



North East School Division #200

2017-18 Annual Report

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School Division Contact Information

North East School Division #200
Education in a Culture of Excellence

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Letter of Transmittal

Honourable Gordon S. Wyant Q.C.
Minister of Education

Dear Minister Wyant:

The Board of Education of North East School Division #200 is pleased to provide you and the residents of the school division with the 2017-18 annual report. This report presents an overview of the North East School Division's goals, activities and results for the fiscal year September 1, 2017 to August 31, 2018. It provides audited financial statements that have been audited by an independent auditor following the Canadian Generally Accepted Auditing Standards.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Luke Perkins', with a stylized flourish underneath.

Luke Perkins

Introduction

This annual report presents an overview of the North East School Division's goals, activities and results for the fiscal year September 1, 2017 to August 31, 2018.

This report provides a snapshot of North East School Division, its governance structures, students, staff, programs and facilities. 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.

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 North East 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 26, 2016 and will serve a four-year term. During the 2017-18 year, the Board of Education focused its attention on using data to provide context and inform decisions which support the Education Sector Strategic Plan (ESSP). The Board of Education members are:

- Subdivision 1 Linda Erickson
- Subdivision 2 Bob Gagne
- Subdivision 3 Luke Perkins (Board Chair)
- Subdivision 4 Lori Kidney
- Subdivision 5 Ted Kwiatkowski
- Subdivision 6 Richard Hildebrand
- Subdivision Melfort Randy Ariss
- Subdivision Melfort Todd Goudy
- Subdivision Nipawin Michael Botterill
- Subdivision Nipawin Marla Walton (Vice Chair)

A list of the remuneration paid to all board members in 2017-18 is provided in Appendix A.

School Community Councils

The Board of Education has established a School Community Council (SCC) for each of the 20 schools in the North East School Division. Our one Hutterite school is not required to have an SCC. The SCCs of the North East School Division are made up of the required number of elected and appointed members, as outlined in *The Education Regulations, 2015*. North East School Division has five schools where students who live on-reserve attend and pay tuition. These schools have all had First Nations representation on their respective SCCs.

The Education Regulations, 2015 require school divisions to undertake orientation, training, development and networking opportunities for their SCC members. In 2017-2018, the Board of Education in conjunction with all School Community Councils held an open Forum to discuss various topics. One of the main topics of conversation regarded the “Positive Mental Health of Staff and Students in the NESD”. OurSCHOOL data was used on this evening to provide a background context to the conversations. Other topics of interest that were submitted involved assessment and reports, bussing, student attendance, calendar options, legalization of marijuana, parent engagement. This well attended evening included an “open forum” 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 2017-18, all of the SCCs participated in the development of these plans.

The Board of Education continued to stress the importance of School Community Councils as a mechanism for connecting community and school. SCCs in NESD are funded according to a base allotment of \$600 plus additional funding of \$5 per student as determined by the enrolment of the school. This produced a total of \$36,195 of funding for the SCCs in 2017-18. The Board also provided \$4,460 to the SCC members who attended National Congress on Rural Education in Canada as well as the Forum for the SCCs and Board of Education.

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. In 2017-18, additional funding was provided to schools through additional staffing to conclude previous approved projects involving reading support.

School Division Profile

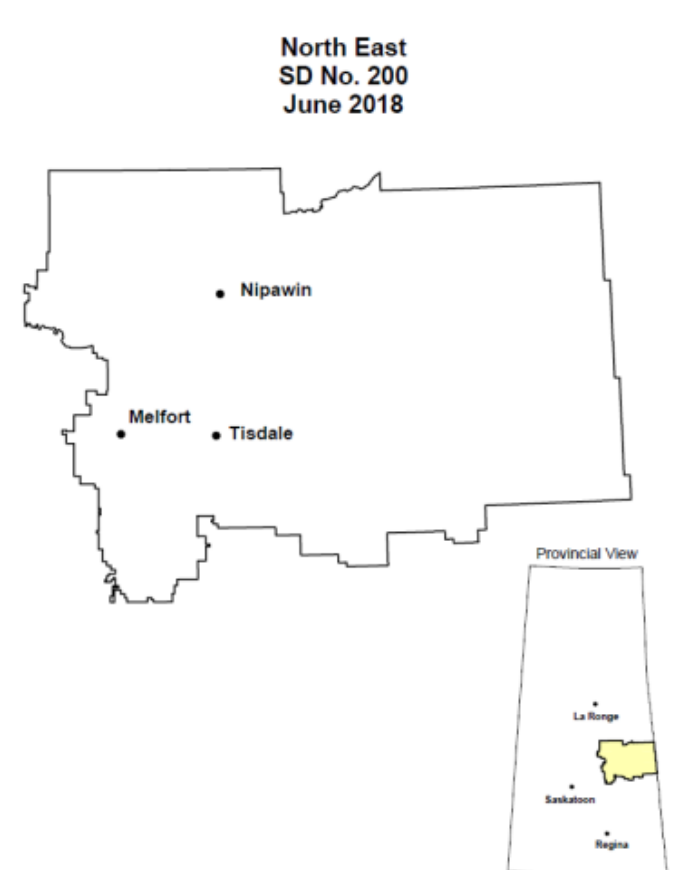
About Us

North East School Division is a rural school division with 21 schools located in 13 communities. The division is located in north east Saskatchewan and encompasses approximately 11,000 square kilometres. The schools within the division span a geographic area from Naicam in the south, Choiceland in the North, Hudson Bay in the east, and Melfort in the west. The map below shows the geographic location of North East School Division.

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

Much of 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.

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 students' school experiences are positive and successful. Descriptions of some of the partnerships are included below.

North East School Division has a continuing 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.

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 utilizes the First Nations' mentor to provide cultural and academic engagement strategies directly to teachers to

facilitate First Nations' student success. The grant funds youth entrepreneur programs and clubs, and supports transportation for First Nation youth activities.

The Early Years Partnership is a partnership among multiple agencies. Included in this partnership is the NESD, Cumberland Regional College, the Ministry of Education, Métis Nation – Saskatchewan, Saskatchewan Health Authority, *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 their children's physical, social, emotional and intellectual development.

In 2017-18, North East School Division continued its partnership with the Community Mobilization Initiative – HUB, in the communities of Nipawin and Hudson Bay. These are effective collaborative integrated multi-agency teams, building safer and healthier communities, reducing crime and victimization; accomplished through the mobilization of resources to support individuals and families with acutely elevated levels of risk as recognized across a range of service providers.

The Melfort Public Library is a branch of the Wapiti Regional Library. North East School Division is working with the Melfort Public Library with its 1000 Books Before Kindergarten challenge. The goal of this project is to have 1000 books read to children before they enter Kindergarten. North East School Division is supporting the Melfort Public Library by assisting in the promotion and advertising of this worthwhile campaign.

North East School Division is a representative on the North East Fetal Alcohol Spectrum Disorder (FASD) Prevention Committee. This committee includes representatives from Saskatchewan Health Authority, Social Services, Saskatchewan Prevention Institute, North East Early Childhood Intervention Program, *KidsFirst*, First Nations and Métis organizations, and local caregivers. The committee was established from a call for action by the Government of Saskatchewan and the Saskatchewan Prevention Institute to address the high prevalence rate of FASD in North East Saskatchewan. North East School Division is beginning prevention awareness through the Grade 8 & 9 Health curriculum.

The Treehouse is a short-term foster care home for children in the North East. North East School Division is assisting the Treehouse staff in providing smooth and successful transitions for school-aged children entering school. Supports include defining a process for transitioning students successfully, supporting the working staff at the Treehouse with early learning professional development, and developing communication protocol for each child's success.

North East School Division is in partnership with the development of the Nipawin Family Resource Centre. This project came from the results of the Child and Family Forum hosted in Nipawin in April of 2017. The Nipawin Family Resource Centre committee is in the process of identifying a site and establishing programming. The project includes many partners (NESD, Saskatchewan Health Authority, Rotary, *KidsFirst*, Town of Nipawin, Victim Services, Social Services, Prince Albert Grand Council, Metis Nation Easter Region II, and the RCMP).

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 21 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 consultant
- 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

The Education Sector Strategic Plan

Members of the education sector have worked together to develop an Education Sector Strategic Plan (ESSP) for 2014-2020. The ESSP describes the strategic direction of the education sector. The ESSP priorities and outcomes align the work of school divisions and the Ministry of Education. The plan is expected to shape a new direction in education for the benefit of all Saskatchewan students.

2017-18 was the fourth year of deployment of the 2014-2020 ESSP.

Enduring Strategies

The Enduring Strategies in the ESSP are:

- 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; and,
- Alignment of human, physical and fiscal resources.

Reading, Writing, Math at Grade Level

ESSP Outcome:

By June 30, 2020, 80% of students will be at grade level or above in reading, writing and math.

ESSP Improvement Targets:

- By June 2018, at least 75% of students will be at or above grade level in reading and writing.
- By June 2019, at least 75% of students will be at or above grade level in math.

ESSP Priority:

Contingent on recommendations from the sector, implement and actualize the provincial Unified Student Information System.

| | |
|--|--|
| <p>School division goals aligned with Reading, Writing and Math at Grade Level outcome</p> | <p>For the 2017-18 school year, North East School Division had the following goals aligned with the Reading, Writing, Math at Grade Level outcome:</p> <ul style="list-style-type: none"> • Assess 100% of the Grades 1-9 students using the Reading Assessment District (RAD) assessment; 100% of Grades 1-3 students on Diagnostic Levelled Reading (DLR); 100% of Grades 4, 7, and 9 students using ESSP developed writing rubrics; and 100% of students using grade level rubrics based on provincial curriculum. • Support teachers in building capacity in the areas of reading and writing with professional learning opportunities. • Monitor the performance of Grades 1-9 reading and writing levels and support vulnerable readers with targeted interventions. |
| <p>School division actions taken during the 2017-18 school year to achieve the outcomes and targets of the Reading, Writing and Math at Grade Level outcome</p> | <p>The North East School Division continued to collect data in the areas of reading, writing, and math and respond to the needs of students according to this data. In the area of reading, NESD teachers administered the Reading Assessment District to all students in Grades 1-9. In addition, all students in Grades 1-3 were assessed a minimum of three times during the year using the DLR. In the areas of writing and math, all students were assessed using grade level rubrics. Teachers used the results of these assessments to plan interventions and supports.</p> <p>During the 2017-18 school year, the North East School Division continued to be highly involved in the provincial work supporting both the writing and the math outcomes. A leadership team from the NESD worked with teachers around the province and Ministry personnel to finalize the provincial writing “at grade level” rubrics and supports (grade 4, 7, and 9 focus). A NESD leadership team also worked with another provincial team of teachers and Ministry personnel to finalize “at grade level” rubrics and supports in the area of math (grade 2, 5, and 8). This work was foundational to provincial data collection.</p> <p>In anticipation of reporting writing scores for all students in grades 4, 7, and 9 in June 2018, all new teachers of English Language Arts attended a workshop designed to enhance literacy instruction and assessment. Additional supports for new teachers in the areas of DLR, RAD and Levelled Literacy Intervention were offered through professional learning days early in the school year.</p> |

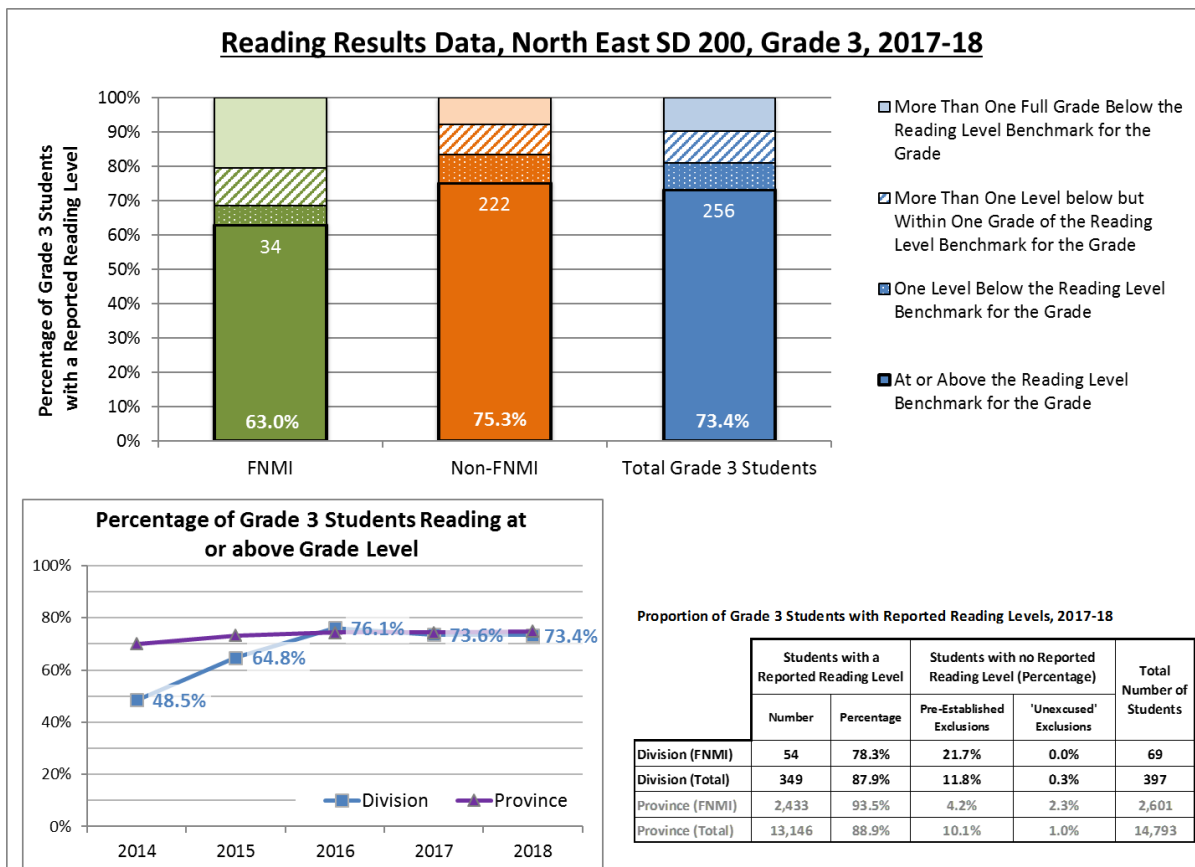
Further supports for the reading, writing, and math outcomes were offered through professional learning that focused on collaborative inquiry. There was a literacy cohort and two assessment cohorts who met three times during the year and focused on personally meaningful inquiry questions.

Measures for Reading, Writing and Math at Grade Level

Proportion of Grade 3 Students Reading At or Above Grade Level

Grade 3 reading levels are considered a leading indicator of future student performance. In response to the Plan for Growth improvement target, Grade 3 reading levels have been tracked using provincially developed benchmarks since 2014. Ensuring that each year a greater proportion of Grade 3s in the province (currently about three-quarters) is reading at grade level will mean more students each year are ready to learn in Grade 4 and beyond.

The following bar graph displays the percentage of Grade 3 students (FNMI, non-FNMI, all) by reading level. The charts below the graph indicate the percentage of Grade 3 students in the province reading at or above grade level, as well as the proportion of Grade 3 students with reported reading levels.



Notes: Reading levels are reported based on provincially developed benchmarks. The percentages of students in each of the reading level groupings were found using the number of students with a 'valid' reported reading level as the denominator. (Excluded or non-participant students were not included in 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 as FNM or I, however, this category may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2018

Analysis of results

North East School Division reports 73.4% of its Grade 3 students were reading at or above the Reading Level Benchmark. North East School Division recognizes this is slightly below the provincial target of 75%. It is only 0.2% lower than the previous year. Though this is not a significant drop, the concerning part is the lack of sustainable improvement that was shown in earlier years. The results have seemed to plateau. On a somewhat positive note, if we include the students who are only one level below the Reading Benchmark for Grade 3, North East School Division reaches the provincial 2020 goal of 80% with a value of 81.1%. The number of students within this range has improved from the previous year's value of 80.2%. This leads us to believe the NESD is getting closer to achieving the provincial target of 80%.

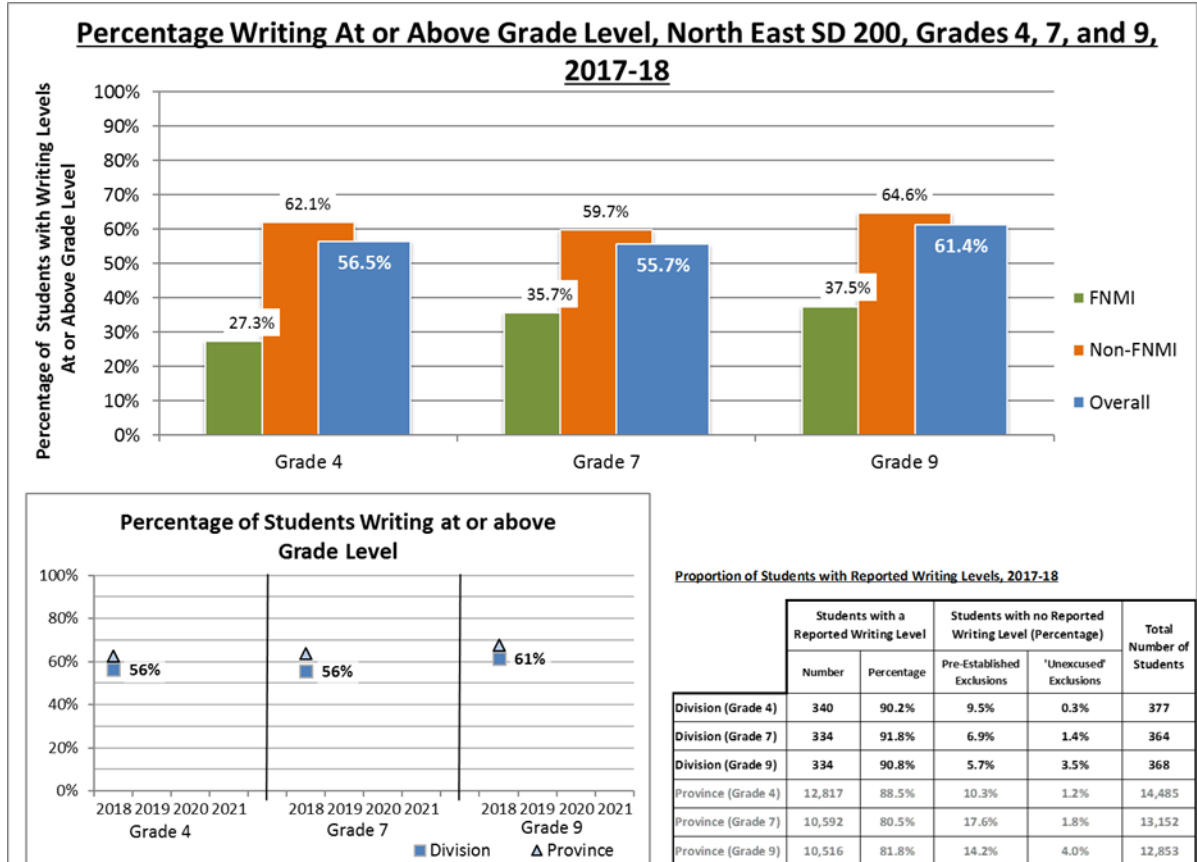
Where the results continue to be troublesome is with the gap between FNMI students and Non-FNMI students. In 2017-18, only 63.0% of Grade 3 FNMI students were reading at grade level while 75.3% of Non-FNMI students were reading at grade level. The gap is continually closing, but not enough to consider it a celebration. The reason for this is North East School Division has 20.4% of its Grade 3 FNMI students reading at least one full grade below the Reading Level Benchmark. A significant amount of effort will be required to assist this group of students in the near future.

North East School Division reports 87.9% of our students have a reported reading level, which is just slightly lower than the provincial rate of 88.9% due to a slightly higher percentage of students exempt due to pre-established exclusions such as EAL proficiency levels. The NESD is encouraged that a very small percentage of students were exempt for other unexcused reasons (0.3% compared to 1.0% provincially).

Proportion of Students Writing At or Above Grade Level

Writing is a key measure identified in the ESSP Reading, Writing and Math at Grade Level Outcome.

The following bar graph displays the percentage of students (FNMI, non-FNMI, all) by writing level in Grades 4, 7 and 9. The charts below the graph indicate the percentage of Grades 4, 7 and 9 students in the province writing at or above grade level, as well as the proportion of students with reported writing levels.



Notes: Writing levels are reported based on provincially developed rubrics. The percentages of students in each of the writing level groupings were found using the number of students with a 'valid' reported writing level as the denominator. (Excluded or non-participant students were not included in 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 as FNM or I, however, this category may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2018

Analysis of results

For 2017-18, North East School Division reports 56.5% of its Grade 4 students were writing at or above Grade Level. In Grade 7, 55.7% of the students were writing at or above Grade Level and in Grade 9, 61.4% of the students were writing at or above Grade Level. North East School Division recognizes this is well below the provincial target of 75%. Even more concerning is the fact the North East School Division is below the provincial averages in all three grade categories. North East School Division recognizes that this is benchmark data in that it is the first year this data has been reported. It is the expectation of the North East School Division that the percentage of students at or above grade level will improve in coming years. Numerous local initiatives have already been put into action to address these results.

Where the results continue to be troublesome is with the gap between FNMI students and Non-FNMI students. In 2017-18, only 27.3% of Grade 4 FNMI students were writing at grade level while 62.1% of Non-FNMI students were writing at grade level. In Grade 7, North East School Division reports only 35.7% of FNMI at grade level for writing compared to 59.7% of Non-FNMI students at grade level. In grade 9, we see 37.5% of FNMI students at grade level for writing compared to 64.6% of Non-FNMI students at grade level for writing. These results leave much room for improvement and the North East School Division recognizes it must continue to focus efforts with writing for both FNMI and Non-FNMI students.

North East School Division is pleased to report 90.2% of Grade 4 students, 91.8% of Grade 7 students, and 90.8% of Grade 9 students have a reported writing level. These numbers are all higher than the provincial average. The NESD is encouraged that only 0.3% of Grade 4 students, 1.4% of Grade 7 students, and 3.5% of Grade 9 students were exempted for unacceptable reasons. This is lower than the province's values for all three grades.

Improving First Nations, Métis and Inuit Student Engagement and Graduation Rates

ESSP Outcome:

By June 30, 2020, collaboration between First Nations, Métis and Inuit and non-First Nations, Métis and Inuit partners will result in significant improvement in First Nations, Métis and Inuit student engagement and will increase three-year graduation rates from 35% in June 2012 to at least 65% and the five-year graduation rate to at least 75%.

ESSP Improvement Targets:

- Achieve an annual increase of four percentage points in the First Nations, Métis and Inuit three-year and five-year graduation rates.
- By June 2019, schools involved in FTV for at least 2 years will collectively realize an 8% annual increase in First Nations, Métis and Inuit student graduation rates.
- By 2018, school divisions will achieve parity between First Nations, Métis and Inuit and non-First Nations, Métis and Inuit students on the OurSCHOOL engagement measures.

ESSP Priority:

In partnership with First Nations, Métis and Inuit stakeholders, continue to implement the Following Their Voices (FTV) Initiative.

| | |
|--|---|
| <p>School division goals aligned with the Improving First Nations, Métis and Inuit Student Engagement and Graduation Rates outcome</p> | <p>For the 2017-18 school year, North East School Division had the following goals aligned to the First Nations and Métis Student Engagement and Graduation Rates outcome:</p> <ul style="list-style-type: none"> • 85% of First Nations and Métis students will be fully meeting grade level outcomes and/or receiving 8 or more credits per year • Explore alternative credit/certificate programs and expand distance learning opportunities. • First Nations and Métis student engagement will rise to the point that there is no difference in engagement levels between self-declared students and any other group of students in the province. • First Nations and Métis students' graduation rates will align with non - FNMI student graduation rates • First Nations and Métis students will attend school at the same rates as the non-FNMI students. |
| <p>School division actions taken during the 2017-18 school year to achieve the outcomes and targets of the Improving First Nations, Métis and Inuit Student Engagement and Graduation Rates outcome</p> | <p>In 2017-18, all students including those from Kinistin utilized <i>My Blueprint</i> to monitor student progress and assist with future career planning. Students used this new software to complete a learning profile and register for their upcoming classes.</p> <p>The Mamawe Project enabled the dedication of two 0.60 FTE teachers to advocate for targeted First Nations and Métis students with goals of increasing student engagement, improving school and family relations, improving behavior such as attendance, and improving academic achievement and credit attainment. A core group of adults from both schools as well as division personnel met in a Professional Learning Community five times throughout the year to build understanding, ask questions and proactively plan for student and teacher success. Further, this group engaged in three professional learning days to build understanding of culturally responsive pedagogy.</p> <p>Career Guidance counselors in all schools received a credit attainment report that identified First Nations students off track to graduate on time. Based upon this report,</p> |

schools were tasked with developing individual program plans aimed at supporting students to get back on track for graduation.

Disaggregated data from OurSCHOOL reports were used at both the division level and school level to monitor various types of engagement for First Nations and Métis students.

The NESD continues to use funding provided from the First Nations and Métis Education Achievement Fund to primarily support our FNMI Consultant. Any remaining funds provide the consultant with the resources needed to access Elders and develop cultural resources for school use.

2017-18 witnessed the continued partnership between NESD, Kinistin Tribal Council and the Saskatoon Tribal Council. Regular meetings were held with the goal of having all students reach their full potential. Improving attendance and credit attainment along with finding ways to foster smooth transitions for students were some of the topics of discussion that guided this partnership.

Measures for Improving First Nations, Métis and Inuit Student Engagement and Graduation

Average Final Marks

Teacher-assigned marks are important indicators of student performance in school. Classroom marks are used for grade promotion and graduation decisions, to meet entrance requirements for postsecondary education, to determine eligibility for scholarships and awards and by some employers when hiring.

The following displays average final marks in selected secondary-level courses for all students, and by non-FNMI and FNMI student subpopulations in the division, along with provincial results for each category.

Average Final Marks in Selected Secondary-Level Courses, 2017-18

| Subject | All Students | | Non-FNMI | | FNMI | |
|--|--------------|------------|----------|------------|----------|------------|
| | Province | North East | Province | North East | Province | North East |
| English Language Arts A 10 (Eng & Fr equiv) | 74.2 | 80.2 | 77.3 | 80.6 | 62.1 | 77.6 |
| English Language Arts B 10 (Eng & Fr equiv) | 73.6 | 81.1 | 76.7 | 81.6 | 61.0 | 77.0 |
| Science 10 (Eng & Fr equiv) | 72.7 | 78.0 | 76.0 | 79.6 | 59.9 | 66.1 |
| Math: Workplace and Apprenticeship 10 (Eng & Fr equiv) | 73.5 | 80.8 | 77.0 | 82.0 | 61.6 | 71.3 |
| Math: Foundations and Pre-calculus 10 (Eng & Fr equiv) | 73.7 | 78.9 | 75.8 | 79.2 | 61.7 | 74.7 |
| English Language Arts 20 (Eng & Fr equiv) | 74.8 | 80.9 | 77.0 | 81.7 | 63.9 | 74.5 |
| Math: Workplace and Apprenticeship 20 (Eng & Fr equiv) | 67.8 | 71.8 | 70.2 | 73.2 | 62.8 | 66.9 |
| Math: Foundations 20 (Eng & Fr equiv) | 74.7 | 79.8 | 76.4 | 80.4 | 65.3 | 73.2 |

Notes: Results for populations of fewer than 10 students 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 as FNM or I, however, this category may include FNMI students who choose not to self-identify.
 Source: Ministry of Education, 2018

Analysis of results

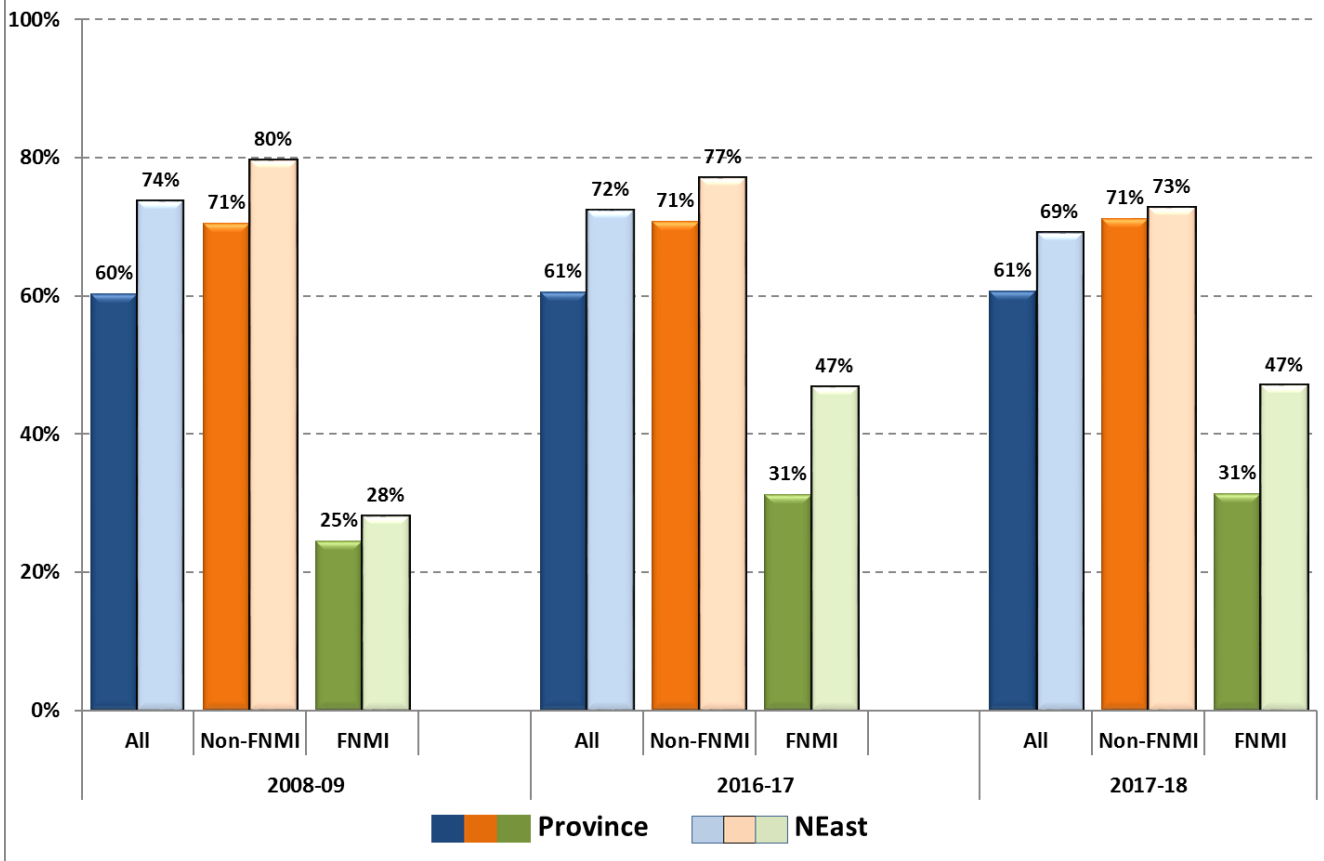
North East School Division is proud to continue to celebrate the academic accomplishments of its students. In 2017-18, the average final marks for all North East students exceeded the provincial results in all subject areas identified in the Average Final Marks for Selected Secondary-Level Courses. The 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 performed very well in comparison to all students in the province. 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. One area of concern involves the achievement gap between FNMI students from NESD and Non-FNMI students from the division. In all reported subject areas, Non-FNMI students out-perform the FNMI students. The smallest gap occurs in English Language Arts A10 where the difference is 3.0%. Last year, the largest gap occurred in English Language Arts A 10 with a gap of 13.2%. The largest gap this year occurred in Science where the gap was 13.5%. These gaps reinforce the need for North East School Division to continue the fine work being done in this area.

Credit Attainment

Credit attainment provides a strong predictive indicator of a 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 than those who do not achieve eight or more credits per year.

The following displays the credit attainment of secondary students attaining eight or more credits per year for all students, and by non-FNMI and FNMI student subpopulations in the division, along with provincial results for each category.

Credit Attainment - Percentage Attaining 8 or More Credits, Grades 10-12, Province and North East SD 200



Notes: Credit attainment measures 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 fewer than 10 students 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 as FNM or I, however, this category may include FNMI students who choose not to self-identify. Source: Ministry of Education, 2018

Analysis of results

Overall, North East School Division has seen a decrease in credit attainment from 72% of all Grades 10-12 students receiving eight or more credits in 2016-17 down to 69% in 2017-18. This trend is also true for the Non-FNMI students who witnessed a decrease from 77% down to 73% over the same time period. The self-declared FNMI subpopulation in the North East School Division remained the same at only 47% of the FNMI students obtaining eight or more credits. The North East School Division does note that in all three categories its students outperform those of the province. Regardless of this success, it is noted that the North East School Division must continue to strive to do better in this area in order to turn this into an upward trend. A concerning statistic is the continuing trend of self-declared FNMI students not achieving enough credits to graduate within a three-year time period. In 2017-18, the 153 FNMI students in NESD attained an average of 6.0 credits per year (not displayed above).

Graduation Rates

ESSP Outcome:

By June 30, 2020, Saskatchewan will achieve an 85% three-year graduation rate and a 90% five-year graduation rate.

ESSP Improvement Targets:

- Achieve an annual increase of three percentage points in the provincial three-year graduation rate.
- By June 2018, students will report a 5% increase in intellectual engagement as measured by OurSCHOOL.

School Division goals aligned with the Graduation Rates outcome

For the 2017-18 school year, North East School Division had the following goals aligned with the Graduation Rates outcome:

- Utilize a credit tracking report and accompanying mechanism to monitor students not on track to graduate
- Continue utilizing distance education for non-traditional elective offerings
- Use *ThoughtExchange* school surveys to gauge stakeholder engagement in the school system
- Continue to develop capability to correlate attendance and achievement data.
- First Nations and Métis on-time graduation rate will increase to 65% by the year 2020.

School division actions taken during the 2017-18 school year to achieve the outcomes and targets of the Graduation Rates outcome

North East School Division continued the process during the 2017-18 school year to better track students who are not on-time to graduate. A report is generated and shared with all school principals and Career Guidance personnel. This report identifies all students who are not on-time to graduate. It is cross-referenced with reports supplied from the Ministry. Schools are then tasked with the job of developing a personal plan for each individual student who is not on track to graduate.

During the 2017-18 school year, the North East School Division Online Virtual School completed the process of redesigning all of its online courses. This redesign allows for students, facilitators and teachers to monitor the progress of individual students within each course. Student progress can be monitored in real-time for the purpose of up-to-date monitoring and supervision. This enhancement resulted in greater engagement and performance from our online students.

North East School Division continued its partnership with South East Cornerstone School Division to expand its capability to correlate data between attendance and achievement. North East School Division worked to move to a new version of its data warehouse, Skopus 6. With this data, schools are more adept at identifying students with poor attendance who are at risk of not achieving credits.

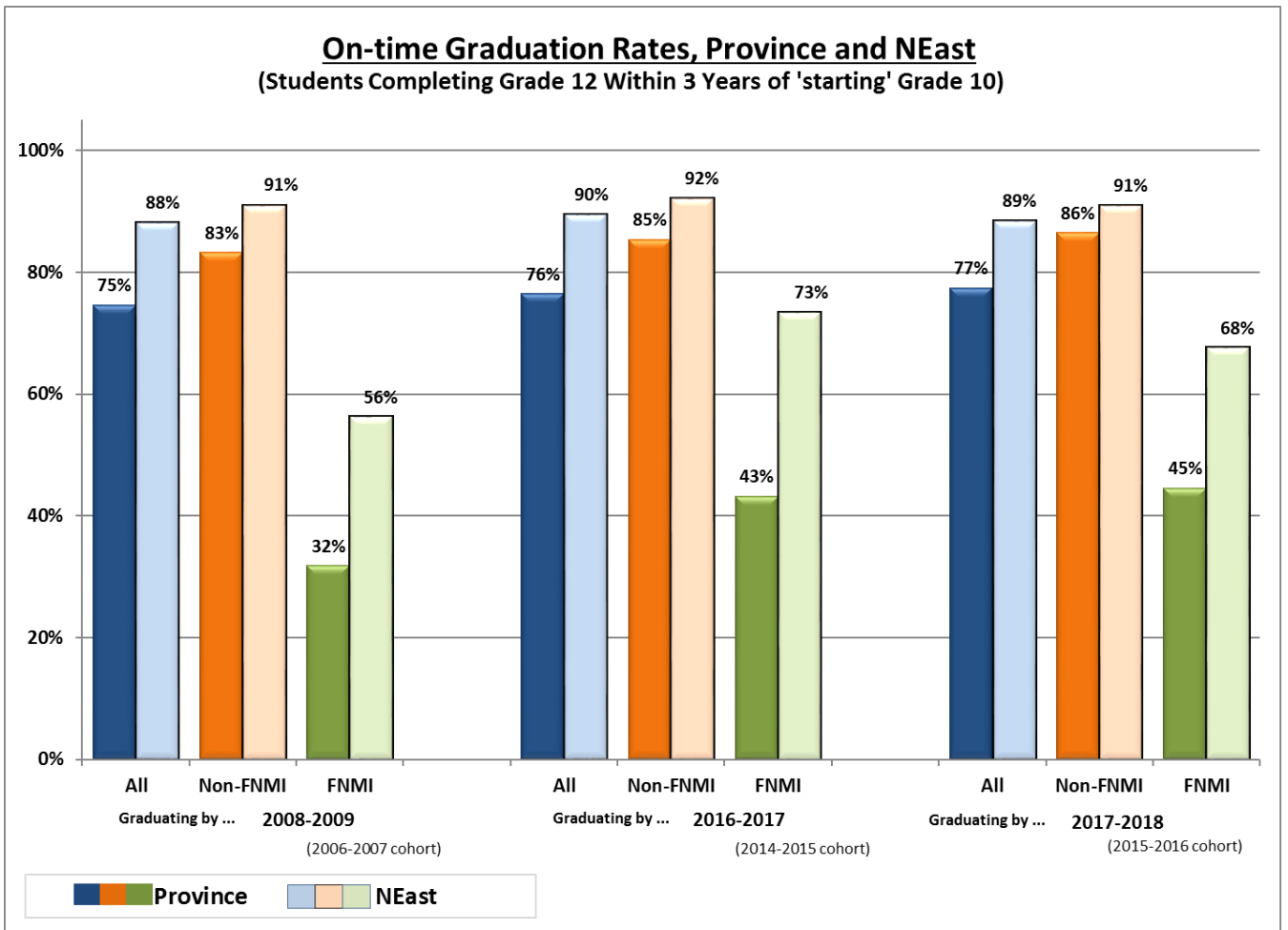
North East School Division and its Graduation Rates team attended the Grad Rates Symposium that was held in Moose Jaw. This team is comprised of select school Principals, Coordinators and the FNME Consultant. As well, representation from North East School Division attended the inaugural attendance symposium that was held in Saskatoon.

Measures for Graduation Rates

Grade 12 Graduation Rate: On-Time (within 3 years)

To graduate within the typical three-year period after beginning Grade 10, students must accumulate an average of eight credits per year to achieve the minimum requirement of 24 required secondary level credits at the end of Grade 12. On-time graduation rates are one measure of the efficiency of a school system.

The following displays the percentage of students (all students, non-FNMI and FNMI) in the school division who graduated within **three years** of entering Grade 10, along with provincial results in each of these categories.



Notes: On-time graduation rates are calculated as the percentage of students who complete Grade 12 within 3 years of 'starting' Grade 10. Results for populations of fewer than 10 students 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 as FNM or I, however, this category may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2018

Analysis of results

North East School is proud to report its On-time Graduation Rate. In June 2018, 89% of all North East School Division's students graduated within three years of entering Grade 10 in 2015-2016, with 91% of Non-FNMI students and 68% of FNMI students graduating with the three-year window. It should be noted all three of these values were higher the previous year and above the provincial ESSP target for graduation rates. A continuing area of concern is the FNMI graduation rate being lower than the Non-FNMI graduation rate. Last year we saw the FNMI On-time Graduation Rate drop 5% from 73% down to 68%. On a positive note, North East School Division is proud of the fact that the results in all three categories are higher than the provincial averages. The results are expected to continue to fluctuate based upon the individual cohort of students. North East School Division must continue to monitor its credit attainment so that early interventions can be put in place when students fall behind in their progress.

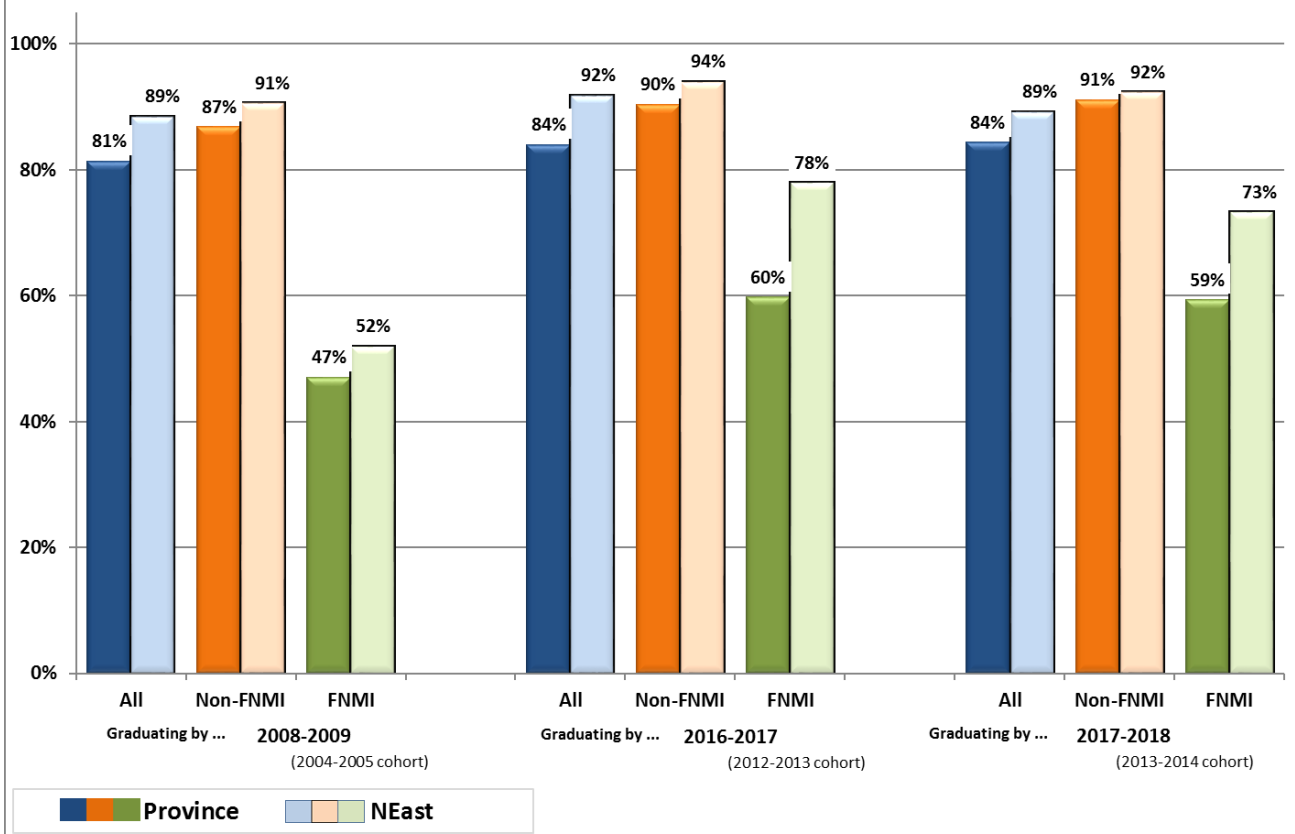
Grade 12 Graduation Rate: Extended-Time (within 5 years)

Some students need more time to complete all the courses necessary to graduate so they continue in school longer than the typical three years after beginning Grade 10. Extended-time graduation rates are one measure of the responsiveness of the school system.

The following displays the percentage of students (all students, non-FNMI and FNMI) in the school division who graduated within **five years** of entering Grade 10, which includes those who graduated on-time, along with provincial results in each of these categories.

Extended-time Graduation Rates, Province and NEast

(Students Completing Grade 12 Within 5 Years of 'starting' Grade 10)



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 fewer than 10 students 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 as FNM or I, however, this category may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2018

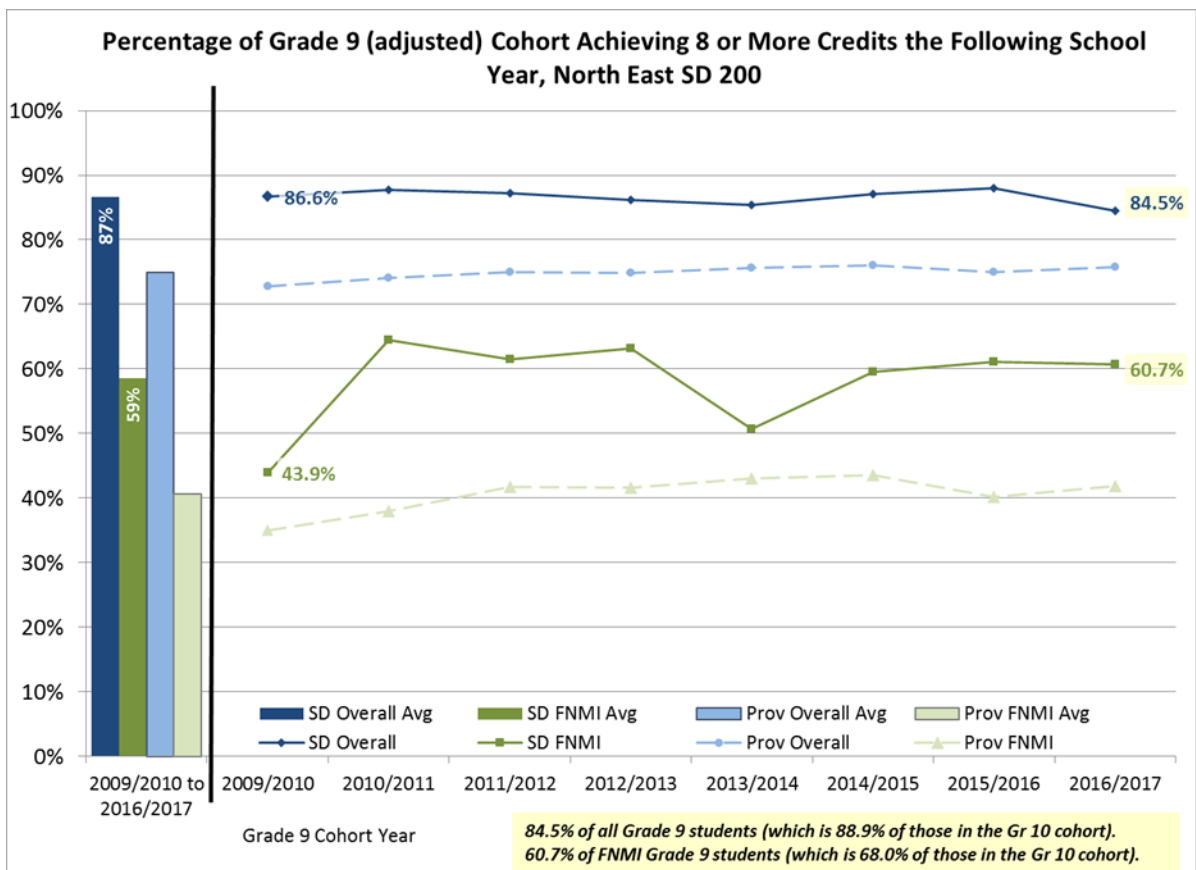
Analysis of results

In June 2018, 89% of all North East School Division's students graduated within five years of entering Grade 10 in 2013-2014, with 92% of Non-FNMI students and 73% of FNMI students graduating with the five-year window. The overall rate is 3% lower than the previous year which is attributable to both the Non-FNMI graduation rate and the FNMI graduation rate decreasing. North East School Division is proud of the fact that the results in all three categories are higher than the provincial averages. The results are expected to continue to fluctuate based upon the individual cohort of students. North East School Division must continue to focus on finding alternative methods for students to obtain credits, even if this means providing programming to students outside of the normal school structure.

Grade 9 to 10 Transition

The transition from Grades 9 to 10 can be difficult for some students for many different reasons, including not having reached all outcomes from each subject area in the elementary grades. This measure is intended to show how well Grade 9 students adjust in the transition to Grade 10. Achieving eight or more credits per year is important for steady progress towards graduating on-time.

The following displays the percentage of Grade 9 students (all students and the FNMI subpopulation) in the school division who achieved eight or more credits the following school year, along with provincial results for the past eight years and the eight year average.



Notes: Grade 9 to 10 transition rates are calculated as the number of students attaining eight or 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 as FNM or I, however, this category may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2018

Analysis of results

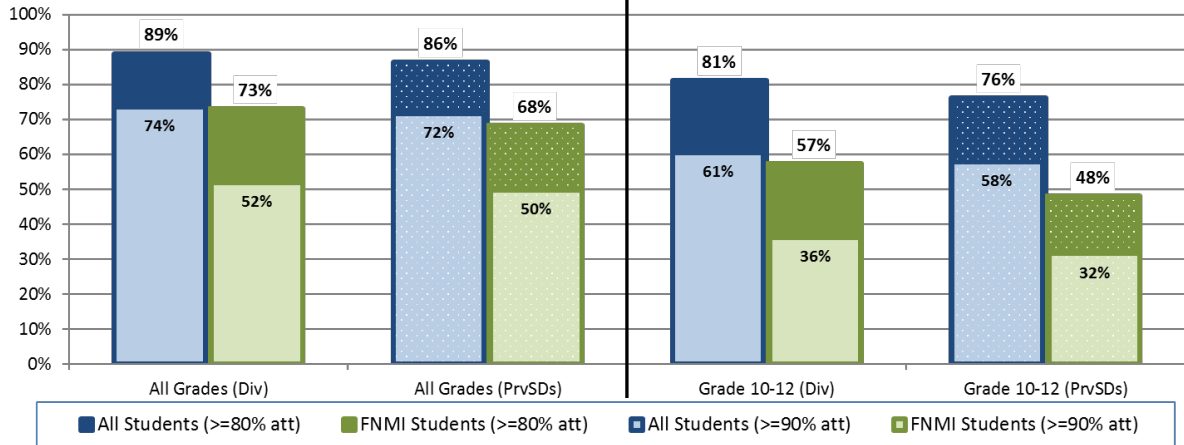
North East School Division reports 84.5% of its students enrolled in Grade 10 for the first time in 2017-18 achieved 8 or more credits, while 60.7% of FNMI students achieved 8 or more credits. NESD is proud of the fact these are both well higher than the corresponding provincial results. The provincial results of students achieving 8 or more credits in Grade 10 show 75.8% for all students, and 41.9% for FNMI students. It should be noted the overall percentage of 84.5% is 3.5% lower than the previous year and the FNMI rate of 60.7% is 0.4% lower than the previous year. Our division's results dropped slightly while the provincial results increased. Over the past 8 years, 87% of the NESD students and 59% of the FNMI subpopulation attained 8 or more credits. These results are well above the provincial average in each category. Having said this, North East School Division realizes the importance of early intervention and making opportunities to obtain credits available to students who struggle with the regular school routines.

Attendance

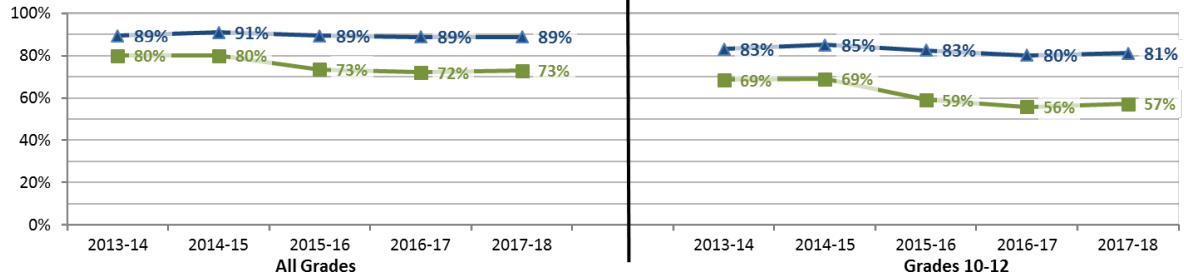
Attendance is an important indicator with a strong correlation to measures of student achievement. Students with at least 80% attendance are much more likely to achieve higher educational outcomes than students with lower than 80% attendance. In general, students with at least 90% attendance have even better educational outcomes.

The following bar graph displays the percentage of students in the school division (all students and the FNMI subpopulation) with at least 80% attendance and with at least 90% attendance, for all grades PreK-12 and grades 10-12, along with provincial results for each category. The line graph shows the percentage of students in the school division in the past five years who have at least 80% attendance for the specified year, with a specific look at grades 10-12.

Percentage of Students With at Least 80% (and 90%) Attendance, North East SD 200 and Provincial School Divisions, 2017-18



Student Attendance - Pct of Students with at least 80% Attendance, North East SD 200, 2013-14 to 2017-18



Notes: Percentages represent all attendance that occurred in the school division in the years reported. This includes all reported attendance for students attending the division during that year, whether or not they are currently enrolled in that division, but only includes attendance data while students were enrolled in the school division. Each percentage is a weighted average of the monthly percentages of students enrolled in the division with at least 80% attendance. Results for populations of fewer than ten 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 as FNM or I, however, this category may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2018

Analysis of results

North East School Division is very proud of its attendance rates. In 2017-18, 89% of its students from all grades attended at least 80% of the time. 74% of the students attended at least 90% of the time. These results are slightly better than the provincial results of 86% of all students attended 80% of the time and 72% of all students attending 90% of the time. For FNMI students, 73% of this subpopulation attended 80% of the time and 52% attended 90% of the time. This compares to 68% for all FNMI students attending 80% and 50% attending 90% of the time for the province. For Grade 10-12, we see our attendance results drop slightly. This might be attributed in part to the fact that attendance at the high school level is reported for each class period as compared to by the half day at the elementary level. For these Grades 10-12 students, 81% of all NESD students attended 80% of the time and 61% attended 90% of the time. For the FNMI students, 57% attended 80% of the time and 36% attended 90% of the time. These results are also slightly higher than the reported provincial results. NESD school administrators continue to monitor attendance very closely. They receive weekly attendance reports that are organized by grade. These reports serve as the basis for administrators to put into place plans to address individual student attendance concerns.

Early Years

ESSP Outcome:

By June 30, 2020, children aged 0-6 years will be supported in their development to ensure that 90% of students exiting Kindergarten are ready for learning in the primary grades.

ESSP Improvement Targets:

- By June 2018, 75% of Prekindergarten educators will have completed *Responding to Children's Interests* (SPDU) workshop and 75% of Kindergarten educators will have completed *Literacy Practices in Kindergarten*

| | |
|---|--|
| <p>School division goals aligned with the Early Years outcome</p> | <p>For the 2017-18 school year, North East School Division had the following goals aligned with the Early Years outcome:</p> <ul style="list-style-type: none"> • By June 2018, 90% of our students exiting Kindergarten with appropriate development, indicated by green, as measured by the EYE-TA assessment. • 80% of students in participating Kindergarten classes will score at or above Level 3 in all aspects of the Help Me Tell My Story (HMTMS) rubric. • Prekindergarten and Kindergarten environments will average a score of 6 or higher in all categories of the Early Childhood Environmental Rating Scale – Third Edition (ECERS-3). • 100% of NESD Prekindergarten teachers will be trained in <i>Responding to Children's Interests</i>. • 100% of NESD Kindergarten teachers will be trained in <i>Literacy Practices in Kindergarten</i>. |
| <p>School division actions taken during the 2017-18 school year to achieve the outcomes and targets of the Early Years outcome</p> | <p>The Prekindergarten and Kindergarten programs utilize the Early Years Evaluation (EYE) data to provide early intervention for students. This data is also used to work with communities and other agencies to bring awareness of child development, identify areas of need, and to support families with young children. Some communities in the North East have initiated child fairs, development of family resource centers, and a task force to address Fetal Alcohol Spectrum Disorder (FASD) in the North East.</p> <p>Help Me Tell My Story (HMTMS) was completed in three schools and six classrooms. Various family engagement events and discussions about First Nations and Métis culture were conducted. Our results show 48% of the students scored at Level 3 in all aspects of the HMTMS rubric.</p> <p>ECERS-3 continues to be a tool that ensures quality programming is occurring in early learning environments. The ECERS-3 reports provide opportunities for reflective discussions and future planning.</p> <p>This year North East School Division Prekindergarten and Kindergarten teachers received professional development on <i>Literacy Practices in Kindergarten</i> and the Saskatchewan Professional Development Unit's (SPDU) <i>Responding to Children's Interests</i>.</p> |

Measures for Early Years

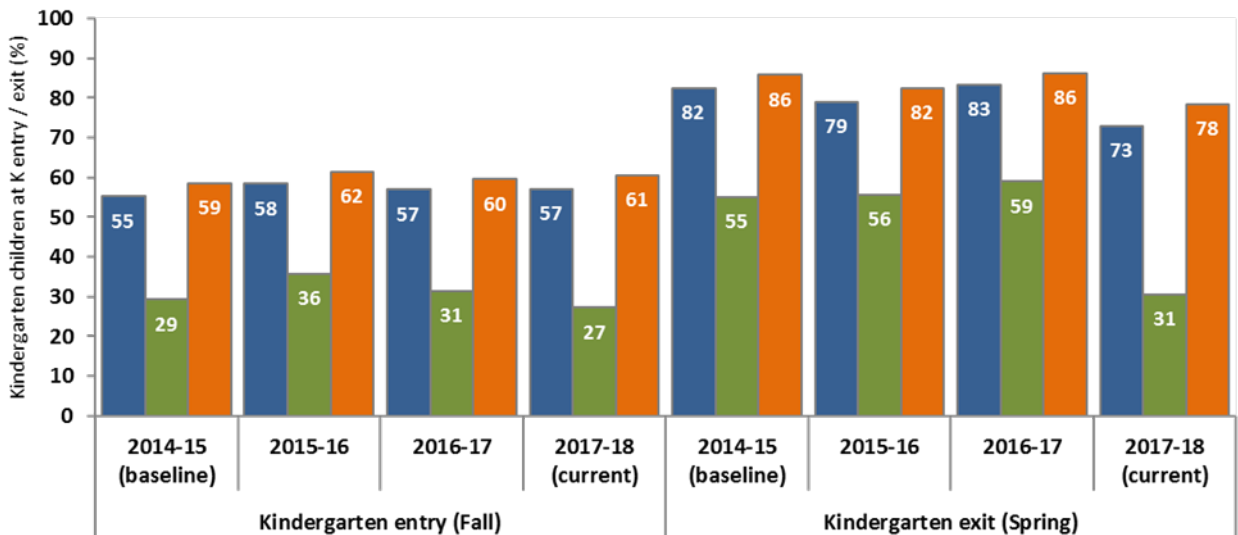
Early Years Evaluation

The Early Years Evaluation-Teacher Assessment (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. RTI is a preventive approach that allows educators, school teams and divisions to allocate resources early and continuously, rather than waiting until after children have experienced failure before responding.

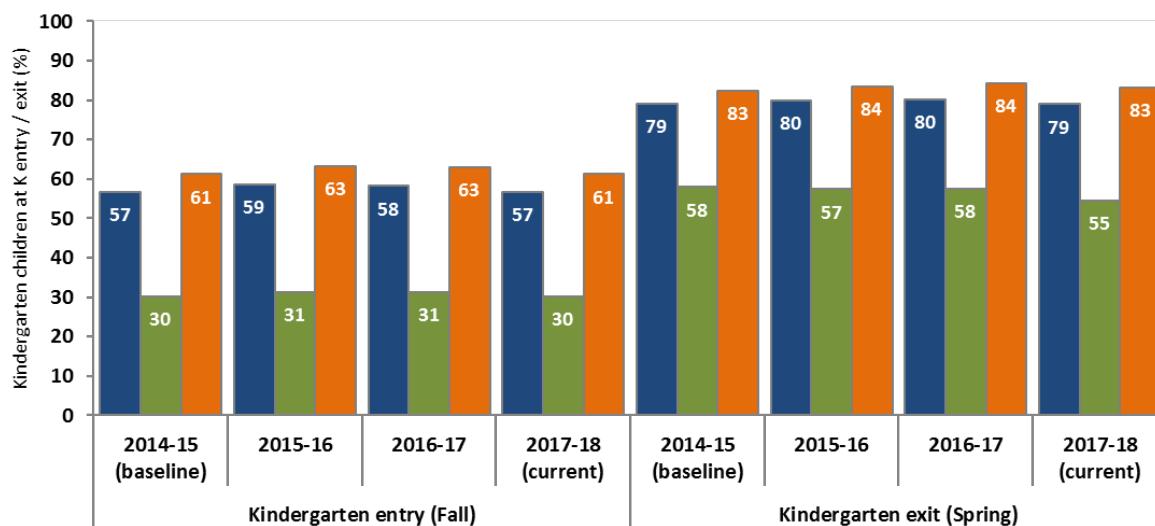
The following displays the percentage of children (all children, non-FNMI and FNMI) in the division assessed as Tier I at Kindergarten entry and after the Kindergarten year at exit, for the 2014-15 (baseline) year and the three years following, as well as the provincial results for each category.

Readiness for school: children screened at Tier I (%) on Early Years Evaluation – Teacher Assessment (EYE-TA) at Kindergarten entry & exit, 2014-15 (baseline) through to 2017-18 (current)

North East SD 200



Saskatchewan (all divisions)



All Tier I children at K entry / exit (%)

FNMI Tier I children at K entry / exit (%)

Non-FNMI Tier I children at K entry / exit (%)

Notes: Research shows early identification followed by a responsive, tiered approach to instruction from Kindergarten to Grade 3 can substantially reduce the prevalence of reading challenges. The primary role of EYE is to help inform educational practice. EYE screening at Kindergarten entry is used by classroom teachers and school divisions to identify children who experience difficulties with important skills when they arrive in Kindergarten, and who may need closer monitoring or further assessment during the year. Children who have difficulty with important skills at Kindergarten entry are also re-assessed before the end of the Kindergarten year, allowing school divisions to measure the impact of their supports and responses. Children assigned Tier I RTIs are able to complete developmental tasks without difficulty. These children have a high probability of reading at grade level by Grade 3 - an important predictor of school success, including Grade 12 graduation.

The format of EYE-TA results reported previously in school division annual reports varies from the format used here. Prior to 2016-17, displays showed percentage results for all RTI Tiers at Kindergarten entry and exit of the assessment year. The amended displays now show only the percentage of children assessed as Tier I at Kindergarten entry and after the Kindergarten year at exit. In addition, school division EYE-TA displays also now show results for self-declared First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk children (FNMI), and for those who do not identify as FNMI (non-FNMI), provided both comparison groups consist of a minimum of 10 children. It should be noted that the non-FNMI group may include FNMI students who choose not to self-identify.

Source: Ministry of Education, Early Years Branch, 2018

Analysis of results

North East School Division reports 73% of the Kindergarten children scored at Tier 1, down from 83% in 2016-17, showing their learning and development is typical of children the same age. These results are lower than the provincial average of 79%, but more importantly are 17% away from the provincial target. This is the lowest the North East School Division has performed with this measure. Of special note is the fact that at the beginning of the year over 43% of the Kindergarten were experiencing some difficulty and this was reduced to 27% by year's end, something the NESD is still proud of. North East School Division reports only 31% of FNMI children are exiting Kindergarten at Tier 1. This is lower than the provincial average of 55% FNMI children exiting Kindergarten at Tier 1. North East School Division will need to continue to make efforts to support this cohort of students as they progress through school.

Demographics

Students

In 2017-18, 4800 students were enrolled with the North East School Division. This is 90 students fewer than in 2016-17 (4890 students) and 8 students fewer than in 2015-16 (4807 students). The main reason for the decline in attendance is due to having 419 Grade 12 students leave North East School Division in 2016-17 while only 318 students entered Kindergarten in 2017-18. A trend of lower student population may return in the years ahead, as these students progress through the grades. North East School Division witnessed a small decrease of Self-Identified FNMI from 712 students in 2016-17 to 691 students in 2017-18. In 2017-18, North East School Division had 125 students classified as English as Additional Language, up slightly from 118 in 2016-17. With the continued growth in immigrant population, we can expect this subpopulation to hold at its existing level or to possibly increase. North East School Division strongly supports the smooth transition of its young learners into the school system. North East School Division had nine Prekindergarten programs delivered in four communities, with a total space for 164 students, of which 138 students were enrolled. In the future, we would like to see this delivery model expanded into other communities.

| Grade | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|---------------------|--------------|--------------|--------------|--------------|
| Kindergarten | 359 | 365 | 380 | 318 |
| 1 | 370 | 376 | 390 | 394 |
| 2 | 363 | 374 | 383 | 385 |
| 3 | 350 | 355 | 381 | 385 |
| 4 | 356 | 362 | 370 | 377 |
| 5 | 359 | 348 | 367 | 376 |
| 6 | 367 | 338 | 365 | 350 |
| 7 | 370 | 375 | 345 | 369 |
| 8 | 365 | 355 | 364 | 348 |
| 9 | 348 | 375 | 363 | 376 |
| 10 | 413 | 363 | 400 | 367 |
| 11 | 418 | 389 | 363 | 370 |
| 12 | 436 | 432 | 419 | 385 |
| Total | 4,874 | 4,807 | 4,890 | 4,800 |

| | | | | |
|-------------|-----|-----|-----|-----|
| PreK | 125 | 137 | 146 | 138 |
|-------------|-----|-----|-----|-----|

| Subpopulation Enrolments | Grades | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|-----------------------------------|--------------|------------|------------|------------|------------|
| Self-Identified FNMI | K to 3 | 195 | 210 | 212 | 196 |
| | 4 to 6 | 140 | 132 | 168 | 173 |
| | 7 to 9 | 211 | 168 | 155 | 164 |
| | 10 to 12 | 243 | 172 | 177 | 158 |
| | Total | 789 | 682 | 712 | 691 |
| English as an Additional Language | K to 3 | 73 | 53 | 36 | 51 |
| | 4 to 6 | 34 | 39 | 33 | 41 |
| | 7 to 9 | 27 | 32 | 20 | 18 |
| | 10 to 12 | 19 | 27 | 29 | 15 |
| | Total | 153 | 151 | 118 | 125 |

Notes:

- Enrolment numbers are based on headcounts from the Student Data System (SDS) as of September 30 for each school year.
- Enrolments includes all residency types, all ages, home-based and home-bound students, with the exception of English as an Additional Language (EAL) enrolments, which exclude non-Saskatchewan residents, students 22 years and older, and home-based students.
- PreK enrolments are the 3- and 4-year-old enrolments in the Student Data System (SDS) which includes those children who occupy the ministry designated PreK spaces and those in other school division operated PreK or preschool programs.

Source: Ministry of Education, 2017

Staff

| Job Category | FTEs |
|--|--------------|
| Classroom teachers | 299.5 |
| Principals, vice-principals | 20.7 |
| Other educational staff (positions that support educational programming) – e.g., educational psychologists, educational assistants, school community coordinators, speech language pathologists | 138.4 |
| Administrative and financial staff – e.g., Chief Financial Officers, accountants, Information Technology people, supervisors, managers, administrative assistants, clerks | 58.4 |
| Plant operations and maintenance – e.g., caretakers, handypersons, carpenters, plumbers, electricians, gardeners, supervisors, managers | 55.7 |
| Transportation – e.g., bus drivers, mechanics, parts persons, bus cleaners, supervisors, managers | 76.3 |
| League of Educational Administrators, Directors and Superintents (LEADS) – e.g., director of education, superintendents | 3.0 |
| Total Full-Time Equivalent (FTE) Staff | 652.0 |

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.

Source: NESD Employee Services, 2018

Senior Management Team

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

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

The Superintendent of Student Services – Eric Hufnagel is responsible to oversee assigned portfolios that include: Integrated Services, Student Support Services, Early Learning, Blended Learning Environments, English as Additional Language, Paraprofessional Staffing, Tragic Events Response Team (TERT), Assistive Technology and Teacher Supervision.

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

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

Infrastructure and Transportation

| 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 | Nipawin |
| Gronlid School | K-8 | Gronlid |
| Hudson Bay Community School | K-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 |
| 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 |

Infrastructure Projects

| Infrastructure Projects | | | |
|---|-------------------|---|--------------------|
| School | Project | Details | 2017-18 Cost |
| L.P. Miller Comprehensive School | Renovation | Two portable classroom walls removed and replaced with permanent walls. | 152,000 |
| Maude Burke School | Expansion | Two new permanent classrooms added to Maude Burke school. | 792,700 |
| Maude Burke School | Renovation | New washroom designed for the Pre-kindergarten students | 43,000 |
| Melfort & Unit Comprehensive Collegiate | Mechanical System | Remainder of Phase 3 mechanical system upgrade: controls, mixing boxes to classrooms, gym air handler | 362,200 |
| Melfort & Unit Comprehensive Collegiate | Roof Repair | Section 2 of the roof replaced. | 357,000 |
| Tisdale Elementary School | Renovation | Completed modernization to classrooms and millwork. | 191,000 |
| Total | | | \$1,897,900 |

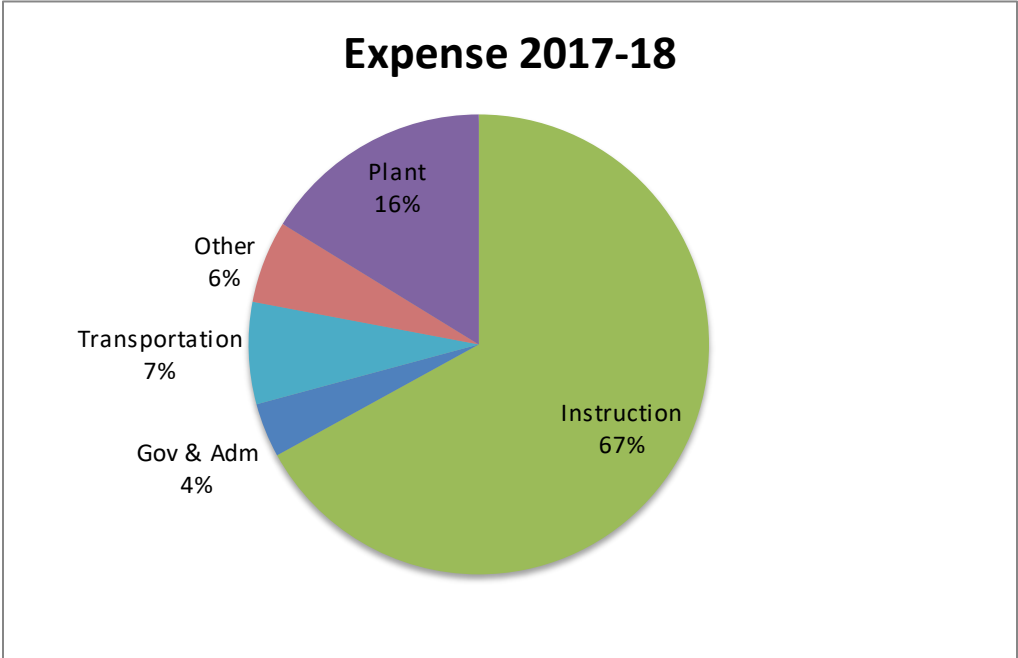
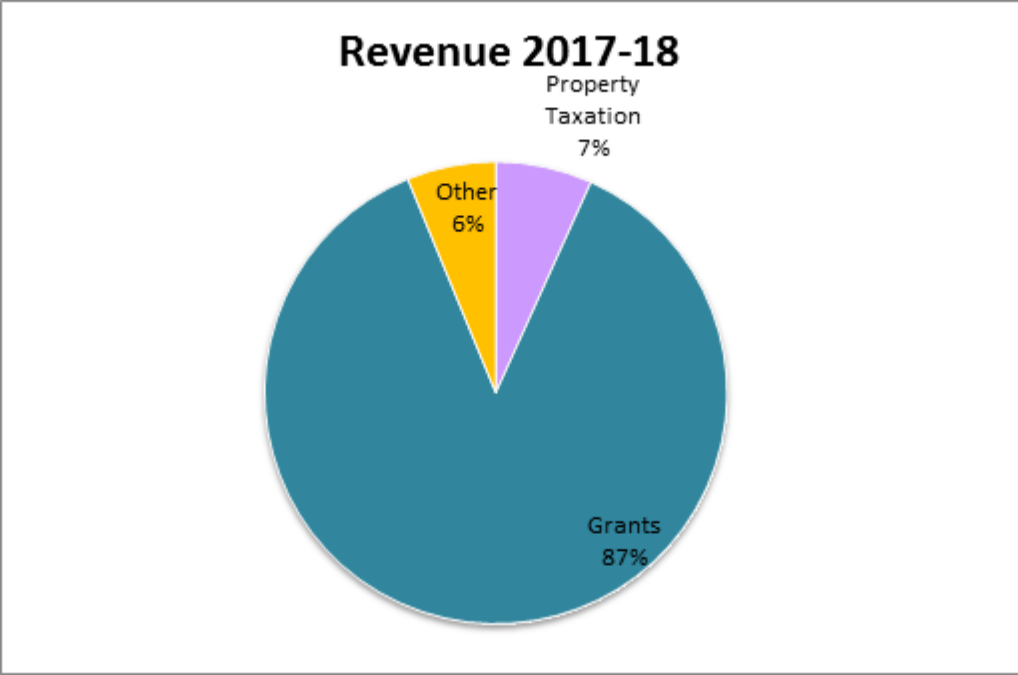
Transportation

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

North East School Division operated its transportation service and owned a fleet of 96 buses (70 route buses and 26 spares) of various sizes. In addition, the school division utilized taxis and/or wheelchair accessible vans in Hudson Bay, Melfort, Nipawin, and Tisdale to provide transportation for some special needs students.

Financial Overview

Summary of Revenue and Expenses



Budget to Actual Revenue, Expenses and Variances

| | 2018 | 2018 | 2017 | Budget to Actual Variance | Budget to Actual % Variance | Note |
|---------------------------------------|--------------------|--------------------|--------------------|---------------------------------|-----------------------------------|------|
| | Budget | Actual | Actual | Over / (Under) | | |
| REVENUES | | | | | | |
| Property Taxation | 3,954,550 | 3,969,872 | 11,529,652 | 15,322 | 0% | |
| Grants | 50,847,242 | 51,169,701 | 45,208,021 | 322,459 | 1% | |
| Tuition and Related Fees | 722,511 | 659,904 | 634,505 | (62,607) | -9% | 1 |
| School Generated Funds | 1,127,100 | 1,543,233 | 1,320,672 | 416,133 | 37% | 2 |
| Complementary Services | 590,220 | 590,512 | 607,348 | 292 | 0% | |
| External Services | 132,698 | 119,276 | 129,241 | (13,422) | -10% | 3 |
| Other | 601,977 | 739,819 | 592,003 | 137,842 | 23% | 4 |
| Total Revenues | 57,976,298 | 58,792,317 | 60,021,442 | 816,019 | 1% | |
| EXPENSES | | | | | | |
| Governance | 236,736 | 258,113 | 447,495 | 21,377 | 9% | 5 |
| Administration | 2,135,409 | 2,093,677 | 2,029,480 | (41,732) | -2% | |
| Instruction | 41,858,631 | 41,334,321 | 41,587,017 | (524,310) | -1% | |
| Plant | 10,417,683 | 10,010,144 | 11,176,198 | (407,539) | -4% | |
| Transportation | 4,504,766 | 4,422,371 | 4,738,579 | (82,395) | -2% | |
| Tuition and Related Fees | 290,500 | 231,477 | 231,325 | (59,023) | -20% | 6 |
| School Generated Funds | 1,032,173 | 1,266,862 | 1,220,513 | 234,689 | 23% | 7 |
| Complementary Services | 1,461,441 | 1,422,007 | 1,405,014 | (39,434) | -3% | |
| External Services | 233,176 | 204,096 | 212,738 | (29,080) | -12% | 8 |
| Other Expenses | 347,267 | 454,825 | 1,603,250 | 107,558 | 31% | 9 |
| Total Expenses | 62,517,782 | 61,697,893 | 64,651,609 | (819,889) | -1% | |
| Surplus (Deficit) for the Year | (4,541,484) | (2,905,576) | (4,630,167) | | | |

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

| Note | Explanation |
|------|---|
| 1 | Federal tuition student enrolment numbers were less than expected at budget time. |
| 2 | Schools complete estimates for the school generated fund revenues at budget time. The estimates were low compared to the actual amount received. Schools have been fundraising for playground equipment and to offset costs relating to extra-curricular programs and special events. Most often these amounts are not included in the budget estimates provided by the schools. |
| 3 | Cafeteria sales in the two high schools were less than anticipated at budget time due to a general decrease in the number of sales from prior year. |
| 4 | Interest earned was higher than anticipated at budget time due to an unexpected increase in interest rates. The school division received funds from the Saskatchewan School Board Association (SSBA) for a distribution of excess funds in the SSBA Air Quality Insurance Pool. This was unexpected and not included in the budget. |
| 5 | Originally, the 2017-18 provincial budget had capped the governance spending of all school divisions in the province. However, after the provincial budget was announced, school divisions were notified by the Ministry of Education that a portion of the SSBA membership fees were not to be included in the calculation of the capped amount. As a result, the Board made the decision to have a staff appreciation night similar to previous years. This was not originally in the budget. |
| 6 | Student enrolment numbers in the Cumberland College Adult Basic Education program were less than budget. |
| 7 | Schools estimate the budget for school generated fund expenses - costs associated with fundraising activities to offset sports and extra-curricular costs were not budgeted. |
| 8 | Cost of sales decreased (which is consistent with the decrease in sales) and this was unanticipated at budget time. |
| 9 | Five school buses that were not fully amortized were sold at the end of the fourth quarter for nominal amounts. There was a write-off of education property taxes receivable as a result of the province collecting the education property taxes as of January 1, 2018. |

Appendix A – Payee List

Board Remuneration - available upon request.

Personal Services - available upon request.

Transfers

| Name | Amount |
|--------------------|---------|
| Cumberland College | 240,532 |

Supplier Payments

| Name | Amount |
|-------------------------------|-----------|
| A.C.S. Contracting Ltd. | 149,783 |
| Allmar Inc. | 56,620 |
| AODBT | 134,823 |
| Apple Canada Inc. | 381,538 |
| Bakken, Ivy | 70,471 |
| Black & McDonald Limited | 243,220 |
| BMO Financial Group | 2,162,795 |
| Breathe Easy Duct | 60,743 |
| CDW Canada Inc. | 58,833 |
| Dell Canada Inc. | 805,068 |
| Digness, Wilfred | 73,156 |
| Federated Co-operatives Ltd. | 825,214 |
| HBI Office Plus Inc. | 163,272 |
| Hitech Painting & Contracting | 93,194 |
| Hy-Grade Millwork | 96,119 |
| Insight Canada Inc. | 95,300 |
| Johnson Controls | 105,276 |
| Klassen Driving School | 50,000 |
| Legacy Bus Sales Ltd. | 743,470 |

| Name | Amount |
|-----------------------------------|-----------|
| Marsh Canada Limited | 308,813 |
| Maxim Truck & Trailer | 75,784 |
| Melody Motors Ltd. | 108,215 |
| Power Source Canada Ltd. | 94,656 |
| Sask. School Boards Assoc. | 81,249 |
| Sask. Workers' Compensation Board | 169,045 |
| Saskatoon Tribal Council Inc. | 150,000 |
| Save-U IGA | 53,820 |
| SaskEnergy | 391,741 |
| SaskPower | 1,079,905 |
| Shanahan's | 159,868 |
| Ten & Two Driver Training | 63,233 |
| Thorpe Industries | 330,910 |
| Town of Hudson Bay | 159,637 |
| TSA Insurance Ltd. | 116,770 |
| VCM Construction Ltd. | 1,303,322 |
| Xerox Canada Ltd. | 141,553 |

Other Expenditures

| Name | Amount |
|-----------------------------------|------------|
| CUPE Local #4875 | 141,055 |
| Municipal Employees' Pension Plan | 1,967,070 |
| NETA | 71,822 |
| Receiver General | 11,265,635 |

| Name | Amount |
|------------------------------------|-----------|
| Sask. School Boards | 683,150 |
| Sask. Teachers' Federation | 4,159,468 |
| Teachers Superannuation Commission | 54,309 |

Appendix B – Management Report and Audited Financial Statements



Audited Financial Statements



Of the North East School Division No. 200

School Division No. 2000500

For the Period Ending: August 31, 2018

Wanda McLeod

Chief Financial Officer

Virtus Group LLP

Auditor

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



Management's Responsibility for the Financial Statements

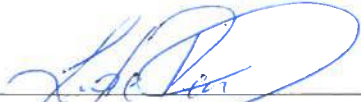
The school division's management is responsible for the preparation of the financial statements in accordance with Canadian public sector accounting standards and the format specified in the Financial Reporting Manual issued by the Ministry of Education. The preparation of financial statements necessarily 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, Virtus Group 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 27, 2018

INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
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, 2018 and the statements of operations and accumulated surplus from operations, statements of changes in net financial assets and cash flows for the year then ended, with related schedules 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 of 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 auditor's 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 school division'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 school division'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, these financial statements present fairly, in all material respects, the financial position of the school division as at August 31, 2018 and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

November 27, 2018
Saskatoon, Saskatchewan

Virtus Group LLP
Chartered Professional Accountants

North East School Division No. 200
Statement of Financial Position
as at August 31, 2018

| | 2018 | 2017 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Financial Assets | | |
| Cash and Cash Equivalents | 17,357,673 | 19,116,997 |
| Accounts Receivable (Note 8) | 721,552 | 2,918,847 |
| Portfolio Investments (Note 4) | 945,369 | 923,593 |
| Total Financial Assets | 19,024,594 | 22,959,437 |
| Liabilities | | |
| Accounts Payable and Accrued Liabilities (Note 9) | 2,567,759 | 3,605,321 |
| Long-Term Debt (Note 10) | 8,105,041 | 8,462,104 |
| Liability for Employee Future Benefits (Note 6) | 732,400 | 677,300 |
| Deferred Revenue (Note 11) | 494,115 | 604,054 |
| Total Liabilities | 11,899,315 | 13,348,779 |
| Net Financial Assets | 7,125,279 | 9,610,658 |
| Non-Financial Assets | | |
| Tangible Capital Assets (Schedule C) | 73,533,049 | 73,917,998 |
| Inventory of Supplies for Consumption | 308,366 | 313,875 |
| Prepaid Expenses | 606,183 | 635,922 |
| Total Non-Financial Assets | 74,447,598 | 74,867,795 |
| Accumulated Surplus (Note 14) | 81,572,877 | 84,478,453 |

Contractual Rights (Note 18)
 Contractual Obligations and Commitments (Note 19)

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, 2018

| | 2018 Budget | 2018 Actual | 2017 Actual |
|---|------------------------|------------------------|------------------------|
| | \$ | \$ | \$ |
| REVENUES | (Note 15) | | |
| Property Taxation | 3,954,550 | 3,969,872 | 11,529,652 |
| Grants | 50,847,242 | 51,169,701 | 45,208,021 |
| Tuition and Related Fees | 722,511 | 659,904 | 634,505 |
| School Generated Funds | 1,127,100 | 1,543,233 | 1,320,672 |
| Complementary Services (Note 12) | 590,220 | 590,512 | 607,348 |
| External Services (Note 13) | 132,698 | 119,276 | 129,241 |
| Other | 601,977 | 739,819 | 592,003 |
| Total Revenues (Schedule A) | 57,976,298 | 58,792,317 | 60,021,442 |
| EXPENSES | | | |
| Governance | 236,736 | 258,113 | 447,495 |
| Administration | 2,135,409 | 2,093,677 | 2,029,480 |
| Instruction | 41,858,631 | 41,334,321 | 41,587,017 |
| Plant | 10,417,683 | 10,010,144 | 11,176,198 |
| Transportation | 4,504,766 | 4,422,371 | 4,738,579 |
| Tuition and Related Fees | 290,500 | 231,477 | 231,325 |
| School Generated Funds | 1,032,173 | 1,266,862 | 1,220,513 |
| Complementary Services (Note 12) | 1,461,441 | 1,422,007 | 1,405,014 |
| External Services (Note 13) | 233,176 | 204,096 | 212,738 |
| Other Expenses | 347,267 | 454,825 | 1,603,250 |
| Total Expenses (Schedule B) | 62,517,782 | 61,697,893 | 64,651,609 |
| Operating Deficit for the Year | (4,541,484) | (2,905,576) | (4,630,167) |
| Accumulated Surplus from Operations, Beginning of Year | 84,478,453 | 84,478,453 | 89,108,620 |
| Accumulated Surplus from Operations, End of Year | 79,936,969 | 81,572,877 | 84,478,453 |

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, 2018

| | 2018 Budget | 2018 Actual | 2017 Actual |
|--|------------------------|------------------------|------------------------|
| | \$ | \$ | \$ |
| | (Note 15) | | |
| Net Financial Assets, Beginning of Year | 9,610,658 | 9,610,658 | 13,291,802 |
| Changes During the Year | | | |
| Operating Deficit for the Year | (4,541,484) | (2,905,576) | (4,630,167) |
| Acquisition of Tangible Capital Assets (Schedule C) | (2,878,257) | (3,966,049) | (3,539,140) |
| Proceeds on Disposal of Tangible Capital Assets (Schedule C) | 12,000 | 40,405 | 20,174 |
| Net Loss (Gain) on Disposal of Capital Assets (Schedule C) | (12,000) | 29,766 | (16,823) |
| Write-Down of Tangible Capital Assets (Schedule C) | - | - | 238,187 |
| Amortization of Tangible Capital Assets (Schedule C) | 4,454,941 | 4,280,827 | 4,106,294 |
| Net Acquisition of Inventory of Supplies | - | 5,509 | 379 |
| Net Change in Other Non-Financial Assets | - | 29,739 | 139,952 |
| Change in Net Financial Assets | (2,964,800) | (2,485,379) | (3,681,144) |
| Net Financial Assets, End of Year | 6,645,858 | 7,125,279 | 9,610,658 |

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, 2018

| | 2018 | 2017 |
|--|--------------------|--------------------|
| | \$ | \$ |
| OPERATING ACTIVITIES | | |
| Operating Deficit for the Year | (2,905,576) | (4,630,167) |
| Add Non-Cash Items Included in Deficit (Schedule D) | 4,310,593 | 4,327,658 |
| Net Change in Non-Cash Operating Activities (Schedule E) | 1,140,142 | 1,717,484 |
| Cash Provided by Operating Activities | 2,545,159 | 1,414,975 |
| CAPITAL ACTIVITIES | | |
| Cash Used to Acquire Tangible Capital Assets | (3,966,049) | (3,539,140) |
| Proceeds on Disposal of Tangible Capital Assets | 40,405 | 20,174 |
| Cash Used by Capital Activities | (3,925,644) | (3,518,966) |
| INVESTING ACTIVITIES | | |
| Cash Used to Acquire Portfolio Investments | (21,776) | (12,158) |
| Cash Used by Investing Activities | (21,776) | (12,158) |
| FINANCING ACTIVITIES | | |
| Repayment of Long-Term Debt | (357,063) | (342,539) |
| Cash Used by Financing Activities | (357,063) | (342,539) |
| DECREASE IN CASH AND CASH EQUIVALENTS | (1,759,324) | (2,458,688) |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | 19,116,997 | 21,575,685 |
| CASH AND CASH EQUIVALENTS, END OF YEAR | 17,357,673 | 19,116,997 |

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, 2018

| | 2018 Budget | 2018 Actual | 2017 Actual |
|---|-------------------|-------------------|-------------------|
| | \$ | \$ | \$ |
| Property Taxation Revenue | | | |
| Tax Levy Revenue | | | |
| Property Tax Levy Revenue | 3,954,550 | 3,860,751 | 11,323,822 |
| Total Property Tax Revenue | 3,954,550 | 3,860,751 | 11,323,822 |
| Grants in Lieu of Taxes | | | |
| Federal Government | - | 32,672 | 46,878 |
| Provincial Government | - | 32,317 | 83,666 |
| Other | - | 4,806 | 9,266 |
| Total Grants in Lieu of Taxes | - | 69,795 | 139,810 |
| Other Tax Revenues | | | |
| House Trailer Fees | - | 34,107 | 19,537 |
| Total Other Tax Revenues | - | 34,107 | 19,537 |
| Additions to Levy | | | |
| Penalties | - | 31,769 | 104,647 |
| Other | - | 23,179 | 1,498 |
| Total Additions to Levy | - | 54,948 | 106,145 |
| Deletions from Levy | | | |
| Cancellations | - | (37,958) | (50,009) |
| Other Deletions | - | (11,771) | (9,653) |
| Total Deletions from Levy | - | (49,729) | (59,662) |
| Total Property Taxation Revenue | 3,954,550 | 3,969,872 | 11,529,652 |
| Grants | | | |
| Operating Grants | | | |
| Ministry of Education Grants | | | |
| Operating Grant | 49,055,185 | 49,150,598 | 43,406,287 |
| Other Ministry Grants | 254,451 | 307,321 | 254,451 |
| Total Ministry Grants | 49,309,636 | 49,457,919 | 43,660,738 |
| Other Provincial Grants | 202,100 | 181,149 | 211,777 |
| Total Operating Grants | 49,511,736 | 49,639,068 | 43,872,515 |
| Capital Grants | | | |
| Ministry of Education Capital Grants | 1,335,506 | 1,530,633 | 1,335,506 |
| Total Capital Grants | 1,335,506 | 1,530,633 | 1,335,506 |
| Total Grants | 50,847,242 | 51,169,701 | 45,208,021 |
| Tuition and Related Fees Revenue | | | |
| Operating Fees | | | |
| Tuition Fees | | | |
| School Boards | 1,000 | 1,000 | 3,500 |
| Federal Government and First Nations | 721,511 | 658,904 | 624,917 |
| Individuals and Other | - | - | 6,088 |
| Total Tuition Fees | 722,511 | 659,904 | 634,505 |
| Total Operating Tuition and Related Fees | 722,511 | 659,904 | 634,505 |
| Total Tuition and Related Fees Revenue | 722,511 | 659,904 | 634,505 |

North East School Division No. 200
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2018

| | 2018 Budget | 2018 Actual | 2017 Actual |
|---|-------------------|-------------------|-------------------|
| | \$ | \$ | \$ |
| School Generated Funds Revenue | | | |
| Non-Curricular Fees | | | |
| Commercial Sales - Non-GST | 211,300 | 221,257 | 224,101 |
| Fundraising | 618,400 | 554,713 | 598,921 |
| Grants and Partnerships | 38,900 | 69,061 | 60,675 |
| Students Fees | 130,900 | 424,253 | 212,369 |
| Other | 127,600 | 273,949 | 224,606 |
| Total Non-Curricular Fees | 1,127,100 | 1,543,233 | 1,320,672 |
| Total School Generated Funds Revenue | 1,127,100 | 1,543,233 | 1,320,672 |
| Complementary Services | | | |
| Operating Grants | | | |
| Ministry of Education Grants | | | |
| Operating Grant | 576,720 | 576,912 | 593,748 |
| Other Grants | 13,500 | 13,600 | 13,600 |
| Total Operating Grants | 590,220 | 590,512 | 607,348 |
| Total Complementary Services Revenue | 590,220 | 590,512 | 607,348 |
| External Services | | | |
| Fees and Other Revenue | | | |
| Other Revenue | 132,698 | 119,276 | 129,241 |
| Total Fees and Other Revenue | 132,698 | 119,276 | 129,241 |
| Total External Services Revenue | 132,698 | 119,276 | 129,241 |
| Other Revenue | | | |
| Miscellaneous Revenue | 59,000 | 85,225 | 25,341 |
| Sales & Rentals | 330,977 | 353,727 | 352,143 |
| Investments | 200,000 | 262,924 | 197,696 |
| Gain on Disposal of Capital Assets | 12,000 | 37,943 | 16,823 |
| Total Other Revenue | 601,977 | 739,819 | 592,003 |
| TOTAL REVENUE FOR THE YEAR | 57,976,298 | 58,792,317 | 60,021,442 |

North East School Division No. 200
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2018

| | 2018 Budget | 2018 Actual | 2017 Actual |
|---|-------------------|-------------------|-------------------|
| | \$ | \$ | \$ |
| Governance Expense | | | |
| Board Members Expense | 77,830 | 78,420 | 123,470 |
| Professional Development - Board Members | 7,500 | 24,920 | 48,127 |
| Advisory Committees | 40,656 | 36,195 | 31,456 |
| Professional Development - Advisory Committees | - | 4,461 | 9,416 |
| Elections | - | - | 9,703 |
| Other Governance Expenses | 110,750 | 114,117 | 225,323 |
| Total Governance Expense | 236,736 | 258,113 | 447,495 |
| Administration Expense | | | |
| Salaries | 1,583,494 | 1,558,412 | 1,537,029 |
| Benefits | 196,547 | 198,849 | 198,407 |
| Supplies & Services | 153,325 | 165,953 | 135,302 |
| Non-Capital Furniture & Equipment | 5,200 | 6,468 | 5,636 |
| Building Operating Expenses | 24,500 | 24,362 | 25,506 |
| Communications | 32,600 | 27,334 | 26,650 |
| Travel | 45,300 | 30,287 | 30,741 |
| Professional Development | 29,500 | 22,531 | 16,190 |
| Amortization of Tangible Capital Assets | 64,943 | 59,481 | 54,019 |
| Total Administration Expense | 2,135,409 | 2,093,677 | 2,029,480 |
| Instruction Expense | | | |
| Instructional (Teacher Contract) Salaries | 29,177,526 | 29,245,501 | 29,392,525 |
| Instructional (Teacher Contract) Benefits | 1,366,326 | 1,399,346 | 1,455,006 |
| Program Support (Non-Teacher Contract) Salaries | 5,677,471 | 5,631,896 | 5,508,413 |
| Program Support (Non-Teacher Contract) Benefits | 1,054,437 | 1,035,937 | 998,358 |
| Instructional Aids | 888,728 | 723,771 | 876,252 |
| Supplies & Services | 1,018,732 | 841,781 | 897,762 |
| Non-Capital Furniture & Equipment | 220,189 | 231,116 | 266,402 |
| Communications | 114,689 | 83,453 | 99,147 |
| Travel | 215,459 | 128,397 | 150,021 |
| Professional Development | 278,425 | 228,054 | 255,608 |
| Student Related Expense | 325,426 | 308,566 | 354,205 |
| Amortization of Tangible Capital Assets | 1,521,223 | 1,476,503 | 1,333,318 |
| Total Instruction Expense | 41,858,631 | 41,334,321 | 41,587,017 |

North East School Division No. 200
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2018

| | 2018 Budget | 2018 Actual | 2017 Actual |
|--|------------------------|------------------------|------------------------|
| | \$ | \$ | \$ |
| Plant Operation & Maintenance Expense | | | |
| Salaries | 3,117,725 | 2,908,931 | 2,925,189 |
| Benefits | 564,226 | 530,771 | 522,479 |
| Supplies & Services | 11,250 | 6,069 | 5,557 |
| Non-Capital Furniture & Equipment | 28,000 | 29,877 | 36,374 |
| Building Operating Expenses | 4,358,795 | 4,334,039 | 5,497,968 |
| Communications | 19,250 | 12,749 | 15,280 |
| Travel | 120,000 | 122,471 | 127,230 |
| Professional Development | 23,000 | 7,935 | 13,958 |
| Amortization of Tangible Capital Assets | 2,175,437 | 2,057,302 | 2,032,163 |
| Total Plant Operation & Maintenance Expense | 10,417,683 | 10,010,144 | 11,176,198 |
| Student Transportation Expense | | | |
| Salaries | 2,082,042 | 1,825,134 | 1,924,925 |
| Benefits | 406,865 | 359,064 | 356,152 |
| Supplies & Services | 788,100 | 868,455 | 761,521 |
| Non-Capital Furniture & Equipment | 379,000 | 428,699 | 449,482 |
| Building Operating Expenses | 84,500 | 201,565 | 492,488 |
| Communications | 25,450 | 20,715 | 22,755 |
| Travel | 8,800 | 5,562 | 9,949 |
| Professional Development | 12,900 | 5,407 | 11,949 |
| Contracted Transportation | 44,000 | 36,810 | 40,602 |
| Amortization of Tangible Capital Assets | 673,109 | 670,960 | 668,756 |
| Total Student Transportation Expense | 4,504,766 | 4,422,371 | 4,738,579 |
| Tuition and Related Fees Expense | | | |
| Tuition Fees | 290,500 | 231,477 | 231,325 |
| Total Tuition and Related Fees Expense | 290,500 | 231,477 | 231,325 |
| School Generated Funds Expense | | | |
| Academic Supplies & Services | 15,529 | 10,740 | 9,386 |
| Cost of Sales | 585,550 | 542,463 | 500,313 |
| Non-Capital Furniture & Equipment | - | - | 11,960 |
| School Fund Expenses | 431,094 | 713,659 | 698,854 |
| Total School Generated Funds Expense | 1,032,173 | 1,266,862 | 1,220,513 |

North East School Division No. 200
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2018

| | 2018 Budget | 2018 Actual | 2017 Actual |
|--|-------------------|-------------------|-------------------|
| | \$ | \$ | \$ |
| Complementary Services Expense | | | |
| Instructional (Teacher Contract) Salaries & Benefits | 424,265 | 403,122 | 403,305 |
| Program Support (Non-Teacher Contract) Salaries & Benefits | 781,514 | 783,248 | 758,255 |
| Instructional Aids | 26,200 | 32,171 | 37,755 |
| Communications | 1,800 | 2,146 | 2,413 |
| Travel | 13,000 | 19,621 | 17,679 |
| Professional Development (Non-Salary Costs) | 8,000 | 8,492 | 6,415 |
| Student Related Expenses | 189,502 | 159,695 | 164,223 |
| Amortization of Tangible Capital Assets | 17,160 | 13,512 | 14,969 |
| Total Complementary Services Expense | 1,461,441 | 1,422,007 | 1,405,014 |
| External Service Expense | | | |
| Program Support (Non-Teacher Contract) Salaries & Benefits | 156,207 | 140,908 | 139,064 |
| Supplies & Services | 72,200 | 59,467 | 67,413 |
| Non-Capital Furniture & Equipment | 1,200 | - | 2,708 |
| Travel | 500 | 652 | 484 |
| Amortization of Tangible Capital Assets | 3,069 | 3,069 | 3,069 |
| Total External Services Expense | 233,176 | 204,096 | 212,738 |
| Other Expense | | | |
| Interest and Bank Charges | | | |
| Current Interest and Bank Charges | 2,000 | 2,185 | 3,537 |
| Interest on Capital Loans | 345,267 | 345,266 | 359,791 |
| Total Interest and Bank Charges | 347,267 | 347,451 | 363,328 |
| Transfer of Taxes Receivable | - | 39,665 | - |
| Loss on Disposal of Tangible Capital Assets | - | 67,709 | - |
| Write-Down of Tangible Capital Assets | - | - | 238,187 |
| Provision for Uncollectable Accounts | - | - | 1,001,735 |
| Total Other Expense | 347,267 | 454,825 | 1,603,250 |
| TOTAL EXPENSES FOR THE YEAR | 62,517,782 | 61,697,893 | 64,651,609 |

North East School Division No. 200
 Schedule C - Supplementary Details of Tangible Capital Assets
 for the year ended August 31, 2018

| | Land | Improvements | Buildings | Short-Term | Buildings | School | Other | Furniture and Equipment | Computer Hardware and Audio Visual Equipment | Computer Software | Assets Under Construction | 2018 | | 2017 | |
|---|----------------|------------------|-------------------|------------------|------------------|------------------|------------------|-------------------------|--|-------------------|---------------------------|--------------------|----|------|----|
| | | | | | | | | | | | | \$ | \$ | \$ | \$ |
| Tangible Capital Assets - at Cost | | | | | | | | | | | | | | | |
| Opening Balance as of September 1 | 254,128 | 1,322,048 | 98,601,321 | 1,691,681 | 9,423,691 | 1,102,686 | 4,415,956 | 3,796,522 | 257,099 | 3,102 | 120,868,234 | 119,859,302 | | | |
| Additions/Purchases | - | 33,341 | 845,926 | 299,195 | 532,533 | 250,968 | 588,981 | 1,385,660 | 27,900 | 1,545 | 3,966,049 | 3,539,140 | | | |
| Disposals | - | - | (168,313) | - | (1,314,289) | (93,837) | (496,214) | (674,017) | (28,763) | - | (2,775,433) | (1,537,762) | | | |
| Write-Downs | - | - | - | - | - | - | - | - | - | - | - | (992,446) | | | |
| Transfers to (from) | - | 3,102 | - | - | - | - | - | - | - | (3,102) | - | - | | | |
| Closing Balance as of August 31 | 254,128 | 1,358,491 | 99,278,934 | 1,990,876 | 8,641,935 | 1,259,817 | 4,508,723 | 4,508,165 | 256,236 | 1,545 | 122,058,850 | 120,868,234 | | | |
| Tangible Capital Assets - Amortization | | | | | | | | | | | | | | | |
| Opening Balance as of September 1 | N/A | 377,152 | 34,854,157 | 1,120,670 | 5,648,418 | 896,488 | 2,184,144 | 1,734,552 | 134,655 | - | 46,950,236 | 45,132,612 | | | |
| Amortization of the Period | - | 62,825 | 1,809,699 | 77,760 | 614,055 | 122,859 | 500,494 | 1,036,154 | 56,981 | - | 4,280,827 | 4,106,294 | | | |
| Disposals | - | - | (168,313) | - | (1,244,118) | (93,837) | (496,214) | (674,017) | (28,763) | - | (2,705,262) | (1,534,411) | | | |
| Write-Downs | - | - | - | - | - | - | - | - | - | - | - | (754,259) | | | |
| Closing Balance as of August 31 | N/A | 439,977 | 36,495,543 | 1,198,430 | 5,018,355 | 925,510 | 2,188,424 | 2,096,689 | 162,873 | N/A | 48,525,801 | 46,950,236 | | | |
| Net Book Value | | | | | | | | | | | | | | | |
| Opening Balance as of September 1 | 254,128 | 944,896 | 63,747,164 | 571,011 | 3,775,273 | 206,198 | 2,231,812 | 2,061,970 | 122,444 | 3,102 | 73,917,998 | 74,726,690 | | | |
| Closing Balance as of August 31 | 254,128 | 918,514 | 62,783,391 | 792,446 | 3,623,580 | 334,307 | 2,320,299 | 2,411,476 | 93,363 | 1,545 | 73,533,049 | 73,917,998 | | | |
| Change in Net Book Value | - | (26,382) | (963,773) | 221,435 | (151,693) | 128,109 | 88,487 | 349,506 | (29,081) | (1,557) | (384,949) | (808,692) | | | |
| Disposals | | | | | | | | | | | | | | | |
| Historical Cost | - | - | 168,313 | - | 1,314,289 | 93,837 | 496,214 | 674,017 | 28,763 | - | 2,775,433 | 1,537,762 | | | |
| Accumulated Amortization | - | - | 168,313 | - | 1,244,118 | 93,837 | 496,214 | 674,017 | 28,763 | - | 2,705,262 | 1,534,411 | | | |
| Net Cost | - | - | - | - | 70,171 | - | - | - | - | - | 70,171 | 3,351 | | | |
| Price of Sale | - | - | - | - | 17,542 | 18,500 | 4,363 | - | - | - | 40,405 | 20,174 | | | |
| Gain (Loss) on Disposal | - | - | - | - | (52,629) | 18,500 | 4,363 | - | - | - | (29,766) | 16,823 | | | |

North East School Division No. 200
Schedule D: Non-Cash Items Included in Deficit
for the year ended August 31, 2018

| | 2018 | 2017 |
|---|------------------|------------------|
| | \$ | \$ |
| Non-Cash Items Included in Deficit | | |
| Amortization of Tangible Capital Assets (Schedule C) | 4,280,827 | 4,106,294 |
| Net (Gain) Loss on Disposal of Tangible Capital Assets (Schedule C) | 29,766 | (16,823) |
| Write-Down of Tangible Capital Assets (Schedule C) | - | 238,187 |
| Total Non-Cash Items Included in Deficit | 4,310,593 | 4,327,658 |

North East School Division No. 200
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2018

| | 2018 | 2017 |
|---|------------------|------------------|
| | \$ | \$ |
| Net Change in Non-Cash Operating Activities | | |
| Decrease in Accounts Receivable | 2,197,295 | 590,809 |
| Increase (Decrease) in Accounts Payable and Accrued Liabilities | (1,037,562) | 725,725 |
| Increase in Liability for Employee Future Benefits | 55,100 | 81,700 |
| Increase (Decrease) in Deferred Revenue | (109,939) | 178,919 |
| Decrease in Inventory of Supplies for Consumption | 5,509 | 379 |
| Decrease in Prepaid Expenses | 29,739 | 139,952 |
| Total Net Change in Non-Cash Operating Activities | 1,140,142 | 1,717,484 |

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2018

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 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.

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

- the liability for employee future benefits of \$732,400 (2017 - \$677,300) because actual experience may differ significantly from actuarial estimations.
- property taxation revenue of \$3,969,872 (2017 - \$11,529,652) because final tax assessments may differ from initial estimates.

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2018

- uncollectible taxes of \$0 (2017 - \$1,500,000) because actual collectability may differ from initial estimates.
- useful lives of capital assets and related accumulated amortization of \$48,525,801 (2017 - \$46,950,236) 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 or amortized cost, are recognized in the statement of operations and accumulated surplus from operations in the period the gain or loss occurs.

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

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.

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.

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2018

Accounts Receivable includes taxes 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.

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

Portfolio Investments consist of thirteen 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 |

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

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

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2018

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:

Multi-Employer Defined Benefit Plans

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

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

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2018

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. 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.

On January 1, 2018, pursuant to *The Education Property Tax Act*, the Government of Saskatchewan became the taxing authority for education property tax. As of that date, the school division no longer earns taxation revenue.

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 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 as revenue when it is earned.

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2018

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 with Scotiabank. 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, 2018 was \$0 (August 31, 2017 - \$0).

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2018

4. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

| | 2018 | 2017 |
|--|------------------|-------------------|
| Portfolio investments in the cost and amortized cost category: | Cost | Cost |
| B2B Bank Due 02/26/2018 1.75% | \$ - | \$ 104,397 |
| Home Trust Company GIC Due 02/26/2018 1.80% | - | 104,522 |
| Homequity Bank GIC Due 02/26/2018 1.80% | - | 104,522 |
| Laurentian Bank GIC Due 02/26/2018 1.75% | - | 104,397 |
| LBC Trust GIC Due 02/26/2018 1.75% | - | 104,397 |
| RBC GIC Due 12/24/2018 2.83% | 84,888 | 82,586 |
| Equitable Bank GIC Due 01/09/2019 2.96% | 106,601 | 103,578 |
| Bank of Nova Scotia GIC Due 01/24/2019 2.67% | 82,597 | 80,475 |
| CDN Western Bank GIC Due 02/04/2019 1.86% | 51,430 | 50,498 |
| CDN Western Trust GIC Due 02/05/2019 1.86% | 27,780 | 27,277 |
| Canadian Tire Bank GIC Due 02/06/2019 2.60% | 47,830 | 46,632 |
| ICICI Bank Canada GIC Due 03/21/2019 2.82% | 10,599 | 10,312 |
| Laurentian Bank GIC Due 09/19/2018 1.90% | 100,698 | - |
| Bank of Montreal GIC Due 12/07/2018 1.77% | 100,399 | - |
| General Bank of CDA GIC Due 03/05/2019 2.20% | 29,225 | - |
| Royal Trust Company GIC Due 05/21/2019 2.70% | 101,491 | - |
| Homequity Bank GIC Due 05/22/2019 2.85% | 101,734 | - |
| LBC Trust GIC Due 09/19/2019 2.02% | 100,097 | - |
| Total portfolio investments reported at cost and amortized cost | \$945,369 | \$ 923,593 |

5. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

| Function | Salaries & Benefits | Goods & Services | Debt Service | Amortization of TCA | 2018 Actual | 2017 Actual |
|--------------------------|---------------------|---------------------|-------------------|---------------------|----------------------|----------------------|
| Governance | \$ 78,420 | \$ 179,693 | \$ - | \$ - | \$ 258,113 | \$ 447,495 |
| Administration | 1,757,261 | 276,935 | - | 59,481 | 2,093,677 | 2,029,480 |
| Instruction | 37,312,680 | 2,545,138 | - | 1,476,503 | 41,334,321 | 41,587,017 |
| Plant | 3,439,702 | 4,513,140 | - | 2,057,302 | 10,010,144 | 11,176,198 |
| Transportation | 2,184,198 | 1,567,213 | - | 670,960 | 4,422,371 | 4,738,579 |
| Tuition and Related Fees | - | 231,477 | - | - | 231,477 | 231,325 |
| School Generated Funds | - | 1,266,862 | - | - | 1,266,862 | 1,220,513 |
| Complementary Services | 1,186,370 | 222,125 | - | 13,512 | 1,422,007 | 1,405,014 |
| External Services | 140,908 | 60,119 | - | 3,069 | 204,096 | 212,738 |
| Other | - | 107,374 | 347,451 | - | 454,825 | 1,603,250 |
| TOTAL | \$46,099,539 | \$10,970,076 | \$ 347,451 | \$ 4,280,827 | \$ 61,697,893 | \$ 64,651,609 |

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2018

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 as at March 31, 2018 and extrapolated the results to estimate the Liability for Employee Future Benefits as at August 31, 2018.

Details of the employee future benefits are as follows:

| | 2018 | 2017 |
|--|-------|-------|
| Long-term assumptions used: | | |
| Discount rate at end of period | 3.00% | 2.69% |
| Inflation and productivity rate (excluding merit and promotion) - Teachers | 2.50% | 2.50% |
| Inflation and productivity rate (excluding merit and promotion) - Non-Teachers | 3.00% | 3.00% |
| Expected average remaining service life (years) | 14 | 14 |

| Liability for Employee Future Benefits | 2018 | 2017 |
|---|-------------------|-------------------|
| Accrued Benefit Obligation - beginning of year | \$ 724,000 | \$ 779,600 |
| Current period service cost | 56,400 | 67,900 |
| Interest cost | 20,600 | 17,600 |
| Benefit payments | (26,300) | (17,100) |
| Actuarial (gains) | (151,400) | (124,000) |
| Accrued Benefit Obligation - end of year | 623,300 | 724,000 |
| Unamortized Net Actuarial Gains (Losses) | 109,100 | (46,700) |
| Liability for Employee Future Benefits | \$ 732,400 | \$ 677,300 |

| Expense for Employee Future Benefits | 2018 | 2017 |
|---|------------------|------------------|
| Current period service cost | \$ 56,400 | \$ 67,900 |
| Amortization of net actuarial loss | 4,400 | 13,300 |
| Benefit cost | 60,800 | 81,200 |
| Interest cost | 20,600 | 17,600 |
| Total Employee Future Benefits Expense | \$ 81,400 | \$ 98,800 |

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2018

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) and Saskatchewan Teachers' Superannuation Plan (STSP)

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

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

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

| | 2018 | | | 2017 |
|---|----------------|---------------|----------------|----------------|
| | STRP | STSP | TOTAL | TOTAL |
| Number of active School Division members | 407 | 8 | 415 | 420 |
| Member contribution rate (percentage of salary) | 9.50% / 11.70% | 6.05% / 7.85% | 6.05% / 11.70% | 6.05% / 13.50% |
| Member contributions for the year | \$ 3,435,026 | \$ 20,511 | \$ 3,455,537 | \$ 3,490,695 |

ii) Municipal Employees' Pension Plan (MEPP)

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

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

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

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

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2018

Details of the MEPP are as follows:

| | <u>2018</u> | <u>2017</u> |
|--|--------------------|--------------------|
| Number of active School Division members | 418 | 415 |
| Member contribution rate (percentage of salary) | 9.00% | 8.15% |
| School Division contribution rate (percentage of salary) | 9.00% | 8.15% |
| Member contributions for the year | \$ 976,161 | \$ 957,984 |
| School Division contributions for the year | \$ 976,161 | \$ 957,984 |
| Actuarial extrapolation date | <u>DEC/31/2017</u> | <u>DEC/31/2016</u> |
| Plan Assets (in thousands) | \$ 2,469,995 | \$ 2,323,947 |
| Plan Liabilities (in thousands) | \$ 2,015,818 | \$ 1,979,463 |
| Plan Surplus (in thousands) | \$ 454,177 | \$ 344,484 |

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:

| | <u>2018</u> | | | <u>2017</u> | | |
|----------------------------------|---------------------|------------------------|---------------------|---------------------|------------------------|---------------------|
| | Total Receivable | Valuation Allowance | Net of Allowance | Total Receivable | Valuation Allowance | Net of Allowance |
| Taxes Receivable | \$ - | \$ - | \$ - | \$ 3,878,067 | \$ 1,500,000 | \$ 2,378,067 |
| Other Receivables | 721,552 | - | 721,552 | 540,780 | - | 540,780 |
| Total Accounts Receivable | \$ 721,552 | \$ - | \$ 721,552 | \$ 4,418,847 | \$ 1,500,000 | \$ 2,918,847 |

During the year, \$39,665 of taxes receivable were transferred from the school division to the Government of Saskatchewan.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

| | <u>2018</u> | <u>2017</u> |
|--|---------------------|---------------------|
| Accrued Salaries and Benefits | \$ 1,012,097 | \$ 889,441 |
| Supplier Payments | 940,351 | 1,706,351 |
| Other (utilities, maintenance, capital project progress) | 615,311 | 1,009,529 |
| Total Accounts Payable and Accrued Liabilities | \$ 2,567,759 | \$ 3,605,321 |

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2018

10. LONG-TERM DEBT

Details of long-term debt are as follows:

| | | 2018 | 2017 |
|-----------------------------|--|---------------------|---------------------|
| Capital Loan: | 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 May 31, 2014 to May 30, 2034 (RBC - construction of Hudson Bay School) | \$ 8,105,041 | \$ 8,462,104 |
| Total Long-Term Debt | | \$ 8,105,041 | \$ 8,462,104 |

| Future principal repayments over the next 5 years are estimated as follows: | |
|--|---------------------|
| | <u>Capital Loan</u> |
| 2019 | \$ 372,204 |
| 2020 | 387,986 |
| 2021 | 404,438 |
| 2022 | 439,463 |
| 2023 | 458,097 |
| Thereafter | 6,042,853 |
| Total | \$ 8,105,041 |

| Principal and interest payments on the long-term debt are as follows: | | |
|--|-------------------|-------------------|
| | 2018 | 2017 |
| Principal | \$ 357,063 | \$ 342,539 |
| Interest | 345,266 | 359,791 |
| Total | \$ 702,329 | \$ 702,330 |

NORTH EAST SCHOOL DIVISION NO. 200
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11. DEFERRED REVENUE

Details of deferred revenues are as follows:

| | Balance as at Aug. 31, 2017 | Additions during the Year | Revenue recognized in the Year | Balance as at Aug. 31, 2018 |
|--|-----------------------------------|---------------------------------|--------------------------------------|-----------------------------------|
| Capital projects: | | | | |
| Federal capital tuition | \$ 442,654 | \$ 26,848 | \$ - | \$ 469,502 |
| Total capital projects deferred revenue | 442,654 | 26,848 | - | 469,502 |
| Other deferred revenue: | | | | |
| Rental Revenue | 7,334 | 7,413 | (7,334) | 7,413 |
| Other | 154,066 | 17,200 | (154,066) | 17,200 |
| Total other deferred revenue | 161,400 | 24,613 | (161,400) | 24,613 |
| Total Deferred Revenue | \$ 604,054 | \$ 51,461 | \$(161,400) | \$ 494,115 |

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:

| Summary of Complementary Services Revenues and Expenses, by Program | Pre-K Programs | Community and Inter-Agency Liaison | Universal Kindergarten Nutrition Program | Universal Snack Program | 2018 | 2017 |
|---|--------------------|------------------------------------|--|-------------------------|---------------------|---------------------|
| Revenues: | | | | | | |
| Operating Grants | \$ 576,912 | \$ 13,600 | \$ - | \$ - | \$ 590,512 | \$ 607,348 |
| Total Revenues | 576,912 | 13,600 | - | - | 590,512 | 607,348 |
| Expenses: | | | | | | |
| Salaries & Benefits | 550,042 | 636,328 | - | - | 1,186,370 | 1,161,560 |
| Instructional Aids | 19,998 | 12,173 | - | - | 32,171 | 37,755 |
| Communications | 290 | 1,856 | - | - | 2,146 | 2,413 |
| Travel | 1,706 | 17,915 | - | - | 19,621 | 17,679 |
| Professional Development (Non-Salary Costs) | 1,785 | 6,707 | - | - | 8,492 | 6,415 |
| Student Related Expenses | 17,821 | 84,172 | 20,256 | 37,446 | 159,695 | 164,223 |
| Amortization of Tangible Capital Assets | 11,710 | 1,802 | - | - | 13,512 | 14,969 |
| Total Expenses | 603,352 | 760,953 | 20,256 | 37,446 | 1,422,007 | 1,405,014 |
| Deficiency of Revenues over Expenses | \$ (26,440) | \$ (747,353) | \$ (20,256) | \$ (37,446) | \$ (831,495) | \$ (797,666) |

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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.

Universal Kindergarten Nutrition Program provides snacks to all Kindergarten students across the school division.

Universal Snack Program provides snacks to all Grades 1, 2, 3 and early entrance students at Central Park School in Nipawin.

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:

| Summary of External Services Revenues and Expenses, by Program - Cafeterias | 2018 | 2017 |
|---|--------------------|--------------------|
| Revenues: | | |
| Fees and Other Revenues | \$ 119,276 | \$ 129,241 |
| Total Revenues | 119,276 | 129,241 |
| Expenses: | | |
| Salaries & Benefits | 140,908 | 139,065 |
| Supplies and Services | 59,467 | 67,413 |
| Non-Capital Equipment | - | 2,707 |
| Travel | 652 | 484 |
| Amortization of Tangible Capital Assets | 3,069 | 3,069 |
| Total Expenses | 204,096 | 212,738 |
| Deficiency of Revenues over Expenses | \$ (84,820) | \$ (83,497) |

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.

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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:

| | August 31 2017 | Additions during the year | Reductions during the year | August 31 2018 |
|--|----------------------|------------------------------|-------------------------------|----------------------|
| Invested in Tangible Capital Assets: | | | | |
| Net Book Value of Tangible Capital Assets | \$ 73,917,998 | \$ 3,966,049 | \$ 4,350,998 | \$ 73,533,049 |
| Less: Debt owing on Tangible Capital Assets | 8,462,104 | - | 357,063 | 8,105,041 |
| | 65,455,894 | 3,966,049 | 3,993,935 | 65,428,008 |
| PMR maintenance project allocations (1) | 1,141,965 | 1,530,633 | 1,192,641 | 1,479,957 |
| Externally Restricted Surplus: | | | | |
| Broadway School Sale Agreement | 50,556 | - | - | 50,556 |
| Internally Restricted Surplus: | | | | |
| Capital projects: | | | | |
| Bus Fleet Renewal | 721,000 | 660,000 | 532,534 | 848,466 |
| Computer Hardware Replacement | 550,000 | - | 550,000 | - |
| Computer Software Replacement and Software Upgrade | - | 195,000 | - | 195,000 |
| Digital Projector Replacement | 23,920 | - | 5,806 | 18,114 |
| Hudson Bay School Project | 111,029 | - | 53,216 | 57,813 |
| Information Technology Renewal | 20,565 | - | 20,565 | - |
| Non-School Buildings | 1,415,597 | - | 593,890 | 821,707 |
| Surveillance Equipment Replacement | - | 272,000 | - | 272,000 |
| Telephone System Replacement | 8,645 | 51,355 | 60,000 | - |
| Vehicle Replacement | 50,000 | 120,000 | 48,752 | 121,248 |
| | 2,900,756 | 1,298,355 | 1,864,763 | 2,334,348 |
| Other: | | | | |
| Improved Learning Environment of Students | 226,772 | - | 162,214 | 64,558 |
| Invitational Shared Services Initiatives (ISSI) | 7,499 | 150,000 | 151,661 | 5,838 |
| School Budget Carryover | 240,408 | 1,615,704 | 1,503,392 | 352,720 |
| School Generated Funds | 968,567 | 1,600,499 | 1,460,647 | 1,108,419 |
| School Improvement Initiative | 387,869 | - | 324,008 | 63,861 |
| Teachers for Diversity and Small Schools | 2,000,000 | - | 84,489 | 1,915,511 |
| Tisdale Office Minor Renovations | 45,670 | - | 45,670 | - |
| Contingency | 5,800,000 | - | 792,710 | 5,007,290 |
| | 9,676,785 | 3,366,203 | 4,524,791 | 8,518,197 |
| Unrestricted Surplus | 5,252,497 | 55,511,185 | 57,001,871 | 3,761,811 |
| Total Accumulated Surplus | \$ 84,478,453 | \$ 65,672,425 | \$ 68,578,001 | \$ 81,572,877 |

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- (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 the Externally 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 of Education.

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

Bus Fleet Renewal represents funds to purchase replacement buses.

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

Computer Software Replacement and Software Upgrades represents funds required to purchase software for Transportation Services and upgrade and/or replace the software for Employee Services, Payroll Services and Financial Services.

Digital Projector Replacement represents funds required to provide for the replacement of projectors at schools.

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.

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

Surveillance Equipment Replacement represents funds to replace surveillance equipment at various schools during the fiscal years of 2018-19, 2020-21 and 2022-23.

Telephone System Replacement represents funds required to provide for the replacement of all phone systems by 2017-18.

Vehicle Replacement represents funds required to provide for the replacement of three vehicles that have reached the end of their useful life.

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.

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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 residual 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.

Teachers for Diversity and Small Schools represents the balance set aside to be used to fund diversity teachers and additional teachers at smaller schools.

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.

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 May 30, 2017 and the Minister of Education on August 28, 2017.

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, Saskatchewan Health Authority, colleges, and crown corporations under the common control of the Government of Saskatchewan. Related parties of the school division also include its key management personnel, close family members of its key management personnel, and entities controlled by, or under shared control of any of these individuals.

Related Party Transactions

Transactions with these related parties have occurred and been settled on normal trade terms.

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| | 2018 | 2017 |
|---|----------------------|----------------------|
| Revenues: | | |
| Boards of Education | \$ 1,000 | \$ 3,500 |
| Cumberland Regional College | 108,652 | 123,367 |
| Ministry of Education - Capital Funding | 1,530,633 | 1,335,506 |
| Ministry of Education - Operating Grant | 50,034,831 | 44,254,486 |
| Saskatchewan Government Insurance | 181,149 | 196,427 |
| Saskatchewan Health Authority | 31,752 | 30,866 |
| | \$ 51,888,017 | \$ 45,944,152 |
| Expenses: | | |
| Boards of Education | \$ 37,995 | \$ 110,595 |
| Cumberland Regional College | 240,767 | 233,208 |
| Minister of Finance | 33,362 | 30,710 |
| Saskatchewan Government Insurance | 119,627 | 111,516 |
| Saskatchewan Health Authority | 3,243 | 2,000 |
| Saskatchewan Polytechnic | 5,865 | 510 |
| Saskatchewan Power Corporation | 979,862 | 943,756 |
| Saskatchewan Telecommunications Holding Corporation | 189,759 | 533,786 |
| Saskatchewan Transportation Company | - | 1,389 |
| Saskatchewan Workers' Compensation Board | 169,045 | 174,091 |
| SaskEnergy Incorporated | 378,699 | 439,324 |
| | \$ 2,158,224 | \$ 2,580,885 |
| Accounts Receivable: | | |
| Cumberland Regional College | \$ 293 | \$ 13,958 |
| Ministry of Education - Early Years Branch | 570 | - |
| Minister of Finance | 468 | - |
| Saskatchewan Government Insurance | 39,319 | 36,643 |
| | \$ 40,650 | \$ 50,601 |
| Prepaid Expenses: | | |
| Saskatchewan Government Insurance | \$ 54,496 | \$ 50,601 |
| Saskatchewan School Boards Association | 26,206 | 31,830 |
| Saskatchewan Telecommunications Holding Corporation | 21,115 | 40,221 |
| Saskatchewan Workers' Compensation Board | 57,073 | 55,269 |
| | \$ 158,890 | \$ 177,921 |
| Accounts Payable and Accrued Liabilities: | | |
| Minister of Finance | \$ 401 | \$ 928 |
| SaskEnergy Incorporated | 3,707 | 60,838 |
| Saskatchewan Power Corporation | 153,660 | 154,527 |
| Saskatchewan Transportation Company | - | 191 |
| | \$ 157,768 | \$ 216,484 |
| Deferred Revenue: | | |
| Cumberland Regional College | \$ 7,413 | \$ 7,334 |
| | \$ 7,413 | \$ 7,334 |

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.

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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 | |
|--|-------------------|-------------------|
| | 2018 | 2017 |
| Cash and short-term investments | \$ 184,076 | \$ 197,623 |
| Portfolio investments | 474,008 | 466,011 |
| Total Assets | 658,084 | 663,634 |
| Revenues | | |
| Contributions and donations | 45 | 20,155 |
| Interest on investments | 11,077 | 9,390 |
| | <u>11,122</u> | <u>29,545</u> |
| Expenses | | |
| Scholarships paid | 16,672 | 36,155 |
| | <u>16,672</u> | <u>36,155</u> |
| Deficiency of Revenues over Expenses | (5,550) | (6,610) |
| Trust Fund Balance, Beginning of Year | 663,634 | 670,244 |
| Trust Fund Balance, End of Year | \$ 658,084 | \$ 663,634 |

18. CONTRACTUAL RIGHTS

Significant contractual rights of the school division are as follows:

- Hudson Bay Child Care Co-operative lease contract expiring on August 31, 2025.
- Melfort Daycare lease contract expiring on March 31, 2020.
- Quilly Willy Early Learning Childcare Centre lease contract expiring on March 31, 2020.
- Operating Agreement between the North East School Division, Cumberland Regional College, Town of Tisdale and the Saskatchewan Health Authority for the maintenance of the joint use facility. The lease shall continue indefinitely, with the facility having a useful life until August 31, 2045.
- Cumberland Regional College space rental at Melfort Unit Comprehensive Collegiate. The lease shall continue indefinitely, with the facility having a useful life until August 31, 2043.
- Town of Hudson Bay operating agreement for the maintenance of the Hudson Bay Community School expiring on August 31, 2040.

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| | Hudson Bay Child Care Co-operative | Melfort Daycare | Quilly Willy Early Learning Childhood Centre | Operating Agreement for Joint Facility | Cumberland Regional College | Town of Hudson Bay |
|-------------------------------------|--|------------------|---|--|-----------------------------------|-----------------------|
| 2019 | \$ 12,240 | \$ 25,421 | \$ 15,576 | \$ 97,809 | \$ 88,004 | \$ 4,822 |
| 2020 | 12,240 | 14,829 | 9,086 | 97,809 | 88,004 | 4,822 |
| 2021 | 12,240 | - | - | 97,809 | 88,004 | 4,822 |
| 2022 | 12,240 | - | - | 97,809 | 88,004 | 4,822 |
| 2023 | 12,240 | - | - | 97,809 | 88,004 | 4,822 |
| Thereafter | 24,480 | - | - | 2,151,809 | 1,760,076 | 81,974 |
| Total Contractual Rights | \$ 85,680 | \$ 40,250 | \$ 24,662 | \$ 2,640,854 | \$ 2,200,096 | \$ 106,084 |

19. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

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

- Construction contract with Thorpe Industries Ltd. for the roof replacement project at Bjorkdale School. The value of the work to be completed in the contract totals approximately \$180,000.
- Purchase of one 70-passenger bus from Western Canada IC Bus Inc. that had been ordered during 2017-18 and delivered in 2018-19. The value of the bus purchase totals approximately \$107,500.
- Xerox Canada Ltd. photocopier operating lease obligations, as follows:

| Copier Lease Totals | |
|---------------------------------------|-------------------|
| Future minimum lease payments: | |
| 2019 | \$ 113,245 |
| 2020 | 113,245 |
| 2021 | 113,245 |
| 2022 | 113,245 |
| 2023 | 28,311 |
| Total Lease Obligations | \$ 481,291 |

20. COMPARATIVE INFORMATION

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

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21. 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 other accounts receivable as at August 31, 2018 was:

| | August 31, 2018 | | | | |
|------------------------|-------------------|-------------------|-------------|---------------|-------------------|
| | Total | Current | 30-60 days | 60-90 days | Over 90 days |
| Other Receivables | \$ 333,547 | \$ 118,495 | \$ - | \$ 570 | \$ 214,482 |
| Net Receivables | \$ 333,547 | \$ 118,495 | \$ - | \$ 570 | \$ 214,482 |

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

ii) Liquidity Risk

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

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

| | August 31, 2018 | | | | |
|--|----------------------|---------------------|-----------------------|---------------------|---------------------|
| | Total | Within 6 months | 6 months to 1 year | 1 to 5 years | > 5 years |
| Accounts payable and accrued liabilities | \$ 2,567,759 | \$ 2,567,759 | \$ - | \$ - | \$ - |
| Long-term debt (includes interest) | 11,061,697 | 351,165 | 351,165 | 2,809,320 | 7,550,047 |
| Total | \$ 13,629,456 | \$ 2,918,924 | \$ 351,165 | \$ 2,809,320 | \$ 7,550,047 |

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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% per annum. 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, 2018.

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.