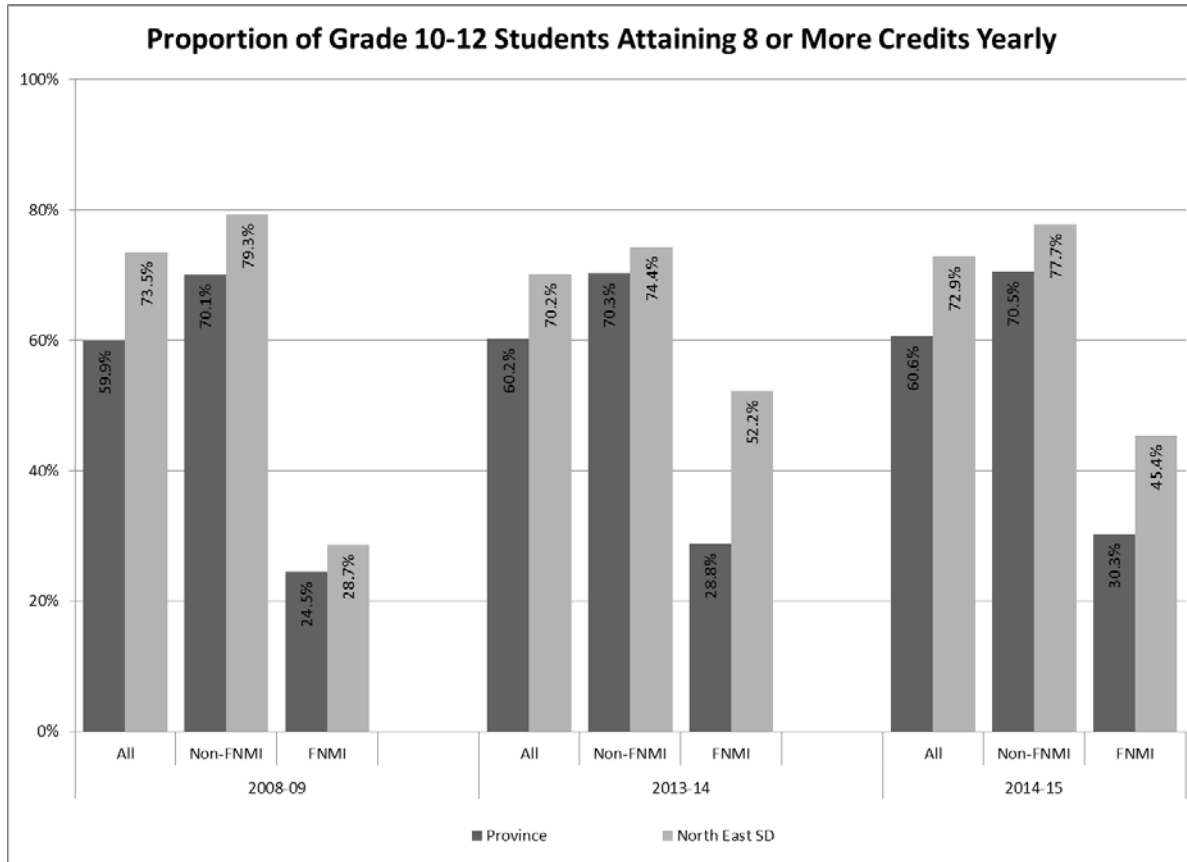
Results for populations of 10 or fewer have not been reported to avoid identifying individuals or very small groups of students (nr).

FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2015

Average Final Marks – North East School Division is proud to continue to celebrate the academic accomplishments of its students. In 2014-15, the average final marks for all North East students exceeded the provincial results in all subject areas identified in the Average Final Mark for Select Subject areas data set. The average marks for non-FNMI students from the NESD were above the province's non-FNMI students in all subject areas. The average marks for North East School Division's self-identified FNMI students were well above the FNMI provincial results in all subjects. It should also be noted North East FNMI students scored higher in all subjects except Science when comparing

to the overall provincial results. This suggests the work North East is doing with its partnerships is working towards reducing the achievement gap between self-identified students and non-FNMI students in the division and province. Celebrating this accomplishment does not reduce the need to continue to foster partnerships with neighbouring First Nations in an effort to increase attendance and credit attainment.



Notes:

Proportions are calculated as the percentage of students enrolled at the secondary level on September 30 attaining eight or more credits yearly.

Results for populations of 10 or fewer have not been reported to avoid identifying individuals or very small groups of students.

FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2015

Credit Attainment – Credit attainment provides a strong predictive indicator of school system’s on-time graduation rate. Students receiving eight or more credits per year are more likely to graduate within three years of beginning Grade 10. Overall, North East School Division has had a slight increase in credit attainment rates from 70.2% of all

students receiving 8 or more credits per year in 2013-14 to 72.9% in 2014-15. The opposite is true for FNMI students, with 45.4% of these students receiving eight or more credits in 2014-15, down from 52.2% in 2013-14. We will continue to monitor FNMI subpopulation closely to hopefully reverse this trend. As for non-FNMI students from NESD, the results are fairly consistent from year to year with a small variation of two to three percentage points per year. What is consistent is the fact that a greater percentage of non-FNMI students from the NESD earn 8 or more credits per year than do the non-FNMI students from the province.

ESSP Two to Five Year Priority Area: *Saskatchewan's graduation rate will be 85% by 2020.*

2014-15 ESSP Actions for the Two to Five Year Priority

Actions within this priority area include a review of provincial high school graduation requirements, the development of a Grade 9 transition from high school plan, and support for embedded professional development for teachers.

2014-15 ESSP Improvement Targets for the Two to Five Year Priority

Achieve a 3% total increase in the provincial graduation rate per year.

By June 2020, all students report high levels of engagement in their learning.

2014-15 School Division Goals and Actions for the Two to Five Year Priority

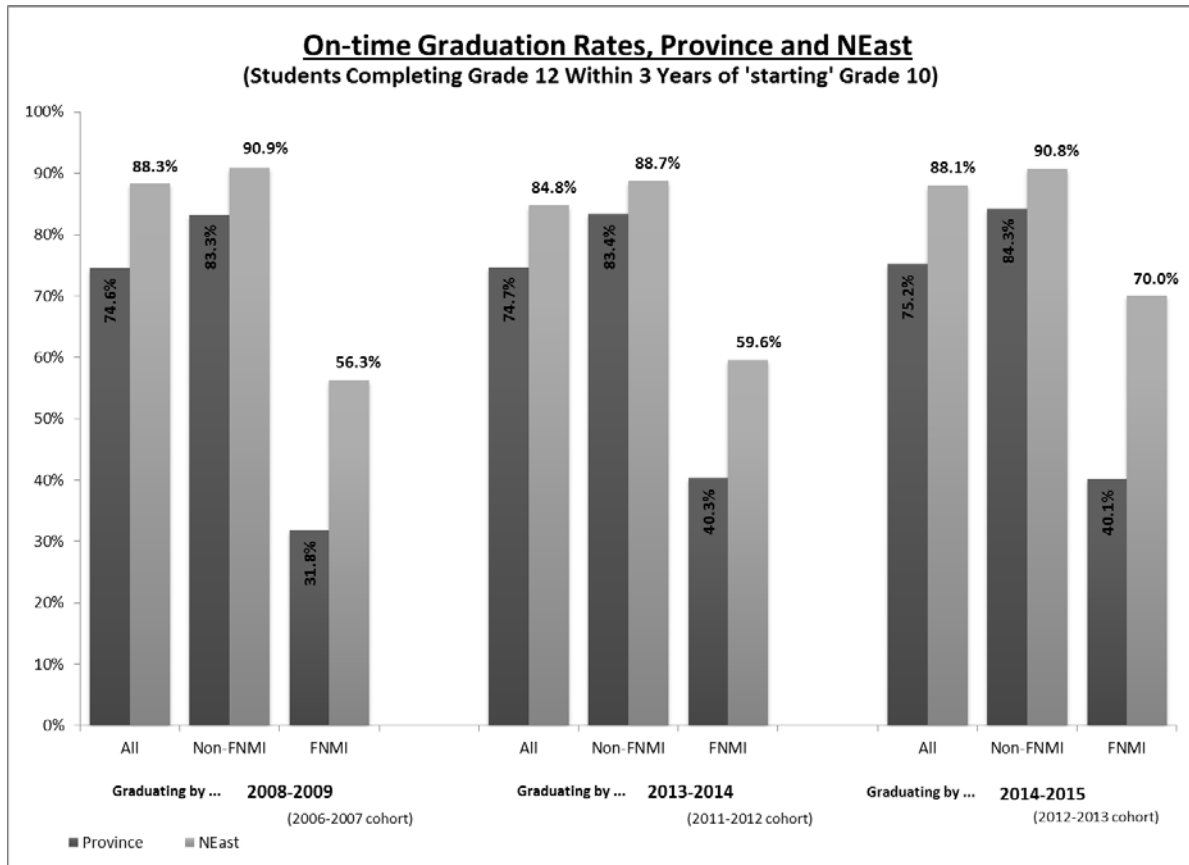
Graduation is a key step in helping young people realize healthy and fulfilling lives. Our school division's goals align with the ESSP graduation outcome include:

- improving our three year graduation rate for all students to 85%
- improving our students intellectual engagement as measured by *Tell Them From Me*

Some of the actions we have taken over the past year to achieve our goals included:

- Attendance data patterns were monitored and shared with schools on a month to month basis in order to develop baseline attendance data
- Credit attainment for Grades 10 – 12 students was tracked and the students who were behind on their credit were required to develop a graduation plan attainment
- Revised the Divisional Career Fair to have a greater focus on occupations versus institutions
- Financially supported division wide extracurricular in order to increase engagement from students' activities
- Reviewed data from all students, teachers and parents with the *Tell Them From Me* survey in order to monitor and develop baseline data for intellectual engagement levels
- Adjusted the staffing formula for small schools to reduce the reliance for online delivery in these small schools

Measures



Notes:

On-time graduation rates are calculated as the percentage of students who complete Grade 12 within 3 years of 'starting' Grade 10.

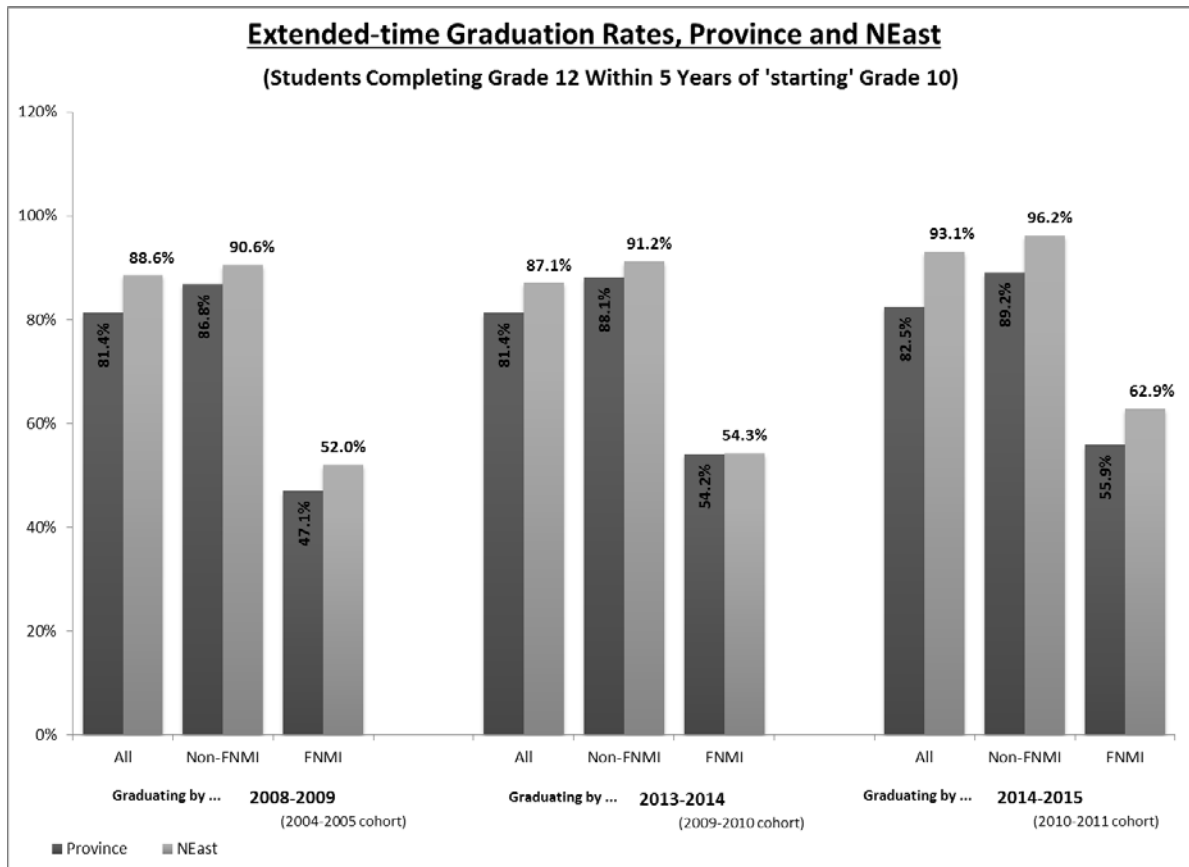
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FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2015

Three-Year Graduation Rates – In June 2011, 88.3% of all North East School Division's students graduated within three years of entering Grade 10 in 2008-09, with 90.9% of non-FNMI students and 56.3% of FNMI students graduating within the three-year window. NESD is proud to report we have returned to similar levels in 2014-15. The graduation rate for all students was 88.1%, for non-FNMI the rate was 90.8% and for FNMI students the rate rose to its highest ever level of 70.0%. We are pleased the NESD results are higher than the provincial results in all categories, but realize they may continue to fluctuate in the coming years depending upon the individual cohort. NESD

must continue its refined focus on tracking credit attainment and attendance for the FNMI students it serves.



Notes:

Extended-time graduation rates are calculated as the percentage of students who complete Grade 12 within 5 years of 'starting' Grade 10 (and include those who graduate on-time).

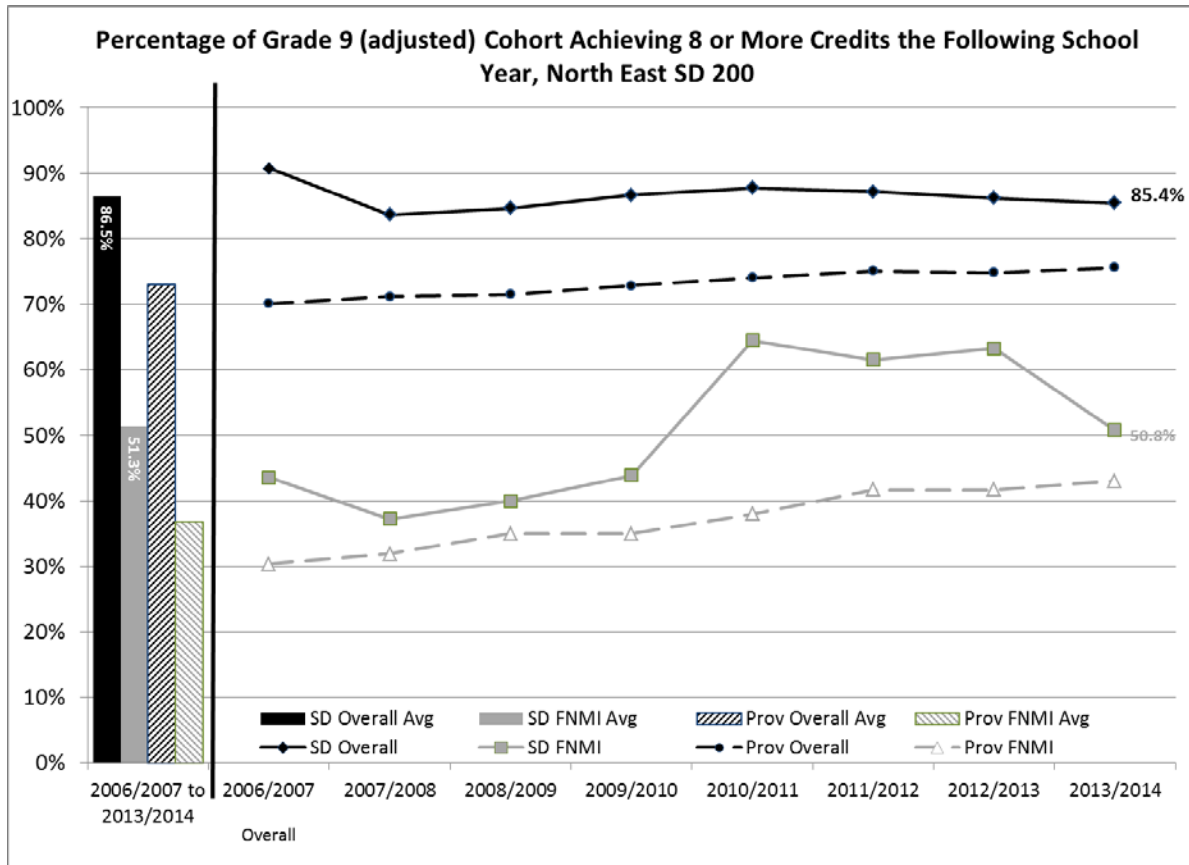
Results for populations of 10 or fewer have not been reported to avoid identifying individuals or very small groups of students.

FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2015

Five-Year Graduation Rates – Some students require more time to complete all the courses necessary for graduation. Between 2009 and 2015, the extended-time graduation rate (i.e., within 5 years of beginning Grade 10) overall, and disaggregated by FNMI and non-FNMI students, has increased steadily. In 2009, 88.6% of North East School Division’s total population graduated within five years of beginning Grade 10; by 2015 that number increased 93.1%. Both the FNMI and non-FNMI populations have witnessed parallel increases. In 2015, 96.2% of non-FNMI students graduated within

five years of entering Grade 10 and 62.9% of FNMI students graduated within the five year window. Even though NESD outperforms the province in all three groupings, NESD recognizes that much work is required to improve this rate.



Notes:

Grade 9 school year cohort is defined as the group of students enrolled in Grade 9 for the first time in a particular school year (according to the ministry Student Data System), adjusted in the following ways: 1) Students 12 and younger, and students 18 and older, as of Sep 30 of the Grade 9 school year, are excluded; and, 2) Students without a base enrolment on or after Sep 30 are excluded; 3) Students enrolled in Functionally Integrated or special education programs are excluded; and, 4) Students whose enrolment outcome is 'deceased', 'transferred to out-of-province schooling', or 'transferred to out-of-country schooling' prior to June 1st of the school year immediately following Grade 9 cohort placement are excluded. Students are assigned to the school division in which the student last enrolled in the year that they became part of the Grade 9 cohort.

Percentages are calculated as the number of students attaining eight of more credits in the year immediately following their Grade 9 year divided by the number of students in the Grade 9 cohort.

Results for populations of fewer than five have not been reported to avoid identifying individuals or very small groups of students.

FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2015

Transition from Grade 9 to 10 – This can be a difficult transition for students who have not reached all curricular outcomes from each subject in the elementary grades. Overall, 85.4% of students enrolled in Grade 10 for the first time in 2014-15 achieved 8 or more credits; of those students who are FNMI, only 50.8% had achieved 8 or more credits. Our division's results are significantly better than the provincial results of 75.6% for all students, and 43.1% for FNMI students. The overall results parallel the on-time graduation rates for our school division. We are concerned with the FNMI credit attainment rate. We are hopeful the upcoming introduction to the Sask Careers website and "My Blueprint" will provide us with an avenue to better track credit attainment for all vulnerable students.

ESSP Two to Five Year Priority Area: *By 2017, the increase in operational education spending will not exceed the general wage increases and inflationary costs within the sector while being responsive to the challenges of student need, population growth, and demographic changes.*

2014-15 ESSP Actions for the Two to Five Year Priority

A summary of actions within this priority area include an analysis of funding relative to costs, a review of the Deloitte report to identify areas of savings, the implementation of a LEAN philosophy across school divisions, and the opportunity to identify shared services across school divisions.

2014-15 ESSP Improvement Target for the Two to Five Year Priority

Achieve accumulated operational savings by 2016 to reassign to system strategies.

2014-15 School Division Goals and Actions for the Two to Five Year Priority

During the 2014-15 school year, North East School Division participated in three LEAN events. The first Value Stream Mapping event centered on how NESD managed its student referrals within the Students Support Services (SSS) team. This was followed up with a Kaizan event focussing on aligning the behaviour tracking software (Clevr) with the new template for referrals. Finally, North East School Division undertook a 5S project involving shipping, receiving and storage at its technology office.

The LEAN events with the Students Support Services resulted in a reduction of cycle time for students receiving necessary supports, an overall reduction in the number of requests for SSS personnel, as well as providing clarity for the processes involved with student referrals. The 5S project with technology has resulted in fewer mistakes

between NESD and its suppliers, a reduction in cycle time for employee orientation and training, a reduction in human motion for parts retrieval and an overall improvement of floor space utilization.

North East School Division developed a pilot project to implement the usage of Purchase Cards (Pcards) for Central Office and select schools. The project has expanded to full implementation for the 2015-16 school year.

North East School Division initiated the process of converting all of its websites into SharePoint. NESD now has the capability to communicate to its stakeholders in a more convenient and timely fashion. In addition, by updating its websites, NESD now utilizes the SharePoint portals to house and share documents internally with all of its employees in a safe and secure environment.

ESSP Two to Five Year Priority Area: *By June 2020, 90% of students exiting Kindergarten will score within the appropriate range in four of the five domains as measured by the Early Years Evaluation (EYE).*

2014-15 ESSP Actions for the Two to Five Year Priority

A summary of actions within this priority include the gathering of provincial Kindergarten baseline data, aligning the work of the ESSP with the SK Child and Family Agenda, completing an environmental scan of current data available across sectors, exploring additional formative early learning assessments, establishing of a bank of developmentally appropriate targeted supports, and creating an incremental plan for universal access to high-quality early learning environments.

2014-15 ESSP Improvement Targets for the Two to Five Year Priority

In 2014-15, all school divisions will administer the Early Years Evaluation to all Kindergarten students to establish baseline data.

By June 2015, align the work of the Education Sector Strategic Plan with the Saskatchewan Child and Family inter-ministerial table.

2014-15 School Division Goals and Actions for the Two to Five Year Priority

Within this priority North East School Division set short term goals including:

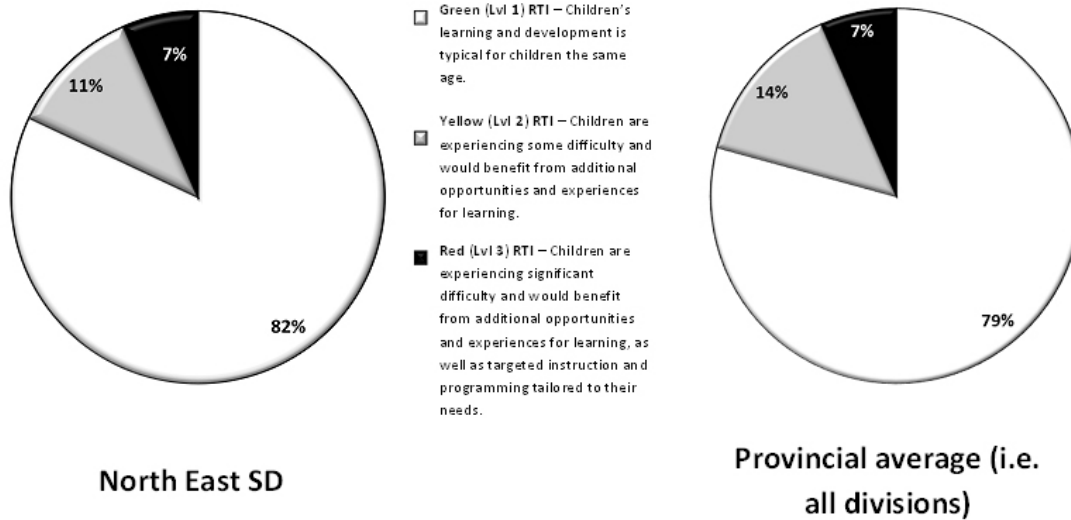
- By June 2016, 90% of our students exiting Kindergarten will score within the appropriate range in four of the five domains on the EYE-TA assessment
- By June 2016, 80% of our students in participating Kindergarten classes will score in the Level 3 or higher in all aspects of the *Help Me Tell My Story* (Oral Language) assessment
- By June 2016, all Prekindergarten and Kindergarten environments will average a score of 6 or higher in all categories of the ECERS-R scale

North East School Division has outlined the following actions to support this priority:

- Monitored the administration of the EYE-TA to all Kindergarten students in NESD
- Monitored the administration of the EYE-DA to all 4 year old PreKindergarten student in NESD
- Monitored the administration of the *Help Me Tell My Story* (Oral Language) assessment to Kindergarten and Prekindergarten classrooms in voluntary NESD schools
- Administered the Early Childhood Environmental Rating Scale – Revised (ECERS-R) assessment in Prekindergarten and Kindergarten in select schools
- Provided Hanen: ABC's & Beyond professional development to Kindergarten teachers
- Facilitated partnerships with the Regional Inter-sectoral Committee (RIC) and 0-3 Task Force to support children and families

Measures

Ready to Learn: Early Years Evaluation – Teacher Assessment (EYE-TA) responsive, tiered instruction (RTI) categories at Kindergarten exit (2014-15)



* Totals may not equal 100 because of rounding

Notes:

The EYE-TA is a readiness screening tool that provides information about each child's development and learning with a focus on reading readiness skills. Results from the EYE-TA allow educators and school-based interdisciplinary teams to quickly identify children most likely to require extra support during the Kindergarten year, based on their levels of skill development in five key domains at school entry. In addition to results for specific domains, children are also assigned a comprehensive score known as a Responsive, Tiered Instruction (RTI) level. Research shows early identification followed by a responsive, tiered approach to instruction from Kindergarten to Grade 3 can substantially reduce the prevalence of reading problems. Responsive, Tiered Instruction (RTI) is a preventive approach that allows educators, school teams, and divisions to allocate resources early and continuously, rather than waiting until children have experienced failure before responding. Children who have Tier 2 or Tier 3 needs at Kindergarten entry are re-assessed before Kindergarten exit, allowing school divisions to measure the impact of their supports and responses. Spring RTI data also serves as a leading indicator of the population of students who may need Tier 2 or Tier 3 instructional supports as they transition from Kindergarten to Grade 1.

Pie charts show the **percentage** of Kindergarten students in the division (left pie) and the province as a whole (right pie) by RTI Tiers at Kindergarten exit in 2014-15. Percent totals may not add to 100 due to rounding.

Source: Ministry of Education, Early Years Branch, 2015

North East School Division's early learning data displayed on the Ready to Learn: *Early Years Evaluation (TA) responsive, tiered instruction (RTI) categories (%) at K exit* show the following results:

82% of Kindergarten students scored as Tier 1 (green) showing their learning and development is typical of children the same age. North East School Division is pleased our results in this category are higher than the provincial results, but we realize continued efforts and monitoring are required to meet our goals. 11% of Kindergarten students scored as Tier 2 (yellow) showing they are experiencing some difficulty and would benefit from additional opportunities and experiences for learning. We are pleased this is lower than the 14% the province is reporting. 7% of Kindergarten students from NESD scored as Tier 3 (red) showing they are experiencing significant difficulty and would benefit from additional opportunities and experiences for learning, as well as targeted instruction and programming. This percentage is on par with the results the province is reporting. Regardless of this fact, NESD will continue to make efforts to reduce this percentage.

The School Division in the Community

Community and Parent Involvement

Research has shown that students achieve at higher levels in school when their parents/guardians and other community members are involved in their learning. The schools of North East School Division all have programs and initiatives to encourage community and parent involvement. All schools host bi-annual Student-Led-Conferences, where students lead their teachers and parents through a conversation highlighting the learning progress of the students. As well, all schools in North East School Division have developed School Climate Teams. These teams are geared towards building a positive climate based upon the PBIS framework.

A variety of individual programs also exist in schools that are unique to each community. For example, Carrot River Elementary School in conjunction with their School Community Council (SCC) sponsored a two day parent event aimed at increasing awareness about the early years and the importance of sensory engagement with children during these years. Lois Okrainec presented the book *My Curious Brain* to parents, teachers and then students, outlining and explaining how the brain works. Parents, grandparents, community members and daycare workers were able to discuss the information presented and peruse the literacy displays set up by teachers and students.

North East School Division has utilized data in the past to gauge the pulse of the communities in the north east. This past year, the division once again purchased the parent survey of the *Tell Them From Me* survey. The data collected from this survey will continue to aid the schools and the school division when determining curricular programs, extra-curricular programs and appropriate student supports.

Community Partnerships

North East School Division and individual schools within the division have established a range of formal and informal community partnerships in order to promote student learning and ensure that each students' school experience is positive and successful. Descriptions of some of the partnerships are included below.

North East School Division has fostered a partnership with the Kinistin First Nation. This partnership, named Kinawind, works to create a mutually beneficial and respectful relationship between Kinistin First Nation and North East School Division that builds on the strengths of both organizations in providing greater opportunities for all children. The Kinawind Partnership provides opportunities for students in Grades 9-12 from the Kinistin First Nation to attend school at Tisdale Middle and Secondary School. This past year the Mentor Group was nominated for the Sasktel Aboriginal Youth Awards for a second time. Congratulations!

Through the granting of the Invitational Shared Services Initiative (ISSI) the NESD has formed two partnerships. The first partnership is a joint partnership with the Kinistin First Nation, the Yellow Quill First Nation, and the Saskatoon Tribal Council. The partnership goal includes providing leadership to teachers and supporting student mentorship within the partnership schools of the NESD, the Kinistin First Nation and the expanded relationship with Yellow Quill First Nation through Saskatoon Tribal Council. The partnership will utilize a First Nations mentor to provide cultural and academic engagement strategies directly to teachers to facilitate FN student success. The grant funding also supported access to a math consultant on a shared basis.

The NESD hired, on a temporary contract, Marcel Head as a Partnership Consultant to support existing partnerships and to explore new partnerships with surrounding First Nations.

The Early Years Partnership is a partnership between multiple agencies. Included in this partnership is the NESD, Cumberland Regional College, the Ministry of Education, Métis Nation – Saskatchewan, the Kelsey Trail Health Region, KidsFirst, Northeast Daycare Directors Cooperative and neighbouring First Nations. This partnership aims at providing the best possible start in life for all young children in the north east. The partnership focuses on supporting families with the enhancement of the children’s physical, social, emotional and intellectual development.

The Star City Hutterite Colony is located within the Division’s boundaries and the Division has established a school within it. The provincial curriculum is taught in the school by a teacher employed full time with NESD. The Colony hires an additional instructor who provides language and religious instruction to students outside of the regular five hours of instruction. The Colony provides the school facility and looks after its upkeep.

The school division is an active partner in the North East Regional Inter-sectoral Committee and uses an integrated service model in which they partner with social service agencies to ensure students’ physical, social, and psychological needs are met. The town of Nipawin is the smallest designated *Kids First* community in Saskatchewan and has made significant progress in mitigating risk factors for expectant mothers and to support pre-school children and their families.

In 2014, NESD continued its partnership with the Nipawin Community Mobilization Initiative – Hub, which is an effective collaborative integrated multi-agency team, building safer and healthier communities, reducing crime and victimization; accomplished through the mobilization of resources to address individuals/families with acutely elevated levels of risk as recognized across a range of service providers.

Governance

The Board of Education

The North East School Division is governed by a ten-person elected Board of Education. *The Education Act, 1995* gives the Board of Education the authority to “administer and manage the educational affairs of the school division” and to “exercise general supervision and control over the schools in the school division”.

The School Division is organized into eight subdivisions for purpose of elections, but once elected, the members of the Board of Education represent all students in the Division and are committed to providing the very best education possible for each and every student.

The current Board of Education was elected on October 24, 2012 and will serve a four-year term. During the 2014-15 year, the Board of Education focused its attention to aligning local planning with the Education Sector Strategic Plan (ESSP). The Board of Education members are:

- Subdivision 1 Linda Erickson
- Subdivision 2 Bob Gagné
- Subdivision 3 Luke Perkins
- Subdivision 4 Kathy Ponath (Board Chair)
- Subdivision 5 Ted Kwiatkowski
- Subdivision 6 Richard Hildebrand
- Subdivision MelfortLori Constant
- Subdivision Melfort Todd Goudy
- Subdivision Nipawin Freeman Reynolds
- Subdivision Nipawin Marla Walton (Vice Chair)

A list of the remuneration paid to all board members in 2014-15 is provided in Appendix A.

School Community Councils

The Board of Education has established a School Community Council (SCC) for each of the 21 schools in the North East School Division. The School Community Councils of the North East School Division are made up of the required number of elected and appointed members, as outlined in *The Education Regulations, 1986*.

The Education Regulations, 1986 require school divisions to undertake orientation, training, development and networking opportunities for their SCC members. In 2014-15, a Board and SCC workshop was held with a presentation on the Education Sector Strategic Plan (ESSP) and the Hoshin Kanri planning model. This workshop provided the Board and SCC members with background information on how the Ministry, North East School Division and each school develop and implement their short and long term goals. Examples of these goals were shared with the Board and SCC members for feedback. The Board also hosted SCC elected members as well as north east municipal leaders to its Annual General Meeting where dinner was provided to invited guests and members of the public. The well attended stakeholder evening included a “town-hall” question and answer portion that was directed by the stakeholders themselves.

The Regulations also require School Community Councils to work with school staff to develop an annual School Level Plan that is aligned with the School Division’s Strategic Plan and to recommend that plan to the Board of Education. In 2014-15, all 21 of the SCCs participated in the development of these plans.

The Board of Education stressed the importance of School Community Councils as a mechanism for connecting community and school. SCCs in NESD are funded according to a base allotment plus additional funding as determined by the enrolment of the school. In 2013-14, the Board doubled the amount of operating funds distributed to each SCC. In 2014-15, the Board continued this funding and asked that the parent questionnaire of the provincial *Tell Them From Me* school effectiveness survey be promoted within school communities and that SCCs host local focus groups to follow up on the school level data related to the drivers of student success.

The Board of Education met with one third of the SCCs in their home community during the spring of 2015. The intent is for the Board to continue a fall meeting with all SCCs and to also meet with each SCC in their home community over the course of the Board’s elected term. These meetings focus on what is positive, and what could be even better in school communities.

In 2014-15, the Board of Education introduced the North East School Improvement Project support grant. This program provided opportunity for schools along with their SCCs to develop innovative programs and projects to enhance their students’ educational experience. The

Board dispersed over \$300,000 in additional funding to schools after an adjudication process. Projects ranged from outdoor classrooms to innovative reading support programs.

Demographics

Students

In 2014-15, 4874 students were enrolled with the North East School Division. This is one student fewer than in 2013-14 (4875 students) and 45 students fewer than in 2012-13 (4919 students).

For 2014-15 and for both of the previous years, the population of Kindergarten to Grade 3 students was significantly lower than the population of older students. This means that the student population may decline significantly in the years ahead, as these students progress through the grades. NESD witnessed a decrease of Self-Identified FNMI from 803 students in 2013-14 to 789 students in 2014-15, however this is still higher than the 2012-13 value of 742 students. Another recent trend is the increase in English as Additional Language students. In 2014-15 NESD had 153 of these students enrolled, more than double the previous year.

North East School Division strongly supports the smooth transition of its young learners into the school system. NESD has nine Prekindergarten programs being delivered in four communities, with a total space for 164 students. In the future we would like to see this delivery model expanded into other communities.

| Grade | School Year | | |
|---------------------|-------------|-------------|-------------|
| | 2012-13 | 2013-14 | 2014-15 |
| Kindergarten | 327 | 338 | 359 |
| 1 | 334 | 348 | 370 |
| 2 | 336 | 333 | 363 |
| 3 | 330 | 355 | 350 |
| 4 | 367 | 345 | 356 |
| 5 | 362 | 359 | 359 |
| 6 | 363 | 368 | 367 |
| 7 | 360 | 366 | 370 |
| 8 | 391 | 356 | 365 |
| 9 | 429 | 393 | 348 |
| 10 | 460 | 454 | 413 |
| 11 | 440 | 435 | 418 |
| 12 | 420 | 425 | 436 |
| Total | 4919 | 4875 | 4874 |
| PreK Overall | 127 | 135 | 125 |

Note: The table above identifies the actual number of students enrolled in each grade as of September 30 of each year.

Source: Ministry of Education, 2015

| Subpopulation Enrolments | Grades | School Year | | |
|-----------------------------------|--------------|-------------|------------|------------|
| | | 2012-13 | 2013-14 | 2014-15 |
| Self-Identified FNMI | K to 3 | 149 | 187 | 195 |
| | 4 to 6 | 175 | 148 | 140 |
| | 7 to 9 | 214 | 219 | 211 |
| | 10 to 12 | 204 | 249 | 243 |
| | Total | 742 | 803 | 789 |
| English as an Additional Language | 1 to 3 | 40 | 36 | 73 |
| | 4 to 6 | 15 | 18 | 34 |
| | 7 to 12 | 13 | 21 | 46 |
| | Total | 68 | 75 | 153 |

Note: The table above identifies the actual number of students enrolled in grade-level groupings as of September 30 of each year.

Source: Ministry of Education, 2015

Staff

NESD is one of the largest employers within the North East part of the province. The division employs approximately 650 full-time equivalent staff which is equally split between teachers and other supporting staff who are representing a myriad of occupations. As we are a full service school division, the supporting position classifications not encompassing teachers include educational associates, library staff, administrative assistants, bus drivers, mechanics, caretakers, plumbers, electricians, carpenters, counselling personnel, outreach personnel, speech and language therapists, occupational therapists, information technology personnel, finance personnel, supervising personnel, superintendents and a Director of Education. The figure below provides an overview of all division staff.

| Job Category | FTEs |
|--|--------|
| Classroom Teachers | 294.79 |
| Principals, vice-principals | 20.47 |
| Other educational staff (positions that support educational programming) – e.g., educational psychologists, educational assistants, school community coordinators, speech language pathologists | 147.66 |
| Administrative and financial staff – e.g., accountants, Information Technology people, supervisors, administrative assistants, clerks | 44.87 |
| Plant operations and maintenance – e.g., caretakers, handypersons, carpenters, plumbers, electricians, gardeners, supervisors | 60.39 |
| Transportation – e.g., bus drivers, mechanics, parts persons, bus cleaners, supervisors | 76.00 |

| | |
|---|---------------|
| Senior management team – e.g., chief financial officer, director of education, superintendents | 6.00 |
| Total Full-Time Equivalent (FTE) Staff | 649.88 |

Notes:

The numbers shown above represent full-time equivalents (FTEs). The number of employees may be greater because some people work part-time or seasonally.

Some individuals are counted in more than one category. For example, a teaching principal might be counted as 0.4 as a classroom teacher and 0.6 as a principal.

Information for all staff as of August 31, 2015.

Senior Management Team

The Director of Education/CEO, Don Rempel, reports directly to the Board of Education and is responsible for oversight of all aspects of the school division.

The two Superintendents of Learning have portfolios that include work with school based administrators in their pod of schools as well as the functional areas of student services and curriculum, assessment & instruction within the school division.

- Superintendent – John Casavant – 12 schools; Curriculum, Assessment & Instruction
- Superintendent – Eric Hufnagel – 9 schools; Students Services

The Superintendent of Operations – Rob McKay is responsible to oversee assigned portfolios that include: Information Technology, Data Services, Communications, Integrated Services, FNME, Online Learning, Library Services, Career Guidance, Athletics, Home School students, Driver Training and the North East School Improvement Projects.

The Superintendent of Business Administration/Chief Financial Officer: Wanda McLeod – in addition to being accountable as the secretary treasurer to the Board of Education, the CFO is responsible to oversee the assigned portfolios that include: Finance, Facilities and Transportation Operations.

The Superintendent of Human Resources – Dean Biesenthal is responsible for the assigned portfolios of Human Resources, Payroll and Interns.

Facilities, Transportation and Infrastructure Projects

Facilities

North East School Division's facilities include:

- Twenty-two schools located in 13 communities. The average age of these schools is 41 years. The oldest school is Arborfield (originally built in 1947); the newest school at the time of this publication is Hudson Bay Community School (opened September, 2015).
- The school division head office is located in Melfort. The head office building is under-sized for present needs, as a number of departments and personnel must be housed out of alternative locations.
- Satellite offices are located in Melfort, Nipawin and Tisdale. The Melfort office located at Melfort & Unit Comprehensive Collegiate houses a group of Student Support Services personnel. The office in Nipawin located at LP Miller Comprehensive School is now home to the payroll department and a group of Student Support Services personnel. The Tisdale office (62 years old) houses the transportation and technology departments. Inside of Tisdale Middle & Secondary School, a classroom was renovated to house a group of Student Support Services personnel.
- Two bus garages area located in Nipawin and Tisdale. The bus garages are used for maintenance and repair of school division vehicles. Each garage is located within a large compound where buses can be parked or stored and each includes a bus wash station.

Population shifts within the area and gradually declining student enrolment across the region as a whole mean that some schools are under-utilized. Eight schools in the division are operating at less than 60 per cent capacity.

Several schools in North East School Division were modernized and/or renovated during 2014-15. A list of these infrastructure projects appears below with the estimated cost of each. Of particular note is the ongoing completion of the new school in the community of Hudson Bay. This school replaces the existing Hudson Bay Composite High School and Stewart Hawke Elementary School. The new school opened in September, 2015.

North East School Division pays careful attention to the maintenance of all schools in the Division. The preventative maintenance schedule is monitored weekly and monthly to ensure the facilities are safe and operational. All schools are cleaned every day to a defined cleaning standard. The cleaning standard of each school is monitored through a quarterly cleaning standard review.

Infrastructure Projects

| Infrastructure Projects for NESD (Greater than \$50,000) | | | |
|--|------------------|--|---------------------|
| Facility | Project | Details | 2014-15 Cost |
| MUCC | Asbestos Removal | Asbestos removal for heating pipe repair | \$90,000 |
| Melfort Maintenance Shop | Construction | New building on pre-existing site | \$315,000 |
| Hudson Bay Community School | Construction | Replacement school | \$27,500,000 |
| Total | | | \$27,905,000 |

Source: Maintenance & Facilities Department (NESD), 2015



Note: Grand opening ceremony for Hudson Bay Community School, November 6, 2015

Student Transportation

Much of North East School Division is rural, so a significant number of students are transported to school. Some city/town students are transported as well, when the distance between school and home is too great to walk, particularly in Carrot River, Hudson Bay, Porcupine Plain, Melfort, Tisdale and Nipawin.

North East School Division operates its own transportation service and owns a fleet of 93 buses (71 route buses and 22 spares) of various sizes. In addition, the school division utilizes taxis and/or wheelchair accessible vans in Hudson Bay, Melfort, Nipawin and Tisdale to provide transportation for special needs students.

Transportation Statistics

| | |
|--|------------|
| Number of students transported daily* | 2,808 |
| In-town students transported (included in above) | 1,351 |
| Number of transportation routes | 71 |
| Number of buses | 93 |
| Kilometres travelled daily | 13,816 |
| Average age of bus | 6.47 years |
| Capacity utilized on buses | 71.04% |
| Average one-way ride time | 26 min. |
| Longest one-way ride time | 89 min. |
| Kilometres per year travelled on school trips | 68,101 |
| Cost per student per year | \$1,501.00 |
| Cost per kilometre travelled | \$1.60 |

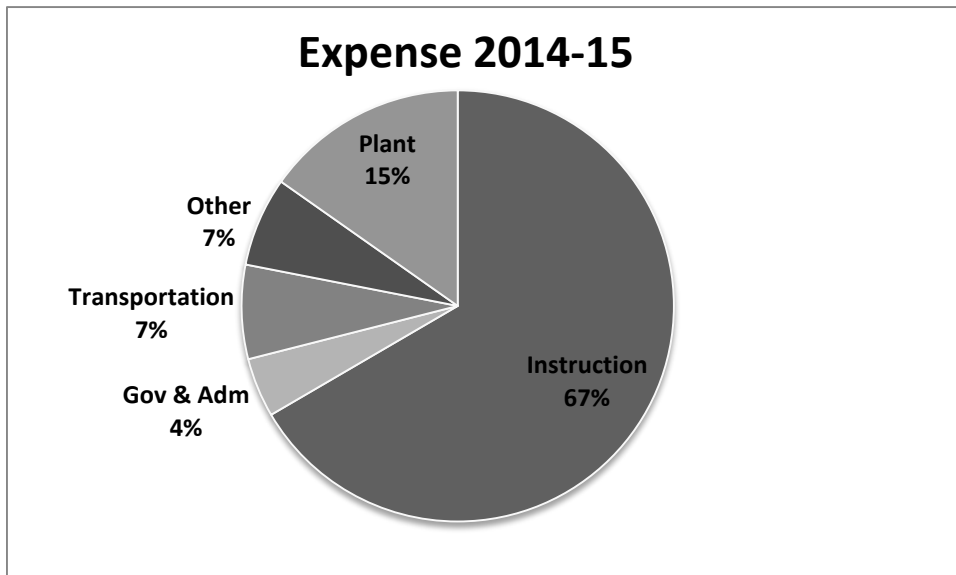
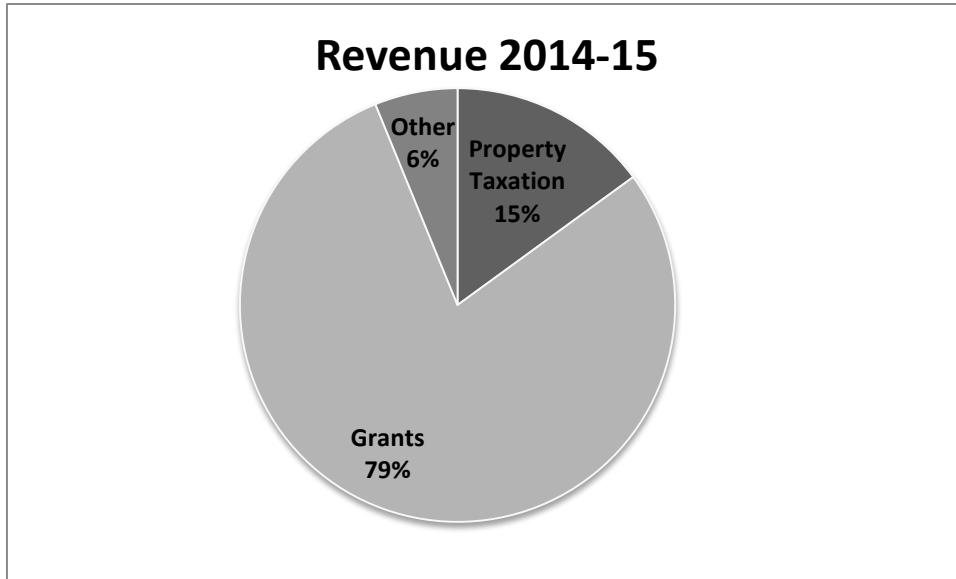
* Statistics are for daily transportation of students to and from school. Extra-curricular trips are not included.

Source: Transportation Department (NESD), 2015

Financial Overview

Summary of Revenue and Expenses

The pie charts below provide percentage information for the actual revenues and expenses of North East School Division for the year ending August 31, 2015.



Budget to Actual Revenue, Expenses and Variances

| | 2015 | 2015 | 2014 | Budget to Actual Variance Over / (Under) | Budget to Actual % Variance | Note |
|---------------------------------------|-------------------|-------------------|-------------------|---|-----------------------------------|------|
| | Budget | Actual | Actual | | | |
| REVENUES | | | | | | |
| Property Taxation | 10,563,709 | 10,706,278 | 10,584,333 | 142,569 | 1% | |
| Grants | 54,341,860 | 56,483,693 | 51,531,522 | 2,141,833 | 4% | |
| Tuition and Related Fees | 896,095 | 656,517 | 918,654 | (239,578) | -27% | 1 |
| School Generated Funds | 1,177,276 | 1,635,187 | 1,395,271 | 457,911 | 39% | 2 |
| Complementary Services | 589,329 | 1,239,644 | 593,362 | 650,315 | 110% | 3 |
| External Services | 137,334 | 124,249 | 135,780 | (13,085) | -10% | 4 |
| Other | 540,476 | 757,720 | 753,105 | 217,244 | 40% | 5 |
| Total Revenues | 68,246,079 | 71,603,288 | 65,912,027 | 3,357,209 | 5% | |
| EXPENSES | | | | | | |
| Governance | 431,400 | 380,709 | 396,786 | (50,691) | -12% | 6 |
| Administration | 2,290,197 | 2,276,425 | 2,064,186 | (13,772) | -1% | |
| Instruction | 39,679,338 | 39,756,370 | 38,333,219 | 77,032 | 0% | |
| Plant | 9,156,547 | 9,089,246 | 9,956,431 | (67,301) | -1% | |
| Transportation | 4,630,345 | 4,213,794 | 4,420,208 | (416,551) | -9% | 7 |
| Tuition and Related Fees | 226,440 | 194,307 | 204,579 | (32,133) | -14% | 8 |
| School Generated Funds | 1,015,988 | 1,232,055 | 1,245,942 | 216,067 | 21% | 9 |
| Complementary Services | 1,233,570 | 1,656,803 | 1,098,046 | 423,233 | 34% | 10 |
| External Services | 213,784 | 205,649 | 199,456 | (8,135) | -4% | |
| Other Expenses | 389,092 | 712,063 | 363,971 | 322,971 | 83% | 11 |
| Total Expenses | 59,266,701 | 59,717,421 | 58,282,824 | 450,720 | 1% | |
| Surplus (Deficit) for the Year | 8,979,378 | 11,885,867 | 7,629,203 | | | |

Explanation for Variances (All variances that are greater than positive or negative 5% must be explained)

| Note | Explanation |
|------|--|
| 1 | Under budget due to Federal tuition student numbers being less than expected. |
| 2 | Over budget due to the increase in the number of fundraising projects and donations for new school playgrounds. |
| 3 | Over budget due to grant funding of \$650,000 for the Provincial Hoshin Following Their Voices that was not included in the |
| 4 | Under budget due to the reduced cafeteria revenue on account of equipment breakdown. |
| 5 | Over budget due to additional reimbursements, interest income and rental dollars. |
| 6 | Under budget due to less money being spent on Board professional development. |
| 7 | Under budget due to cost savings in fuel pricing throughout the year, minor renovation projects not being completed and a capital project not undertaken (resulting in less amortization expense). |
| 8 | Under budget due to reduced student numbers enrolled in Adult Basic Education program. |
| 9 | Over budget due to additional fundraising projects. |
| 10 | Over budget due to Provincial Hoshin Following Their Voices expenses that were not included in the budget. |
| 11 | Over budget due to the write-down of two buses and an increase in the provision for uncollectible property taxes. |

Appendices

Appendix A – Payee List

Board Remuneration – available upon request.

Personal Services – available upon request

Transfers

| Name | Amount |
|--------------------------------|---------|
| Cumberland Regional College | 199,207 |
| Minister of Finance | 107,390 |
| Prairie Spirit School Division | 53,209 |

Supplier Payments

| Name | Amount |
|------------------------------|------------|
| 101181524 Saskatchewan Ltd | 81,737 |
| Action Office Interior | 148,566 |
| Acure Fluid Analytics Ltd. | 57,999 |
| Ameresco | 119,166 |
| AODBT | 397,419 |
| Articulate Masonry | 54,632 |
| Bakken, Ivy | 68,468 |
| BMO Financial Group | 270,880 |
| Digness, Wilfred | 80,649 |
| Eecol Electric Corp | 86,480 |
| EMCO Corporation | 59,813 |
| Federated Co-operatives Ltd. | 831,210 |
| Fouillard Carpet Sales | 201,981 |
| Graham Construction & Eng | 12,613,290 |

| | |
|-----------------------------------|---------|
| Haid Roofing | 107,611 |
| Hub City Contracting Services | 60,207 |
| Insight Canada Inc. | 302,510 |
| Johnson Controls | 100,845 |
| Klassen Driving School | 65,752 |
| Konica Minolta Bus. Solutions | 203,750 |
| Marsh Canada Limited | 310,769 |
| Maxim Truck & Trailer | 110,833 |
| Nipawin Chrysler-Dodge Ltd. | 66,006 |
| Northland Building Supply Ltd. | 105,412 |
| Northland Recreation Supply | 245,572 |
| Pearson Canada Inc T46254 | 214,948 |
| Pineland Co-op Assn. Ltd. | 64,090 |
| Pinnacle Distribution Inc. | 200,326 |
| Powerland Computers Ltd. | 451,143 |
| Prairie North Co-op Assoc.Ltd. | 81,473 |
| Sask. School Boards Assoc. | 100,324 |
| Sask. Workers' Compensation Board | 149,696 |
| Saskatoon Tribal Council Inc. | 80,000 |

| | |
|-------------------------------|---------|
| Scholantis Learning Systems | 124,110 |
| Shanahan's | 84,351 |
| Sharp's Audio-Visual Ltd. | 105,642 |
| Sisson Electric | 118,702 |
| SaskEnergy | 474,328 |
| SaskPower | 962,695 |
| SaskTel Cmr | 344,791 |
| Supreme Basics | 252,724 |
| The Insurancentre | 109,825 |
| Thorpe Brothers Ltd. | 63,349 |
| VIVVO Application Studios Ltd | 63,000 |
| Warner Truck Industries Ltd | 593,555 |

Other Expenditures

| Name | Amount |
|------------------------------------|------------|
| CUPE Local #4875 | 119,008 |
| Municipal Employees' Pension | 1,795,133 |
| NETA | 70,116 |
| Receiver General | 11,479,186 |
| Sask. School Boards | 619,186 |
| Sask. Teachers' Federation | 3,482,689 |
| Teachers Superannuation Commission | 52,484 |

Appendix B – Management Report and Audited Financial Statement's



Audited Financial Statements

Of the North East School Division No. 200

School Division No. 2000500

For the Period Ending: August 31, 2015

Wanda McLeod
Chief Financial Officer

MNP LLP
Auditor

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

Management's Responsibility for the Financial Statements


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

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


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

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

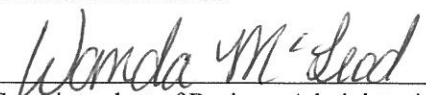
On behalf of the North East School Division No. 200:



Board Chair



Director of Education



Superintendent of Business Administration

November 24, 2015

Independent Auditors' Report

To the Board of Education of North East School Division No. 200:

We have audited the accompanying financial statements of North East School Division No. 200, which comprise the statement of financial position as at August 31, 2015, statements of operations and accumulated surplus from operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of North East School Division No. 200 as at August 31, 2015, and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Melfort, Saskatchewan

November 24, 2015

MNP LLP

Chartered Professional Accountants

MNP


North East School Division No. 200
Statement of Financial Position
as at August 31, 2015


| | 2015 | 2014 |
|---|-------------------|-------------------|
| Financial Assets | | |
| Cash and Cash Equivalents | 23,450,590 | 23,106,694 |
| Accounts Receivable (Note 8) | 4,342,645 | 4,888,536 |
| Portfolio Investments (Note 4) | 907,770 | 520,639 |
| Total Financial Assets | 28,701,005 | 28,515,869 |
| Liabilities | | |
| Accounts Payable and Accrued Liabilities (Note 9) | 5,323,810 | 4,956,439 |
| Long-Term Debt (Note 10) | 9,133,248 | 9,448,487 |
| Liability for Employee Future Benefits (Note 6) | 532,500 | 500,700 |
| Deferred Revenue (Note 11) | 399,234 | 467,071 |
| Total Liabilities | 15,388,792 | 15,372,697 |
| Net Financial Assets | 13,312,213 | 13,143,172 |
| Non-Financial Assets | | |
| Tangible Capital Assets (Schedule C) | 74,315,018 | 62,707,995 |
| Inventory of Supplies for Consumption | 276,537 | 292,395 |
| Prepaid Expenses | 714,368 | 588,707 |
| Total Non-Financial Assets | 75,305,923 | 63,589,097 |
| Accumulated Surplus (Note 14) | 88,618,136 | 76,732,269 |

Contractual Obligations and Commitments (Note 18)

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

Approved by the Board:





Chairperson

Chief Financial Officer

North East School Division No. 200
Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|---|-------------------|-------------------|-------------------|
| REVENUES | (Note 15) | | |
| Property Taxation | 10,563,709 | 10,706,278 | 10,584,333 |
| Grants | 54,341,860 | 56,483,693 | 51,531,522 |
| Tuition and Related Fees | 896,095 | 656,517 | 918,654 |
| School Generated Funds | 1,177,276 | 1,635,187 | 1,395,271 |
| Complementary Services (Note 12) | 589,329 | 1,239,644 | 593,362 |
| External Services (Note 13) | 137,334 | 124,249 | 135,780 |
| Other | 540,476 | 757,720 | 753,105 |
| Total Revenues (Schedule A) | 68,246,079 | 71,603,288 | 65,912,027 |
| EXPENSES | | | |
| Governance | 431,400 | 380,709 | 406,895 |
| Administration | 2,290,197 | 2,276,425 | 2,296,344 |
| Instruction | 39,679,338 | 39,756,370 | 39,089,890 |
| Plant | 9,156,547 | 9,089,246 | 9,105,311 |
| Transportation | 4,630,345 | 4,213,794 | 4,344,996 |
| Tuition and Related Fees | 226,440 | 194,307 | 224,198 |
| School Generated Funds | 1,015,988 | 1,232,055 | 1,276,251 |
| Complementary Services (Note 12) | 1,233,570 | 1,656,803 | 1,220,958 |
| External Services (Note 13) | 213,784 | 205,649 | 207,973 |
| Other Expenses | 389,092 | 712,063 | 152,513 |
| Total Expenses (Schedule B) | 59,266,701 | 59,717,421 | 58,325,329 |
| Operating Surplus for the Year | 8,979,378 | 11,885,867 | 7,586,698 |
| Accumulated Surplus from Operations, Beginning of Year | 76,732,269 | 76,732,269 | 69,145,571 |
| Accumulated Surplus from Operations, End of Year | 85,711,647 | 88,618,136 | 76,732,269 |

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

North East School Division No. 200
Statement of Changes in Net Financial Assets
for the year ended August 31, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|--|------------------------|------------------------|------------------------|
| | (Note 15) | | |
| Net Financial Assets, Beginning of Year | 13,143,172 | 13,143,172 | 15,395,532 |
| Changes During the Year: | | | |
| Operating Surplus for the Year | 8,979,378 | 11,885,867 | 7,586,698 |
| Acquisition of Tangible Capital Assets (Schedule C) | (17,757,210) | (15,218,484) | (13,583,596) |
| Proceeds on Disposal of Tangible Capital Assets (Schedule C) | 12,200 | 24,075 | 184,518 |
| Net Gain on Disposal of Capital Assets (Schedule C) | (12,200) | (24,075) | (145,630) |
| Write-Down of Tangible Capital Assets (Schedule C) | - | 51,564 | - |
| Amortization of Tangible Capital Assets (Schedule C) | 3,672,398 | 3,559,898 | 3,662,047 |
| Net Acquisition of Inventory of Supplies | - | 15,858 | 18,720 |
| Net Change in Other Non-Financial Assets | - | (125,661) | 24,883 |
| Change in Net Financial Assets | (5,105,434) | 169,041 | (2,252,360) |
| Net Financial Assets, End of Year | 8,037,738 | 13,312,213 | 13,143,172 |

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

North East School Division No. 200
Statement of Cash Flows
for the year ended August 31, 2015

| | 2015 | 2014 |
|--|---------------------|---------------------|
| OPERATING ACTIVITIES | | |
| Operating Surplus for the Year | 11,885,867 | 7,586,698 |
| Add Non-Cash Items Included in Surplus (Schedule D) | 3,587,387 | 3,516,417 |
| Net Change in Non-Cash Operating Activities (Schedule E) | 767,422 | 3,271,952 |
| Cash Provided by Operating Activities | 16,240,676 | 14,375,067 |
| CAPITAL ACTIVITIES | | |
| Cash Used to Acquire Tangible Capital Assets | (15,218,484) | (13,583,596) |
| Proceeds on Disposal of Tangible Capital Assets | 24,075 | 184,518 |
| Cash Used by Capital Activities | (15,194,409) | (13,399,078) |
| INVESTING ACTIVITIES | | |
| Cash Used to Acquire Portfolio Investments | (907,770) | - |
| Proceeds on Disposal of Portfolio Investments | 520,638 | 310,613 |
| Cash Provided (Used) by Investing Activities | (387,132) | 310,613 |
| FINANCING ACTIVITIES | | |
| Proceeds from Issuance of Long-Term Debt | - | 9,525,272 |
| Repayment of Long-Term Debt | (315,239) | (76,785) |
| Cash Provided (Used) by Financing Activities | (315,239) | 9,448,487 |
| INCREASE IN CASH AND CASH EQUIVALENTS | 343,896 | 10,735,089 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | 23,106,694 | 12,371,605 |
| CASH AND CASH EQUIVALENTS, END OF YEAR | 23,450,590 | 23,106,694 |

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

North East School Division No. 200
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|--|-------------------|-------------------|-------------------|
| Property Taxation Revenue | | | |
| Tax Levy Revenue: | | | |
| Property Tax Levy Revenue | 10,563,709 | 10,459,603 | 10,274,148 |
| Total Property Tax Revenue | 10,563,709 | 10,459,603 | 10,274,148 |
| Grants in Lieu of Taxes: | | | |
| Federal Government | - | 55,578 | 43,643 |
| Provincial Government | - | 86,830 | 116,318 |
| Other | - | 8,595 | - |
| Total Grants in Lieu of Taxes | - | 151,003 | 159,961 |
| Other Tax Revenues: | | | |
| Treaty Land Entitlement - Rural | - | 4,419 | 3,033 |
| House Trailer Fees | - | 18,802 | 19,265 |
| Total Other Tax Revenues | - | 23,221 | 22,298 |
| Additions to Levy: | | | |
| Penalties | - | 193,000 | 195,295 |
| Other | - | 6,359 | (203) |
| Total Additions to Levy | - | 199,359 | 195,092 |
| Deletions from Levy: | | | |
| Cancellations | - | (102,035) | (37,695) |
| Other Deletions | - | (24,873) | (29,471) |
| Total Deletions from Levy | - | (126,908) | (67,166) |
| Total Property Taxation Revenue | 10,563,709 | 10,706,278 | 10,584,333 |
| Grants: | | | |
| Operating Grants | | | |
| Ministry of Education Grants: | | | |
| Operating Grant | 43,671,471 | 45,386,500 | 43,601,083 |
| Other Ministry Grants | 408,951 | 158,202 | 508,513 |
| Total Ministry Grants | 44,080,422 | 45,544,702 | 44,109,596 |
| Other Provincial Grants | 200,745 | 200,546 | 177,151 |
| Total Operating Grants | 44,281,167 | 45,745,248 | 44,286,747 |
| Capital Grants | | | |
| Ministry of Education Capital Grants | 9,825,609 | 10,495,911 | 6,994,219 |
| Other Provincial Capital Grants | 235,084 | 242,534 | 250,556 |
| Total Capital Grants | 10,060,693 | 10,738,445 | 7,244,775 |
| Total Grants | 54,341,860 | 56,483,693 | 51,531,522 |

North East School Division No. 200
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|---|------------------|------------------|------------------|
| Tuition and Related Fees Revenue | | | |
| Operating Fees: | | | |
| Tuition Fees: | | | |
| School Boards | 5,500 | 16,500 | 5,000 |
| Federal Government and First Nations | 890,595 | 640,017 | 913,654 |
| Total Tuition Fees | 896,095 | 656,517 | 918,654 |
| Total Tuition and Related Fees Revenue | 896,095 | 656,517 | 918,654 |
| School Generated Funds Revenue | | | |
| Non-Curricular Fees: | | | |
| Commercial Sales - Non-GST | 247,600 | 251,404 | 279,960 |
| Fundraising | 600,250 | 698,631 | 609,382 |
| Grants and Partnerships | 44,925 | 106,607 | 83,673 |
| Students Fees | 122,730 | 199,116 | 200,080 |
| Other | 161,771 | 379,429 | 222,176 |
| Total Non-Curricular Fees | 1,177,276 | 1,635,187 | 1,395,271 |
| Total School Generated Funds Revenue | 1,177,276 | 1,635,187 | 1,395,271 |
| Complementary Services | | | |
| Operating Grants: | | | |
| Ministry of Education Grants: | | | |
| Operating Grant | 575,829 | 575,832 | 579,150 |
| Other Ministry Grants | - | 650,000 | - |
| Other Grants | 13,500 | 13,812 | 14,212 |
| Total Operating Grants | 589,329 | 1,239,644 | 593,362 |
| Total Complementary Services Revenue | 589,329 | 1,239,644 | 593,362 |

North East School Division No. 200
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|--|-------------------|-------------------|-------------------|
| External Services | | | |
| Fees and Other Revenue | | | |
| Other Revenue | 137,334 | 124,249 | 135,780 |
| Total Fees and Other Revenue | 137,334 | 124,249 | 135,780 |
| Total External Services Revenue | 137,334 | 124,249 | 135,780 |
| Other Revenue | | | |
| Miscellaneous Revenue | 7,000 | 107,635 | 72,725 |
| Sales & Rentals | 354,945 | 412,217 | 357,505 |
| Investments | 166,331 | 213,793 | 170,490 |
| Gain on Disposal of Capital Assets | 12,200 | 24,075 | 152,385 |
| Total Other Revenue | 540,476 | 757,720 | 753,105 |
| TOTAL REVENUE FOR THE YEAR | 68,246,079 | 71,603,288 | 65,912,027 |

North East School Division No. 200
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|---|-------------------|-------------------|-------------------|
| Governance Expense | | | |
| Board Members Expense | 117,500 | 109,893 | 127,821 |
| Professional Development- Board Members | 95,200 | 51,489 | 94,705 |
| Advisory Committees | 31,000 | 29,100 | 30,336 |
| Professional Development - Advisory Committees | 5,500 | 11,822 | 6,012 |
| Elections | - | 5,253 | - |
| Other Governance Expenses | 182,200 | 173,152 | 148,021 |
| Total Governance Expense | 431,400 | 380,709 | 406,895 |
| Administration Expense | | | |
| Salaries | 1,655,659 | 1,666,096 | 1,636,325 |
| Benefits | 193,162 | 202,335 | 199,655 |
| Supplies & Services | 192,373 | 183,823 | 178,209 |
| Non-Capital Furniture & Equipment | 6,500 | 5,026 | 6,698 |
| Building Operating Expenses | 37,750 | 27,781 | 98,208 |
| Communications | 35,000 | 35,085 | 32,120 |
| Travel | 42,700 | 46,292 | 39,745 |
| Professional Development | 51,000 | 34,450 | 29,325 |
| Amortization of Tangible Capital Assets | 76,053 | 75,537 | 76,059 |
| Total Administration Expense | 2,290,197 | 2,276,425 | 2,296,344 |
| Instruction Expense | | | |
| Instructional (Teacher Contract) Salaries | 27,207,461 | 28,148,999 | 27,612,796 |
| Instructional (Teacher Contract) Benefits | 1,406,973 | 1,451,290 | 1,365,565 |
| Program Support (Non-Teacher Contract) Salaries | 5,382,308 | 5,192,322 | 4,878,299 |
| Program Support (Non-Teacher Contract) Benefits | 975,177 | 921,122 | 873,250 |
| Instructional Aids | 925,151 | 935,408 | 894,970 |
| Supplies & Services | 1,171,964 | 724,613 | 698,263 |
| Non-Capital Furniture & Equipment | 349,601 | 356,615 | 604,315 |
| Communications | 151,975 | 121,116 | 123,006 |
| Travel | 235,259 | 170,100 | 158,403 |
| Professional Development | 302,954 | 243,991 | 234,474 |
| Student Related Expense | 304,595 | 270,351 | 313,667 |
| Amortization of Tangible Capital Assets | 1,265,920 | 1,220,443 | 1,332,882 |
| Total Instruction Expense | 39,679,338 | 39,756,370 | 39,089,890 |

North East School Division No. 200
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|--|------------------|------------------|------------------|
| Plant Operation & Maintenance Expense | | | |
| Salaries | 2,844,535 | 2,821,285 | 2,747,842 |
| Benefits | 505,554 | 501,504 | 498,572 |
| Supplies & Services | 15,100 | 121,551 | 27,378 |
| Non-Capital Furniture & Equipment | 30,500 | 26,362 | 32,549 |
| Building Operating Expenses | 4,034,500 | 3,864,748 | 4,071,386 |
| Communications | 19,500 | 20,399 | 17,923 |
| Travel | 120,000 | 109,903 | 123,771 |
| Professional Development | 20,000 | 18,317 | 10,784 |
| Amortization of Tangible Capital Assets | 1,566,858 | 1,605,177 | 1,575,106 |
| Total Plant Operation & Maintenance Expense | 9,156,547 | 9,089,246 | 9,105,311 |
| Student Transportation Expense | | | |
| Salaries | 1,893,307 | 1,829,778 | 1,799,673 |
| Benefits | 348,347 | 330,068 | 329,679 |
| Supplies & Services | 1,068,850 | 897,435 | 1,075,650 |
| Non-Capital Furniture & Equipment | 307,610 | 367,275 | 369,186 |
| Building Operating Expenses | 167,500 | 71,601 | 51,844 |
| Communications | 28,900 | 18,076 | 15,861 |
| Travel | 13,100 | 10,499 | 8,959 |
| Professional Development | 12,600 | 9,250 | 1,877 |
| Contracted Transportation | 42,700 | 39,028 | 30,903 |
| Amortization of Tangible Capital Assets | 747,431 | 640,784 | 661,364 |
| Total Student Transportation Expense | 4,630,345 | 4,213,794 | 4,344,996 |
| Tuition and Related Fees Expense | | | |
| Tuition Fees | 226,440 | 194,307 | 224,198 |
| Total Tuition and Related Fees Expense | 226,440 | 194,307 | 224,198 |
| School Generated Funds Expense | | | |
| Supplies & Services | 4,200 | 6,161 | 5,582 |
| Cost of Sales | 220,300 | 231,387 | 234,575 |
| Non-Capital Furniture & Equipment | 24,200 | 12,222 | 19,988 |
| School Fund Expenses | 767,288 | 982,285 | 1,016,106 |
| Total School Generated Funds Expense | 1,015,988 | 1,232,055 | 1,276,251 |

North East School Division No. 200
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|--|------------------|------------------|------------------|
| Complementary Services Expense | | | |
| Instructional (Teacher Contract) Salaries & Benefits | 371,735 | 347,029 | 362,187 |
| Program Support (Non-Teacher Contract) Salaries & Benefits | 674,888 | 730,994 | 685,817 |
| Instructional Aids | 25,350 | 17,381 | 23,872 |
| Supplies & Services | - | 360,718 | - |
| Non-Capital Furniture & Equipment | 5,875 | 15,465 | 13,530 |
| Communications | 1,800 | 2,167 | 1,329 |
| Travel | 10,900 | 47,435 | 11,731 |
| Professional Development (Non-Salary Costs) | 8,000 | 9,553 | 9,544 |
| Student Related Expenses | 118,900 | 110,988 | 99,692 |
| Amortization of Tangible Capital Assets | 16,122 | 15,073 | 13,256 |
| Total Complementary Services Expense | 1,233,570 | 1,656,803 | 1,220,958 |
| External Service Expense | | | |
| Program Support (Non-Teacher Contract) Salaries & Benefits | 131,620 | 133,396 | 133,150 |
| Supplies & Services | 80,250 | 68,800 | 70,912 |
| Non-Capital Furniture & Equipment | 1,500 | - | - |
| Travel | 400 | 569 | 531 |
| Amortization of Tangible Capital Assets | 14 | 2,884 | 3,380 |
| Total External Services Expense | 213,784 | 205,649 | 207,973 |

North East School Division No. 200
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2015

| | 2015 Budget | 2015 Actual | 2014 Actual |
|--|-------------------|-------------------|-------------------|
| Other Expense | | | |
| Interest and Bank Charges: | | | |
| Current Interest and Bank Charges | 2,000 | 2,460 | 3,158 |
| Interest on Other Capital Loans and Long-Term Debt | | | |
| School Facilities | 387,092 | 387,092 | 86,690 |
| Total Interest and Bank Charges | 389,092 | 389,552 | 89,848 |
| Loss on Disposal of Tangible Capital Assets | - | - | 6,755 |
| Write-Down of Tangible Capital Assets | - | 51,564 | - |
| Provision for Uncollectable Taxes | - | 270,947 | 55,910 |
| Total Other Expense | 389,092 | 712,063 | 152,513 |
| TOTAL EXPENSES FOR THE YEAR | 59,266,701 | 59,717,421 | 58,325,329 |

North East School Division No. 200
Schedule D: Non-Cash Items Included in Surplus
for the year ended August 31, 2015

| | 2015 | 2014 |
|--|------------------|------------------|
| Non-Cash Items Included in Surplus: | | |
| Amortization of Tangible Capital Assets (Schedule C) | 3,559,898 | 3,662,047 |
| Net Gain on Disposal of Tangible Capital Assets | (24,075) | (145,630) |
| Write-Down of Tangible Capital Assets (Schedule C) | 51,564 | - |
| Total Non-Cash Items Included in Surplus | 3,587,387 | 3,516,417 |

North East School Division No. 200
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2015

| | 2015 | 2014 |
|--|----------------|------------------|
| Net Change in Non-Cash Operating Activities: | | |
| Decrease (Increase) in Accounts Receivable | 545,891 | (87,924) |
| Increase in Accounts Payable and Accrued Liabilities | 367,371 | 3,150,160 |
| Increase in Liability for Employee Future Benefits | 31,800 | 38,500 |
| Increase (Decrease) in Deferred Revenue | (67,837) | 127,613 |
| Decrease in Inventory of Supplies for Consumption | 15,858 | 18,720 |
| Decrease (Increase) in Prepaid Expenses | (125,661) | 24,883 |
| Total Net Change in Non-Cash Operating Activities | 767,422 | 3,271,952 |

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

1. AUTHORITY AND PURPOSE

The school division operates under the authority of *The Education Act, 1995* of Saskatchewan as a corporation under the name of “The Board of Education of the North East School Division No. 200” and operates as “the North East School Division No. 200”. The school division provides education services to residents within its geographic region and is governed by an elected board of trustees.

The school division is funded mainly by grants from the Government of Saskatchewan and a levy on the property assessment included in the school division’s boundaries at mill rates determined by the provincial government. The school division is exempt from income tax and is a registered charity under the *Income Tax Act*.

2. SIGNIFICANT ACCOUNTING POLICIES

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

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

a) Basis of Accounting

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

b) Reporting Entity

The financial statements include all of the assets, liabilities, revenues and expenses of the school division reporting entity.

c) Trust Funds

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

Trust funds are not included in the financial statements as they are not controlled by the school division. Trust fund activities administered by the school division are disclosed in Note 17 of the financial statements.

d) Measurement Uncertainty and the Use of Estimates

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

NORTH EAST SCHOOL DIVISION NO. 200
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Measurement uncertainty that may be material to these financial statements exists for:

- the liability for employee future benefits of \$532,500 (2014 - \$ 500,700) because actual experience may differ significantly from actuarial estimations.
- property taxation revenue of \$10,706,278 (2014 - \$10,584,333) because final tax assessments may differ from initial estimates.
- uncollectible taxes of \$901,738 (2014 - \$630,791) because actual collectability may differ from initial estimates.
- useful lives of capital assets and related accumulated amortization of \$42,835,239 (2014 - \$41,669,837) because the actual useful lives of the capital assets may differ from their estimated economic lives.

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

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

e) Financial Instruments

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

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

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

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

f) Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Valuation allowances are used where considered necessary to reduce the amounts reported for financial assets to their net realizable value.

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
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Cash and Cash Equivalents consists of cash, bank deposits and highly liquid investments with initial maturity terms of three months or less and held for the purpose of meeting short-term operating cash commitments rather than for investing purposes.

Accounts Receivable includes taxes receivable, provincial grants receivable and other receivables. Taxes receivable represent education property taxes assessed or estimated owing to the end of the fiscal period but not yet received. The allowance for uncollected taxes is a valuation allowance used to reduce the amount reported for taxes receivable to the estimated net recoverable amount. The allowance represents management's estimate of the amount of taxes that will not be collected taking into consideration prior years' tax collections and information provided by municipalities regarding collectability of outstanding balances. Provincial grants receivable represent operating, capital and other grants earned but not received at the end of the fiscal year, provided reasonable estimates of the amounts can be made. Grants are earned when the events giving rise to the grant have occurred, the grant is authorized and any eligibility criteria have been met.

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

Portfolio Investments consist of nine Guaranteed Investment Certificates. The school division values its portfolio investments in accordance with its policy for financial instruments, as described in Note 2 (e).

g) Non-Financial Assets

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

Tangible Capital Assets have useful lives extending beyond the accounting period, are used by the school division to provide services to the public and are not intended for sale in the ordinary course of operations. Tangible capital assets of the school division include land and land improvements, buildings, buildings – short-term, school buses, other vehicles, furniture and equipment, computer hardware and audio visual equipment, computer software, and assets under construction.

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

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

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

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
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Assets under construction are not amortized until completed and placed into service for use.

Assets that have a historical or cultural significance, such as works of art, monuments and other cultural artifacts, are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with these properties cannot be made.

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

Prepaid Expenses are prepaid amounts for goods or services which will provide economic benefits in one or more future periods. Prepaid expenses include fees, consumable supplies, insurance, and other expenses (licensing and technical support service, health care spending account).

h) Liabilities

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

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

Long-Term Debt is comprised of a capital loan with initial maturity of more than one year and is incurred for the purpose of financing capital expenditures in accordance with the provisions of *The Education Act, 1995*.

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

Deferred Revenue from Non-government Sources represents fees or payments for services received in advance of the fee being earned or the services being performed, and other contributions for which the contributor has placed restrictions on the use of the resources. Revenue from tuition and related fees is recognized as the course is delivered; revenue from contractual services is recognized as the services are delivered; and revenue from other contributions is recognized in the fiscal year in which the resources are used for the purpose specified by the contributor.

i) Employee Pension Plans

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

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NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

Multi-Employer Defined Benefit Plans

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

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

j) Revenue Recognition

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

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

i) Government Transfers (Grants)

Grants from governments are considered to be government transfers. In accordance with PS3410 standard, government transfers are recognized as revenues when the transfer is authorized, all eligibility criteria have been met, the amount can be estimated and collection is reasonably assured except when, and to the extent, stipulations by the transferor give rise to an obligation that meets the definition of a liability. For transfers with stipulations, revenue is recognized in the statement of operations and accumulated surplus from operations as the stipulation liabilities are settled.

ii) Property Taxation

Property tax is levied and collected on a calendar year basis. Uniform education property tax mill rates are set by the Government of Saskatchewan. Tax revenues are recognized on the basis of time with 1/12th of estimated total tax revenue recorded in each month of the school division's fiscal year. The tax revenue for the September to December portion of the fiscal year is based on the actual amounts reported by the municipalities for the calendar taxation year. For the January to August portion of its fiscal year, the school division estimates tax revenue based on estimate information provided by municipalities who levy and collect the property tax on behalf of the school division. The final annual taxation amounts are reported to the division by each municipality following the conclusion of each calendar taxation year, and any difference between final amounts and the school division's estimates is recorded as an adjustment to revenue in the next fiscal year.

iii) Fees and Services

Revenues from tuition fees and other fees and services are recognized in the year they are earned. Amounts that are restricted pursuant to legislation, regulation or agreements with external parties that may only be used in the conduct of certain programs or in the delivery of specific services and

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NOTES TO THE FINANCIAL STATEMENTS
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transactions are initially recorded as deferred revenue and subsequently recognized as revenue in the fiscal year the related expenses are incurred or services are performed.

iv) Interest Income

Interest is recognized on an accrual basis when it is earned.

v) Other (Non-Government Transfer) Contributions

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the school division if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions that are to be held in perpetuity are recognized as revenue in the year in which they are received or committed if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions that are not held in perpetuity are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

k) Statement of Remeasurement Gains and Losses

The school division has not presented a statement of remeasurement gains and losses because it does not have financial instruments that give rise to material remeasurement gains or losses.

3. SHORT-TERM BORROWINGS

Bank indebtedness consists of a demand operating line of credit with a maximum borrowing limit of \$7,000,000 that bears interest at Bank prime rate less 1.00% per annum. This line of credit is authorized by a borrowing resolution by the board of education and is secured by accounts receivable. This line of credit was approved by the Minister of Education on January 21, 2013. The balance drawn on the line of credit at August 31, 2015 was \$0 (August 31, 2014 - \$0).

4. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
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| | 2015 | 2014 |
|--|------------------|-------------------|
| Portfolio investments in the cost and amortized cost category: | Cost | Cost |
| Equitable Bank GIC Due 02/24/2017 1.75% | \$ 100,906 | \$ - |
| HSBC Bank of Canada GIC Due 02/24/2017 1.55% | 100,803 | - |
| Montreal Trust CDA GIC Due 02/24/2017 1.45% | 100,751 | - |
| Pacific & Western GIC Due 02/24/2017 1.50% | 100,777 | - |
| B2B Bank Due 02/26/2018 1.75% | 100,897 | - |
| Home Trust Company GIC Due 02/26/2018 1.80% | 100,922 | - |
| Homequity Bank GIC Due 02/26/2018 1.80% | 100,922 | - |
| Laurentian Bank GIC Due 02/26/2018 1.75% | 100,896 | - |
| LBC Trust GIC Due 02/26/2018 1.75% | 100,896 | - |
| RBC Mortgage Corp GIC Due 02/09/2015 1.90% | - | 314,570 |
| Equitable Trust GIC Due 02/09/2015 1.95% | - | 103,035 |
| Home Trust Company GIC Due 02/09/2015 1.95% | - | 103,035 |
| Total portfolio investments reported at cost and amortized cost | \$907,770 | \$ 520,639 |

5. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

| Function | Salaries & Benefits | Goods & Services | Debt Service | Amortization of TCA | 2015 Actual | 2014 Actual |
|--------------------------|----------------------|----------------------|-------------------|---------------------|----------------------|----------------------|
| Governance | \$ 110,539 | \$ 270,170 | \$ - | \$ - | \$ 380,709 | \$ 406,895 |
| Administration | 1,868,431 | 332,457 | - | 75,537 | 2,276,425 | 2,296,344 |
| Instruction | 35,713,733 | 2,822,194 | - | 1,220,443 | 39,756,370 | 39,089,890 |
| Plant | 3,322,789 | 4,161,280 | - | 1,605,177 | 9,089,246 | 9,105,311 |
| Transportation | 2,159,846 | 1,413,164 | - | 640,784 | 4,213,794 | 4,344,996 |
| Tuition and Related Fees | - | 194,307 | - | - | 194,307 | 224,198 |
| School Generated Funds | - | 1,232,055 | - | - | 1,232,055 | 1,276,251 |
| Complementary Services | 1,078,023 | 563,707 | - | 15,073 | 1,656,803 | 1,220,958 |
| External Services | 133,396 | 69,369 | - | 2,884 | 205,649 | 207,973 |
| Other | - | 322,511 | 389,552 | - | 712,063 | 152,513 |
| TOTAL | \$ 44,386,757 | \$ 11,381,214 | \$ 389,552 | \$ 3,559,898 | \$ 59,717,421 | \$ 58,325,329 |

6. EMPLOYEE FUTURE BENEFITS

The school division provides a post-employment, compensated absence and termination benefit to its employees. The benefit includes non-vested sick leave. The liability associated with this benefit is calculated as the present value of expected future payments pro-rated for service and is recorded as Liability for Employee Future Benefits in the statement of financial position. Morneau Shepell Ltd, a firm of consulting actuaries, performed an actuarial valuation and estimated the Liability for Employee Future Benefits as at August 31, 2015.

Details of the employee future benefits are as follows:

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

| | 2015 | 2014 |
|---|-------------|---------------|
| Actuarial valuation (extrapolation) date | Aug.31,2015 | (Aug.31,2014) |
| Long-term assumptions used: | | |
| Discount rate at end of period | 2.50% | 2.80% |
| Inflation and productivity rate (excluding merit and promotion) | 3.20% | 3.25% |
| Expected average remaining service life (years) | 14 | 14 |

| Liability for Employee Future Benefits | 2015 | 2014 |
|---|-------------------|-------------------|
| Accrued Benefit Obligation - beginning of year | \$ 477,700 | \$ 390,800 |
| Current period service cost | 41,000 | 35,000 |
| Interest cost | 14,200 | 14,800 |
| Benefit payments | (21,300) | (6,000) |
| Actuarial losses | 176,800 | 38,500 |
| Plan amendments | - | 4,600 |
| Accrued Benefit Obligation - end of year | 688,400 | 477,700 |
| Unamortized Net Actuarial Gains / (Losses) | (155,900) | 23,000 |
| Liability for Employee Future Benefits | \$ 532,500 | \$ 500,700 |

| Expense for Employee Future Benefits | 2015 | 2014 |
|---|------------------|------------------|
| Current period service cost | \$ 41,000 | \$ 35,000 |
| Amortization of net actuarial gain | (2,100) | (5,300) |
| Benefit cost | 38,900 | 29,700 |
| Interest cost | 14,200 | 14,800 |
| Total Employee Future Benefits Expense | \$ 53,100 | \$ 44,500 |

7. PENSION PLANS

Multi-Employer Defined Benefit Plans

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

- i) Saskatchewan Teachers' Retirement Plan (STRP) or Saskatchewan Teachers' Superannuation Plan (STSP):

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

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

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
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Details of the contributions to these plans for the school division's employees are as follows:

| | 2015 | | | 2014 |
|---|--------------|----------------|----------------|---------------|
| | STRP | STSP | TOTAL | TOTAL |
| Number of active School Division members | 441 | 26 | 467 | 427 |
| Member contribution rate (percentage of salary) | 7.8% / 10.0% | 6.05% / 7.85 % | 6.05% / 10.0 % | 6.05% -10.0 % |
| Member contributions for the year | \$ 2,711,585 | \$ 44,275 | \$ 2,755,860 | \$ 2,276,956 |

ii) Municipal Employees' Pension Plan (MEPP)

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

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

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

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

Details of the MEPP are as follows:

| | 2015 | 2014 |
|--|----------------------|--------------------|
| Number of active School Division members | 395 | 396 |
| Member contribution rate (percentage of salary) | 12.80% | 8.15% |
| School Division contribution rate (percentage of salary) | 21.85% | 8.15% |
| Member contributions for the year | \$ 897,566 | \$ 862,664 |
| School Division contributions for the year | \$ 897,566 | \$ 862,664 |
| Actuarial (extrapolation) valuation date | <u>(DEC/31/2014)</u> | <u>DEC/31/2013</u> |
| Plan Assets (in thousands) | \$ 2,006,587 | \$ 1,685,167 |
| Plan Liabilities (in thousands) | \$ 1,672,585 | \$ 1,498,853 |
| Plan Surplus (in thousands) | \$ 334,002 | \$ 186,314 |

8. ACCOUNTS RECEIVABLE

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

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2015

| | 2015 | | | 2014 | | |
|----------------------------------|---------------------|------------------------|---------------------|---------------------|------------------------|---------------------|
| | Total Receivable | Valuation Allowance | Net of Allowance | Total Receivable | Valuation Allowance | Net of Allowance |
| Taxes Receivable | \$ 3,638,464 | \$ 901,738 | \$ 2,736,726 | \$ 3,648,589 | \$ 630,791 | \$ 3,017,798 |
| Provincial Grants Receivable | 541,811 | - | 541,811 | 586,789 | - | 586,789 |
| Other Receivables | 1,064,108 | - | 1,064,108 | 1,283,949 | - | 1,283,949 |
| Total Accounts Receivable | \$ 5,244,383 | \$ 901,738 | \$ 4,342,645 | \$ 5,519,327 | \$ 630,791 | \$ 4,888,536 |

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

| | 2015 | 2014 |
|--|---------------------|---------------------|
| Accrued Salaries and Benefits | \$ 978,105 | \$ 1,325,101 |
| Supplier Payments | 1,852,262 | 2,190,601 |
| Other (utilities, maintenance, capital project progress) | 2,493,443 | 1,440,737 |
| Total Accounts Payable and Accrued Liabilities | \$ 5,323,810 | \$ 4,956,439 |

10. LONG-TERM DEBT

Details of long-term debt are as follows:

| | 2015 | 2014 |
|--|---------------------|---------------------|
| Capital Loan: <i>Monthly payments of principal and interest combined of \$58,528, fixed interest rate of 4.16%; due on the last day of each month from June 30, 2014 to May 30, 2034 (RBC - construction of Hudson Bay School)</i> | \$ 9,133,248 | \$ 9,448,487 |
| Total Long-Term Debt | \$ 9,133,248 | \$ 9,448,487 |

| Future principal repayments over the next 5 years are estimated as follows: | |
|---|---------------------|
| | Capital Loan |
| 2016 | \$ 328,605 |
| 2017 | 342,539 |
| 2018 | 357,063 |
| 2019 | 372,204 |
| 2020 | 387,986 |
| Thereafter | 7,344,851 |
| Total | \$ 9,133,248 |

NORTH EAST SCHOOL DIVISION NO. 200
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| Principal and interest payments on the long-term debt are as follows: | | |
|---|-------------------|-------------------|
| | 2015 | 2014 |
| Principal | \$ 315,239 | \$ 76,785 |
| Interest | 387,092 | 86,690 |
| Total | \$ 702,331 | \$ 163,475 |

11. DEFERRED REVENUE

Details of deferred revenues are as follows:

| | Balance as at Aug. 31, 2014 | Additions during the Year | Revenue recognized in the Year | Balance as at Aug. 31, 2015 |
|--|-----------------------------------|---------------------------------|--------------------------------------|-----------------------------------|
| Capital projects: | | | | |
| Federal capital tuition | \$ 360,281 | \$ 28,416 | \$ - | \$ 388,697 |
| Total capital projects deferred revenue | 360,281 | 28,416 | - | 388,697 |
| Other deferred revenue: | | | | |
| Rental Revenue | 7,845 | 7,937 | (7,845) | 7,937 |
| Other | 98,945 | 100 | (96,445) | 2,600 |
| Total other deferred revenue | 106,790 | 8,037 | (104,290) | 10,537 |
| Total Deferred Revenue | \$ 467,071 | \$ 36,453 | \$(104,290) | \$ 399,234 |

12. COMPLEMENTARY SERVICES

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

Following is a summary of the revenues and expenses of the Complementary Services programs operated by the school division in 2015 and 2014:

NORTH EAST SCHOOL DIVISION NO. 200
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| Summary of Complementary Services Revenues and Expenses, by Program | Pre-K Programs | Community and Inter-Agency Liaison | Hoshin - Following Their Voices | 2015 | 2014 |
|---|------------------|------------------------------------|---------------------------------|---------------------|---------------------|
| Revenues: | | | | | |
| Operating Grants | \$ 575,832 | \$ 13,812 | \$ 650,000 | \$ 1,239,644 | \$ 593,362 |
| Total Revenues | 575,832 | 13,812 | 650,000 | 1,239,644 | 593,362 |
| Expenses: | | | | | |
| Salaries & Benefits | 469,856 | 608,167 | - | 1,078,023 | 1,048,004 |
| Instructional Aids | 11,099 | 6,282 | - | 17,381 | 23,872 |
| Supplies and Services | 56 | - | 360,662 | 360,718 | - |
| Non-Capital Equipment | 15,211 | 254 | - | 15,465 | 13,530 |
| Communications | - | 2,167 | - | 2,167 | 1,329 |
| Travel | 35 | 16,958 | 30,442 | 47,435 | 11,731 |
| Professional Development (Non-Salary Costs) | 2,511 | 7,042 | - | 9,553 | 9,544 |
| Student Related Expenses | 19,015 | 91,973 | - | 110,988 | 99,692 |
| Amortization of Tangible Capital Assets | 13,354 | 984 | 735 | 15,073 | 13,256 |
| Total Expenses | 531,137 | 733,827 | 391,839 | 1,656,803 | 1,220,958 |
| Excess (Deficiency) of Revenues over Expenses | \$ 44,695 | \$ (720,015) | \$ 258,161 | \$ (417,159) | \$ (627,596) |

The purpose and nature of each Complementary Services program is as follows:

Pre-Kindergarten Programs provide opportunity for vulnerable 3 and 4 year old children to participate in developmental programming within a school setting prior to the traditional kindergarten time frame. North East School Division No. 200 currently operates pre-kindergarten programs in the communities of Melfort, Nipawin, Tisdale and Hudson Bay.

Community and Inter-Agency Liaison provides programming for at risk students in the form of nutrition programs, family outreach and after school activities.

Hoshin – Following Their Voices is a Provincial initiative providing planning and coordinating activities for First Nations in the Province of Saskatchewan.

13. EXTERNAL SERVICES

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

Following is a summary of the revenues and expenses of the External Services programs operated by the school division in 2015 and 2014:

NORTH EAST SCHOOL DIVISION NO. 200
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| Summary of External Services Revenues and Expenses, by Program - Cafeterias | 2015 | 2014 |
|---|----------------|----------------|
| Revenues: | | |
| Fees and Other Revenues | \$ 124,249 | \$ 135,780 |
| Total Revenues | 124,249 | 135,780 |
| Expenses: | | |
| Salaries & Benefits | 133,396 | 133,150 |
| Supplies and Services | 68,800 | 70,912 |
| Travel | 569 | 531 |
| Amortization of Tangible Capital Assets | 2,884 | 3,380 |
| Total Expenses | 205,649 | 207,973 |
| Deficiency of Revenues over Expenses | \$ (81,400) | \$ (72,193) |

The cafeterias within L.P. Miller School in Nipawin and Melfort Unit Comprehensive Collegiate School are operated with the intent of providing food services to the students and staff of the schools.

14. ACCUMULATED SURPLUS

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

Certain amounts of the accumulated surplus, as approved by the board of education, have been designated for specific future purposes such as capital projects, school generated funds, school budget carryovers, school initiatives, and a contingency reserve. These internally restricted amounts are included in the accumulated surplus presented in the statement of financial position. The school division does not maintain separate bank accounts for the internally restricted amounts.

Details of accumulated surplus are as follows:

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| | August 31 2014 | Additions during the year | Reductions during the year | August 31 2015 |
|---|----------------------|------------------------------|-------------------------------|----------------------|
| Invested in Tangible Capital Assets: | | | | |
| Net Book Value of Tangible Capital Assets | \$ 62,707,995 | \$ 15,218,484 | \$ 3,611,461 | \$ 74,315,018 |
| Less: Debt owing on Tangible Capital Assets | 9,448,487 | - | 315,239 | 9,133,248 |
| | 53,259,508 | 15,218,484 | 3,296,222 | 65,181,770 |
| PMR maintenance project allocations (1) | 844,577 | 1,033,061 | 209,134 | 1,668,504 |
| Internally Restricted Surplus: | | | | |
| Capital projects: | | | | |
| Broadway School Sale Agreement | 50,556 | - | - | 50,556 |
| Bus Fleet Renewal | 30,000 | 698,000 | - | 728,000 |
| Computer Hardware Replacement | - | 480,000 | - | 480,000 |
| Digital Projector Replacement | - | 60,000 | - | 60,000 |
| Hudson Bay School Project | 4,000,000 | 242,534 | 3,190,565 | 1,051,969 |
| Information Technology Renewal | - | 262,000 | - | 262,000 |
| Melfort Maintenance Shop | - | 30,000 | - | 30,000 |
| Non-School Buildings | 2,693,167 | - | 306,909 | 2,386,258 |
| Software Enhancements | 150,000 | - | 124,000 | 26,000 |
| Telephone System Replacement | - | 255,000 | - | 255,000 |
| | 6,923,723 | 2,027,534 | 3,621,474 | 5,329,783 |
| Other: | | | | |
| English as an Additional Language Pilot Program | - | 100,000 | - | 100,000 |
| Following Their Voices (FTV) Hoshin | - | 650,000 | 391,839 | 258,161 |
| Improved Learning Environment of Students | - | 600,000 | - | 600,000 |
| Invitational Shared Services Initiatives (ISSI) | 288,605 | 150,000 | 218,582 | 220,023 |
| School Budget Carryover | 156,118 | 1,366,158 | 1,258,931 | 263,345 |
| School Generated Funds | 789,961 | 1,660,533 | 1,565,981 | 884,513 |
| School Improvement Initiative | 1,000,000 | - | - | 1,000,000 |
| Tisdale Office Minor Renovations | - | 73,000 | - | 73,000 |
| Universal Kindergarten Nutrition Program | - | 25,200 | - | 25,200 |
| Violence Threat Risk Assessment Training | - | 8,000 | - | 8,000 |
| Contingency | 5,800,000 | - | - | 5,800,000 |
| | 8,034,684 | 4,632,891 | 3,435,333 | 9,232,242 |
| Unrestricted Surplus | 7,669,777 | 63,811,055 | 64,274,995 | 7,205,837 |
| Total Accumulated Surplus | \$ 76,732,269 | \$ 86,723,025 | \$ 74,837,158 | \$ 88,618,136 |

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

The purpose and nature of each Internally Restricted Surplus amount is as follows:

Broadway School Sale Agreement represents net proceeds on the sale of the Broadway School which are to be applied to the financing of future capital projects as negotiated by the board and Ministry.

Bus Fleet Renewal represents funds to supplement the purchase of buses in the fleet renewal process and costs required to change the purchasing cycle of the fleet.

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Computer Hardware Replacement represents funds required to replace tablets and laptops that were bulk purchased in May 2014.

Digital Projector Replacement represents funds required to provide for the replacement of at least one projector in each school.

Hudson Bay School Project represents the estimated costs required to complete the construction of the new Hudson Bay School.

Information Technology Renewal represents funds required to change the purchasing cycle of laptops and tablets.

Melfort Maintenance Shop represents estimated funds to complete the shop furnishings.

Non-School Buildings represents funds to complete renovations and enhancements to maintenance, transportation, and administration offices.

Software Enhancements represents funds to supplement the upgrade and purchase of software products.

Telephone System Replacement represents funds required to provide for the replacement of all phone systems by 2016-17.

English as an Additional Language Pilot Program represents funds available for a full time equivalent teacher to be deployed to help serve students in communities that have high needs.

Following Their Voices (FTV) Hoshin represents funds provided by the Ministry to support the province-wide research and professional learning on culturally responsive practices to support First Nations and Metis students.

Improved Learning Environment of Students represents funds available to support kindergarten to grade twelve classroom purchases that will provide students with optimal learning by inviting collaboration and problem-solving in a flexible environment and also replace out-dated, worn furniture.

Invitational Shared Services Initiatives (ISSI) represent funds provided by the Ministry of Education to provide leadership training to teachers and to support student mentorship in the schools of the North East School Division, the Kinistin First Nation and Yellow Quill First Nation, in order to facilitate the success of First Nations students.

School Budget Carryover represents funds from the current year decentralized school budget allocations.

School Generated Funds represents residual funds from activities held at the school level (fundraising, non-curricular student fees, canteen, etc.). These funds are restricted surplus and held for specified school use.

School Improvement Initiative represents funds available for school projects, through an application process, to improve student learning, enhance student engagement and performance.

Tisdale Office Minor Renovations represents funds remaining from the current year budget allocations for the grading of the parking lot, cold storage overhead door and other smaller projects.

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Universal Kindergarten Nutrition Program represents funds available to provide a healthy daily universal snack to all kindergarten students in the school division.

Violence Threat Risk Assessment Training represents funds received from the Ministry for training purposes that will take place in 2015-16.

Contingency represents funds available to be used for emergency purposes.

15. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on June 24, 2014 and the Minister of Education on August 12, 2014.

16. RELATED PARTIES

These financial statements include transactions with related parties. The school division is related to all Government of Saskatchewan ministries, agencies, boards, school divisions, health authorities, colleges, and crown corporations under the common control of the Government of Saskatchewan. The school division is also related to non-crown enterprises that the Government jointly controls or significantly influences. In addition, the school division is related to other non-government organizations by virtue of its economic interest in these organizations.

Related Party Transactions

Transactions with these related parties are in the normal course of operations. Amounts due to or from and the recorded amounts of transactions resulting from these transactions are included in the financial statements and the table below. They are recorded at exchange amounts which approximate prevailing market rates charged by those organizations and are settled on normal trade terms.

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| | 2015 | 2014 |
|--|----------------------|----------------------|
| Revenues: | | |
| Boards of Education | \$ 16,500 | \$ 5,000 |
| Cumberland Regional College | 139,180 | 129,748 |
| Kelsey Trail Health Region | 36,034 | 32,013 |
| Ministry of Education - Capital Funding | 10,495,911 | 6,994,219 |
| Ministry of Education - Operating Grant | 46,770,534 | 44,688,746 |
| | \$ 57,458,158 | \$ 51,849,726 |
| Expenses: | | |
| Board of Education | \$ 109,298 | \$ 38,324 |
| Cumberland Regional College | 199,027 | 226,039 |
| Gabriel Dumont Institute | 28,002 | 259 |
| Kelsey Trail Health Region | 950 | 1,600 |
| Minister of Finance | 35,851 | 23,985 |
| Saskatchewan Government Insurance | 111,139 | 99,475 |
| Saskatchewan Institute of Applied Science & Technology | - | 400 |
| Saskatchewan Power Corporation | 892,295 | 840,391 |
| Saskatchewan Telecommunications Holding Corporation | 279,418 | 188,295 |
| Saskatchewan Transportation Company | 1,474 | 2,398 |
| Saskatchewan Workers' Compensation Board | 137,489 | 153,871 |
| SaskEnergy Incorporated | 452,981 | 517,892 |
| University of Regina | 500 | 822 |
| University of Saskatchewan | - | 315 |
| Western Development Museum | 192 | 131 |
| | \$ 2,248,617 | \$ 2,094,197 |
| Accounts Receivable: | | |
| Cumberland Regional College | \$ 3,993 | \$ 9,461 |
| Kelsey Trail Health Region | 2,376 | 3,680 |
| Minister of Education | 541,811 | 586,789 |
| SaskEnergy Incorporated | - | 11,218 |
| | \$ 548,180 | \$ 611,148 |
| Prepaid Expenses: | | |
| Saskatchewan Government Insurance | \$ 51,763 | \$ 43,817 |
| Saskatchewan School Boards Association | 32,359 | 31,605 |
| Saskatchewan Telecommunications Holding Corporation | 12,546 | 3,190 |
| Saskatchewan Workers' Compensation Board | 47,124 | 51,980 |
| | \$ 143,792 | \$ 130,592 |
| Accounts Payable and Accrued Liabilities: | | |
| Minister of Finance | \$ 117 | \$ 8,122 |
| SaskEnergy Incorporated | 6,599 | - |
| Saskatchewan Government Insurance | 6,355 | 16,653 |
| Saskatchewan Power Corporation | 141,633 | 121,017 |
| Saskatchewan Transportation Company | 124 | 117 |
| | \$ 154,828 | \$ 145,909 |
| Deferred Revenue: | | |
| Cumberland Regional College | \$ 7,936 | \$ 7,845 |
| Saskatchewan School Boards Association | - | 1,609 |
| | \$ 7,936 | \$ 9,454 |

In addition, the school division pays Provincial Sales Tax to the Saskatchewan Ministry of Finance on all its taxable purchases and customer sales on items that are deemed taxable. Taxes paid are recorded as part of the cost of those purchases.

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A portion of the operating grant revenue from the Ministry of Education includes funding allocated to principal and interest repayments on some school board loans.

Other transactions with related parties and amounts due to/from them are described separately in the financial statements or notes thereto.

17. TRUSTS

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

Information about these trusts is as follows:

| | Total Trust Fund | |
|--|-------------------|-------------------|
| | 2015 | 2014 |
| Cash and short-term investments | \$ 182,009 | \$ 175,107 |
| Portfolio investments | 490,266 | 495,949 |
| Total Assets | \$ 672,275 | \$ 671,056 |
| Revenues | | |
| Contributions and donations | \$ 11,773 | \$ 22,128 |
| Interest on investments | 8,411 | 16,892 |
| | 20,184 | 39,020 |
| Expenses | | |
| Scholarships paid | 18,965 | 15,344 |
| | 18,965 | 15,344 |
| Excess of Revenues over Expenses | 1,219 | 23,676 |
| Trust Fund Balance, Beginning of Year | 671,056 | 647,380 |
| Trust Fund Balance, End of Year | \$ 672,275 | \$ 671,056 |

18. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

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

- Construction contract for the daycare to Gr. 12 school in Hudson Bay in the amount of \$27,708,153 over three years. Of this amount, \$25,929,243 has been incurred and recorded as assets under construction.
- Purchase order issued for 6 buses valued at \$629,686 in fiscal 2016 to be delivered during 2015-16.
- Photocopier operating lease obligations, as follows:

| Copier Lease | |
|--------------------------------|-------------------|
| Future minimum lease payments: | |
| 2016 | \$ 96,313 |
| 2017 | 96,313 |
| 2018 | 24,078 |
| Total Lease Obligations | \$ 216,704 |

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19. COMPARATIVE INFORMATION

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

20. RISK MANAGEMENT

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

i) Credit Risk

Credit risk is the risk to the school division from potential non-payment of accounts receivable. The credit risk related to the school division's receivables from the provincial government, federal government and their agencies are considered to be minimal. For other receivables, the school division has adopted credit policies which include the analysis of the financial position of its customers and regular review of their credit limits in order to reduce its credit risk, and closely monitoring overdue accounts.

The school division does not have a significant exposure to any individual customer. Management reviews accounts receivable on a case by case basis to determine if a valuation allowance is necessary to reflect impairment in collectability.

The aging of grants and other accounts receivable as at August 31, 2015 was:

| | August 31, 2015 | | | | |
|------------------------|-------------------|-------------------|-------------------|------------------|-----------------|
| | Total | Current | 30-60 days | 60-90 days | Over 90 days |
| Grants Receivable | \$ 541,811 | \$ - | \$ 541,811 | \$ - | \$ - |
| Other Receivables | 244,764 | 214,814 | 3,266 | 23,345 | 3,339 |
| Net Receivables | \$ 786,575 | \$ 214,814 | \$ 545,077 | \$ 23,345 | \$ 3,339 |

ii) Liquidity Risk

Liquidity risk is the risk that the school division will not be able to meet its financial obligations as they come due. The school division manages liquidity risk by maintaining adequate cash balances, budget practices and monitoring.

The following table sets out the contractual maturities of the school division's financial liabilities:

| | August 31, 2015 | | | |
|--|---------------------|-----------------------|---------------------|---------------------|
| | Within 6 months | 6 months to 1 year | 1 to 5 years | > 5 years |
| Accounts payable and accrued liabilities | \$ 5,323,810 | \$ - | \$ - | \$ - |
| Long-term debt (includes interest) | 351,165 | 351,165 | 3,511,650 | 8,954,708 |
| Total | \$ 5,674,975 | \$ 351,165 | \$ 3,511,650 | \$ 8,954,708 |

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iii) Market Risk

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

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The school division's interest rate exposure relates to cash and cash equivalents and portfolio investments.

The school division also has an authorized bank line of credit of \$7,000,000 with interest payable monthly at a rate of prime less 1.00%. Changes in the bank's prime rate can cause fluctuation in interest payments and cash flows. There was no balance outstanding on this credit facility as of August 31, 2015.

The school division minimizes these risks by:

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

Foreign Currency Risk

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