

1. IN-CAMERA SESSION

2. CALL TO ORDER

3. ADOPTION OF AGENDA

Proposed Motion: That the agenda be adopted (as presented) or (as amended).

4. ADOPTION OF MINUTES

a) Minutes of Regular Meeting – [2017 10 24-Regular Board minutes-FINAL.pdf](#)

Proposed Motion: That the minutes of the Regular Meeting of October 24, 2017 be adopted (as presented) or (as amended).

5. DELEGATIONS & SPECIAL PRESENTATIONS

Mark Jensen, Coordinator of Continuous Improvement and Reporting

- 2016-2017 NESD Annual Report - [2016-17 NESD Annual Report-FINAL.pdf](#)

6. CONSENSUS AGENDA ITEMS

Proposed Motion: That the following consent items be received and recommendations be approved as presented:

- Information Items
- Correspondence

7. DISCUSSION/DECISION - BOARD DIRECTION

A. New Business

1. Maude Burke School Portables - [Maude Burke-Request for Portables-FINAL.pdf](#)
2. Replace Division Office Vehicle - [Replacement Vehicle-0.pdf](#)

B. Monitoring and Reporting Items

1. 2016-2017 Annual Report - [2016-17 NESD Annual Report-FINAL.pdf](#)
2. 2016-2017 Year End Financial Report - [Financial Information for the Year Ending Ending August 31 2017-FINAL.pdf](#)
3. 2016-2017 Audited Financial Statements - [2016-17 NESD DRAFT Audited Financial Statements v.112717.pdf](#)

C. Board of Education Strategic Direction Items

***8. INFORMATION ITEMS**

A. Director's Personnel Report - [2017 10-Director's Personnel Report Oct 1 - Oct 31 2017.pdf](#)

B. Out of Province Travel - [Out of Province-111617.pdf](#)

C. CONFIDENTIAL Student Suspensions -

D. Administrative Procedures - NONE

E. [PLT Pres to School Boards - FINAL-111017.pdf](#)

***9. CORRESPONDENCE**

a. [Min of Ed-NESD-Northern Skies Christian School-102617.pdf](#)

10. SASKATCHEWAN SCHOOL BOARDS ASSOCIATION

a. [SSBA Impact of Provincial Governance Cuts to Boards of Education-111317.pdf](#)

b. **CONFIDENTIAL - [SSBA-Payee list-111317-CONFIDENTIAL.pdf](#)**

c. [Strategic Issues Committee-111317.pdf](#)

d. [SSBA-Cannabis legalization-111317.pdf](#)

e. [SSBA Follow Up Survey-2017 Fall.pdf](#)

f. [SSBA-Information on Curriculum Development.pdf](#)

11. IDENTIFICATION OF EMERGENT ITEMS FOR NEXT MEETING

12. ADJOURNMENT

13. TEN MINUTE RECESS AND MEDIA INTERVIEWS (if necessary)

14. CLOSED SESSION ROUNDTABLE AND MEETING REVIEW

Complete Board Package -

MINUTES OF A MEETING: of the Board of Education of the North East School Division No. 200 of Saskatchewan, held on Tuesday, October 24, 2017 at 1:00 at the Division Office, Melfort, Saskatchewan.

PRESENT:

Randy Ariss	Richard Hildebrand	Director of Education: Don Rempel
Michael Botterill	Lori Kidney	Supt. of Business Admin.: Wanda McLeod
Linda Erickson	Ted Kwiatkowski	
Bob Gagné	Luke Perkins - Chair	
Todd Goudy	Marla Walton	

CALL TO ORDER – 1:05pm.

ADOPTION OF AGENDA

2017-10-92 B. Gagné moved that the agenda be adopted as presented. *CARRIED*

MINUTES

2017-10-93 L. Kidney moved that the minutes of the Regular Board Meeting held on September 26, 2017 be adopted as presented. *CARRIED*

SPECIAL PRESENTATION – no presentation for this meeting.

CONSENSUS ITEMS

2017-10-94 T. Kwiatkowski moved that the following consent items be received and recommendations be approved by the Board as presented: *CARRIED*

- ❖ Information Items
- ❖ Correspondence

NEW BUSINESS

2017-10-95 M. Walton moved that the Board approve the submission of the following new 2018-19 relocatable classroom requests, in order of priority, to the Ministry of Education for funding support: Brunswick School (2), Maude Burke School (2), Tisdale Elementary School (2) and Central Park School (2). *CARRIED*

2017-10-96 M. Botterill moved that the Board approve that the list of North East School Division voting delegates at the Saskatchewan School Board Association 2017 Annual General Meeting be as follows, with the number of votes in brackets: *CARRIED*

- Luke Perkins (2)
- Marla Walton (2)
- Todd Goudy (2)
- Linda Erickson (2)
- Lori Kidney (2)
- Bob Gagné (1)
- Michael Botterill (1)
- Randy Ariss (1)
- Richard Hildebrand (1)
- Ted Kwiatkowski (1)

MONITORING AND REPORTING ITEMS

- 2017-10-97 R. Hildebrand moved that the Board approve, as a monitoring report, the October 2017 Wall Walk for the key data sets of the North East School Division. *CARRIED*
- 2017-10-98 M. Walton moved that the Board receive the 2016-2017 annual reports for the North East School Improvement Projects. *CARRIED*
- 2017-10-99 T. Kwiatkowski moved that the board approve the 2017-2018 Learning Improvement Plans for the schools of the North East School Division. *CARRIED*

STRATEGIC DIRECTION ITEMS

- 2017-10-100 L. Erickson moved that the North East School Division Strategic Plan 2017-2021 be adopted. *CARRIED*
- 2017-10-101 R. Hildebrand moved that the Board of Education has reviewed the goals of the director of education and found them acceptable. *CARRIED*

ADJOURNMENT

- 2017-10-102 B. Gagné moved that the Board Meeting adjourn at 2:10pm. *CARRIED*

Board Chairperson

Superintendent of Business Administration



NESD Board of Education

Meeting Date: November 28, 2017

Topic: Maude Burke School – Request for Portables

MEETING	AGENDA ITEM	INTENT
<input checked="" type="checkbox"/> Board Meeting	<input checked="" type="checkbox"/> New Business	<input type="checkbox"/> Information
<input type="checkbox"/> Committee of the Whole	<input type="checkbox"/> Board Strategic Direction	<input checked="" type="checkbox"/> Decision
	<input type="checkbox"/> Monitoring or Reporting Items	<input type="checkbox"/> Discussion
	<input type="checkbox"/> Information Items	
	<input type="checkbox"/> Correspondence	

BACKGROUND

Due to the enrolment level at Maude Burke School, a portion of the library has been converted into a classroom and the prekindergarten program has been relocated to Reynolds Central School. As a result, Administration would like to request that the North East School Division fund the addition of two portables onto the Maude Burke School building.

CURRENT STATUS

The Minister of Education, Bronwyn Eyre, would need to approve this request. Please see attached the proposed submission that could be sent to the Ministry. This submission also contains more information about this request.

RECOMMENDATION

Proposed motion:

That the Board approve the use of up to \$800,000 from Internally Restricted: Accumulated Surplus – Contingency to fund the addition of two portables onto Maude Burke School.

PREPARED BY	DATE	
Don Rempel, Director of Education Wanda McLeod, Superintendent of Business Administration	November 21, 2017	<ul style="list-style-type: none"> Proposed Submission to the Ministry of Education regarding the Request for Portables by Maude Burke School

**North East School Division
Submission to the Ministry of Education
Maude Burke School: Request for Portables
November 15, 2017**

Background Information

Maude Burke School is a prekindergarten to grade six school with an enrolment at September 30, 2017 of 207 without prekindergarten and 223 with prekindergarten and a projected enrolment at September 30, 2018 of 208 without prekindergarten and 224 with pre-kindergarten. Built in 2001, Maude Burke School is the newest school in the Melfort area. The facility is 2,397 square meters and has had no additions or major renovations to date.

Maude Burke School has a classroom that housed kindergarten in the morning and then pre-kindergarten in the afternoon. This classroom is designed to meet current requirements, with a separate entry and dedicated washroom. At one point, the kindergarten class became too large, therefore, it was split into a morning and afternoon program and the pre-kindergarten class was forced to move to a regular classroom.

Due to limited space in the school, at the beginning of the 2016-17 school year, the prekindergarten program at Maude Burke School moved to Reynolds Central School. This is similar to Brunswick School. The prekindergarten program at Brunswick School has been moved outside of the neighbourhood to Reynolds Central School. All schools are in Melfort.

Please refer to Appendix A for the projected enrolment in each grade in September 2018 and the number of classrooms available in the school.

Project Description

The North East School Division would like to self-fund the purchase of two portable classrooms for Maude Burke School. The north end of the school was designed for portables to be attached to the school. The hallway could be extended with a portable on either side.

Project Outcomes

Prekindergarten

Currently, the neighbourhood prekindergarten students are being bused to Reynolds Central School and then return to Maude Burke School for kindergarten. This requires the prekindergarten students to transition to two different school environments – first the prekindergarten school and then the kindergarten school.

One of the two portables would be used to return the prekindergarten program to the neighbourhood school.

Classroom in the Library

Currently, there is a grade 3/4 class in the library of Maude Burke School. This requires some careful planning on the part of the staff and students. There is only a partition in the library; therefore, to prevent the disruption of the 3/4 class, any class that requires the library must plan to visit the library while the grade 3/4 class is in the gym. (Please refer to Appendix B.) The librarian has also accommodated this by providing books to a classroom using a cart.

The second portable would be used to move the grade 3/4 class from the library.

Financial Implications

The North East School Division would like to fund the two portables using a portion of the internally restricted accumulated surplus that has been designated as contingency. The contingency balance in the August 31, 2017 draft audited financial statements is \$5.8 million. There are no plans to use any of this balance during 2017-18.

The expected cost of the two portables and the attachment to Maude Burke School is approximately \$800,000.

Conclusion

The current building footprint is not in the best interest of the students at Maude Burke School. The addition of two portables would solve two issues faced by the school: the prekindergarten students not attending their neighbourhood school and students forced to use library space as a classroom. The North East School Division would like to request that the Ministry approve the addition of two portables to Maude Burke School with the project being fully funded by the North East School Division.

Appendix A: Planning Classrooms in 2018-19

<i>Projections for September 30, 2018:</i>		
<i>Class</i>	<i>Enrolment</i>	<i>Number of Classrooms Required</i>
Prekindergarten	16	1
Kindergarten	25	1
Grade 1	35	2
Grade 2	26	1
Grade 2/3	27	1
Grade 4	22	1
Grade 4/5	22	1
Grade 5	23	1
Grade 6	28	1
Totals	224	10

There are seven classrooms in the school with a size of 80 square meters and one room (formerly a computer lab) with a size of 69 square meters. This provides eight classrooms in the school.

Appendix B: Classroom in the Library





NESD Board of Education

Meeting Date: November 28, 2017

Topic: Replacement Vehicle

MEETING	AGENDA ITEM	INTENT
<input checked="" type="checkbox"/> Board Meeting	<input checked="" type="checkbox"/> New Business	<input type="checkbox"/> Information
<input type="checkbox"/> Committee of the Whole	<input type="checkbox"/> Board Strategic Direction	<input checked="" type="checkbox"/> Decision
	<input type="checkbox"/> Monitoring or Reporting Items	<input type="checkbox"/> Discussion
	<input type="checkbox"/> Information Items	
	<input type="checkbox"/> Correspondence	

BACKGROUND

Historically, the vehicles owned by the North East School Division have been replaced after 200,000 kilometers of usage has been reached.

CURRENT STATUS

Division Office has a 2011 Taurus that is currently at 179,000 kilometers; however, the vehicle is now requiring more and more repairs.

As the vehicle was only at the 179,000 kilometer point, the replacement of the vehicle was not included in the 2017-18 budget. Administration would like to request a board motion to approve the purchase of a replacement vehicle from the unrestricted accumulated surplus. This early replacement will also reduce pressure on the 2018-19 budget.

Administration prefers to drive a small SUV, especially during the winter months. At this early stage, the cost of this vehicle is estimated to be between \$26,000 and \$40,000. When information services purchased a small SUV during 2016-17, the actual cost was \$26,180. Administration expects a similar cost for this SUV.

RECOMMENDATION

Proposed motion:

That the Board approve the use of up to \$40,000 of the unrestricted accumulated surplus to purchase a replacement vehicle for division office with a cost of up to \$40,000.

PREPARED BY	DATE	ATTACHMENTS
Wanda McLeod, Superintendent of Business Administration	November 20, 2017	



NESD Board of Education

Meeting Date: November 28, 2017

Topic: 2016-17 NESD Annual Report

MEETING	AGENDA ITEM	INTENT
<input checked="" type="checkbox"/> Board Meeting	<input type="checkbox"/> New Business	<input type="checkbox"/> Information
<input type="checkbox"/> Committee of the Whole	<input type="checkbox"/> Board Strategic Direction	<input checked="" type="checkbox"/> Decision
	<input checked="" type="checkbox"/> Monitoring or Reporting Items	<input type="checkbox"/> Discussion
	<input type="checkbox"/> Information Items	
	<input type="checkbox"/> Correspondence	

BACKGROUND

Each year all school divisions are required to submit annual reports to the Minister of Education for tabling in the Saskatchewan Legislature. The tabling occurs no later than December 29, 2017. Reports must be submitted to the Ministry no later than November 30, 2017.

CURRENT STATUS

Three preliminary submissions have already been made to the Ministry. Feedback was received and revisions made based upon the Ministry feedback. The Annual Report complete with the Audited Financial Statements have been finalized and are now ready for Board approval. Mark Jensen will be present at the upcoming Board to answer any questions regarding the Annual Report.

RECOMMENDATION

Proposed Board Motion

That the Board approves the 2016-17 Annual Report for the North East School Division No. 200 as presented.

PREPARED BY	DATE	ATTACHMENTS
Mark Jensen, Coordinator of Continuous Improvement and Reporting	November 23, 2017	2016-17 NESD Annual Report



North East School Division #200

2016-17 Annual Report

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School Division Contact Information

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

402 Main Street, Box 6000, Melfort, SK S0E 1A0

Phone: 306-752-5741

Toll free: 1-800-752-5741

Fax: 306-752-1933

Website: www.nesd.ca

Email: rempel.don@nesd.ca



Letter of Transmittal



Honourable Bronwyn Eyre
Minister of Education

Dear Minister Eyre:

The Board of Education of North East School Division#200 is pleased to provide you and the residents of the school division with the 2016-17 annual report. This report outlines activities and accomplishments of the school division and provides audited financial statements for the fiscal year September 1, 2016 to August 31, 2017.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Luke Perkins". The signature is fluid and cursive, with a horizontal line underneath.

Luke Perkins
Chairperson

Introduction

This annual report presents an overview of the North East School Division's goals, activities and results for the fiscal year September 1, 2016 to August 31, 2017.

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.

School Division Profile

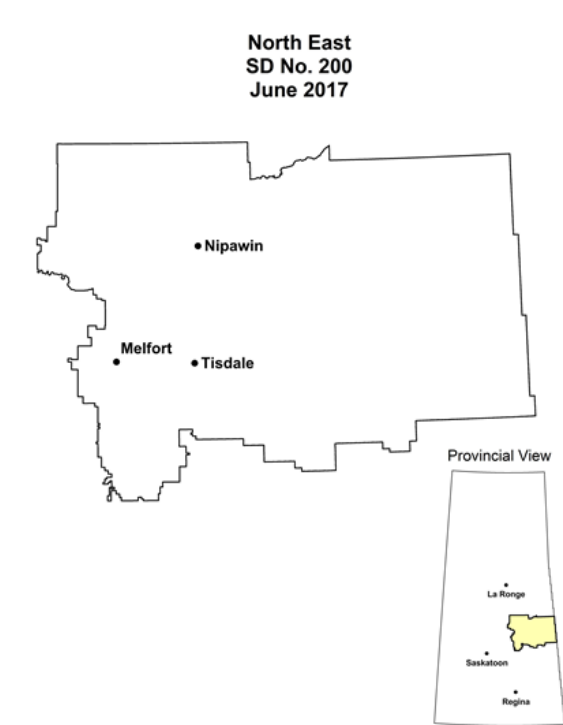
About Us

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.

Program Overview

Schools in North East School Division are diverse and offer a broad range of academic, practical/vocational, fine arts and extra-curricular programs in well maintained facilities. Each one of our twenty-one 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

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 2016-17 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 2016-17 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. 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 SCC representation at times.

The Education Regulations, 2015 require school divisions to undertake orientation, training, development and networking opportunities for their SCC members. In 2016-2017, a Board and SCC workshop was held. This workshop provided the Board and SCC members with exposure to the Blanket Exercise. The Blanket Exercise is a teaching tool to share the historical and contemporary relationship between Indigenous and non-Indigenous peoples in Canada. Following the exercise a talking circle took place including the Board and SCC members. The Board also hosted SCC elected members as well as north east municipal leaders to its Annual General Meeting where dinner was provided to invited guests and members of the public. The well attended stakeholder evening included a “town-hall” question and answer portion that was directed by the stakeholders themselves.

The Regulations also require School Community Councils to work with school staff to develop an annual School Level Plan that is aligned with the School Division’s Strategic Plan and to recommend that plan to the Board of Education. In 2016-17, 20 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 \$4 per student as determined by the enrolment of the school. This produced a total of \$31,456 of funding for the SCCs in 2016-17. The Board also provided \$8,016 to the SCC members who attended Rural Congress. In 2016-17, the Board asked that the *ThoughtExchange* questionnaire be promoted within school communities and that SCCs host local focus groups to follow up on the school level data related to the drivers of student success.

In 2014-15, the Board of Education introduced the North East School Improvement Project support grant. This program provided opportunity for schools along with their SCCs to develop innovative programs and projects to enhance their students’ educational experience. The Board once again in 2016-17 dispersed over \$300,000 in additional funding to schools after an adjudication process. Projects ranged from outdoor classrooms to innovative reading support programs.

School Division in the Community

Community Involvement

Research has shown that students achieve at higher levels in school when their families and other community members are involved in their learning. The schools of North East School Division all have programs and initiatives to encourage community and family involvement.

A variety of individual programs also exist in schools that are unique to each community. In Nipawin, an Early Childhood Forum was held on April 7. This forum involved data presentations on child development from the Kelsey Trail Health Region, North East School Division, Kids First, Prince Albert Grand Council, the Town of Nipawin, and the Rotary. The forum led to gathering data from the 75 participants and developing a strategic plan to support children and families in the Nipawin region.

North East School Division partnered with several agencies in the towns of Porcupine Plain and Tisdale to host a Children's Fair (Paw Patrol Birthday Party) for 2-4 year olds. The aim was to promote childhood development by engaging children in many activities. Caregivers were provided opportunities to ask questions and receive information on child development and services within their communities.

North East School Division students worked with Cumberland Regional College in the making of the "*Celebrating Indigenous Art 2017 Calendar*". The calendar features artwork by several of our North East School Division students. Calendars were sold with the profits being targeted towards a scholarship for a North East School Division student furthering their education at Cumberland Regional College.

The Melfort Burgers and Fries event is a community based volunteer run program, designed to increase agricultural and curricular awareness amongst students. Grade 3 students experience planting and growing in the spring, and as grade 4 students, in the fall, they experience the harvesting and consumption aspects. Various engaging curricular activities led by industry volunteers allows students to investigate and learn agricultural contributions locally, provincially, and worldwide. Maude Burke, Brunswick, Reynolds, and Gronlid schools continue to participate in this amazing program hosted by Gateway Veterinary Clinic in Melfort.

North East School Division hosted Level 1 Violence Threat Risk Assessment (VTRA) training. The training was structured for professionals in schools and school systems to conduct the actual visual threat/risk assessments. Local area RCMP and Prince Albert City Police were represented during the training. Further training and planning between North East School Division and police services will continue the following year with Level 2 training.

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 supported 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, the Kelsey Trail Health Region, KidsFirst, Northeast Daycare Directors Cooperative and neighbouring First Nations. This partnership aims at providing the best possible start in life for all young children in the north east. The partnership focuses on supporting families with the enhancement of their children's physical, social, emotional and intellectual development.

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

In 2016-17, North East School Division continued its partnership with the Nipawin Community Mobilization Initiative – Hub, while at the same time being an active participant on the committee which developed a HUB for the community of Melfort. These are effective collaborative integrated multi-agency teams, building safer and healthier communities, reducing crime and victimization; accomplished through the mobilization of resources to address individuals/families with acutely elevated levels of risk as recognized across a range of service providers.

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 and its 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.

2016-17 was the third 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;
- Alignment of human, physical and fiscal resources.

Reading, Writing, Math at Grade Level and Unified Student Information System Business Case

OUTCOME:

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

PRIORITY:

Develop a business case to explore the feasibility of a provincial Unified Student Information System.

School division goals aligned with Reading, Writing and Math at Grade Level outcome and the Saskatchewan Reads priority

For the 2016-17 school year, North East School Division had the following goals aligned with the Reading, Writing, Math at Grade Level outcome:

- 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); and 100% of students using grade level rubrics based on provincial curriculum.
- Support teachers in building capacity in the area of literacy with professional learning opportunities.
- Monitor the performance of Grades 1-9 reading levels and support vulnerable readers with targeted interventions.

School division actions taken during the 2016-17 school year to achieve the targets and outcomes of the Reading, Writing, Math at Grade Level outcome and the Unified Student Information System Business Case priority

North East School Division administered the Reading Assessment District to all of its students in Grades 1-9. Coupled with this delivery, the Grades 7-9 teachers participated in moderating the assessments in the spring. This produced a greater understanding of reading processes as well as consistent documents for all grades, which included exemplars. In addition, all students in Grades 1-3 were assessed a minimum of three times during the year using the DLR and the North East School Division used the results to plan interventions and supports.

During the 2016-17 school year, the North East School Division enhanced teacher capacity through many professional learning opportunities. The North East School Division provided teachers training sessions in DLR, RAD and Levelled Literacy Intervention. The North East School Division also held a session on Writing for Grades 4-6 teachers and offered Grades 7-9 teachers a Literacy workshop in anticipation of the need to report writing in the 2017-18 school year. The group addressed instruction and assessment in both reading and writing at these sessions.

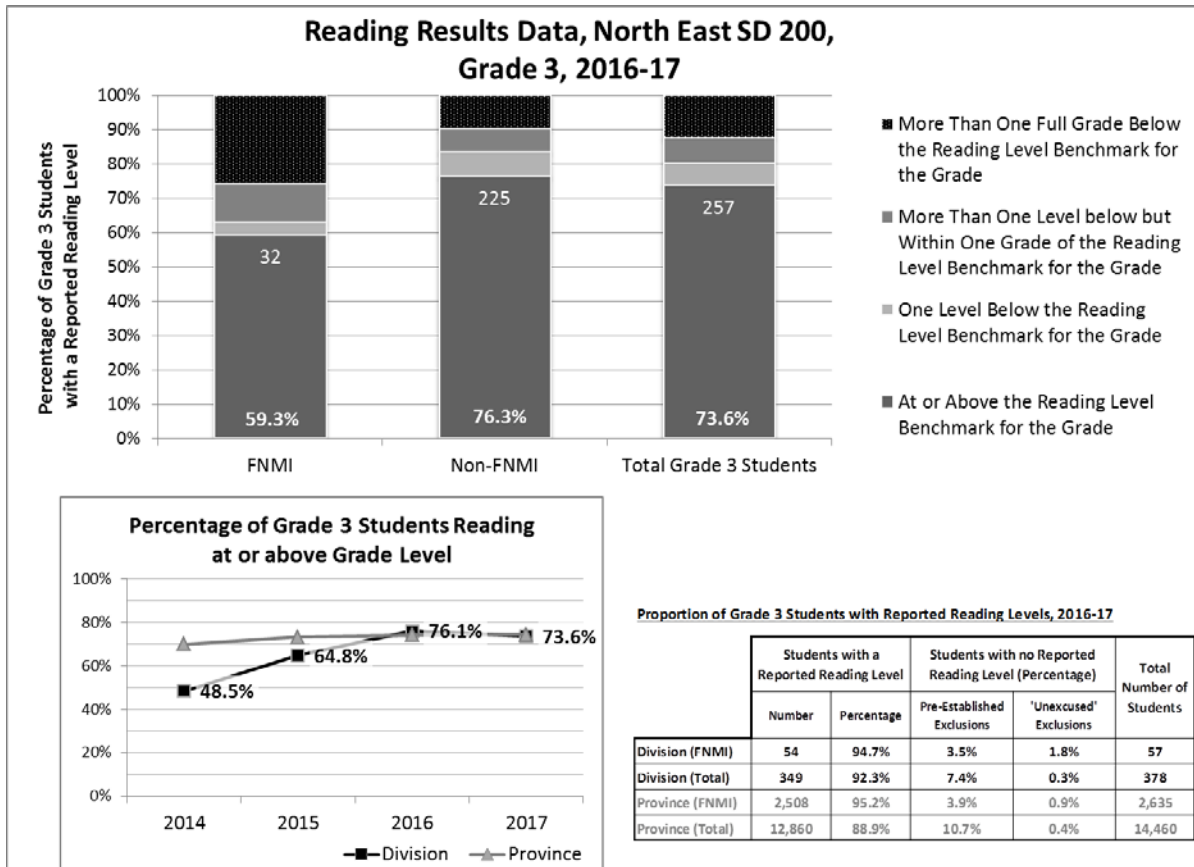
Using the available data sets the North East School Division collected in the area of literacy, teachers, administrators and support teams identified strengths and addressed challenges through planned interventions and resource enhancement. The North East School Division also purchased additional Levelled Literacy Intervention kits to address school needs.

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.

The following bar graph displays the percentage of Grade 3 students (FNMI, non-FNMI, all) by reading level grouping. 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 level groupings are based on provincially developed benchmarks. The percentages of students in each of the reading level groupings were found using the number of students with reported reading levels as the denominator in the calculations. Students who were excluded or who did not participate in the reading assessment were not included in the denominator for these calculations. Results for populations of fewer than 10 students have not been reported to avoid identifying individuals or very small groups of students. FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify as FNM or I, however, this category may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2017

Analysis of results

North East School Division reports 73.6% of its Grade 3 students were reading at or above the Reading Level Benchmark. North East School Division is disappointed this is down from the previous year's value of 76.1% and is now slightly below the provincial results. On a positive note, if we include those students who are only one level below the Reading Level Benchmark for Grade 3, North East School reaches the provincial goal of 80% with a value of 80.2%. The 2016-17 value of 73.6% was not all unexpected. In 2015-16, this cohort of students (then in Grade 2) had only 69.3% of students reading at grade level. On a positive note, a great proportion of these students are now reading at grade level, but are not performing as well as the previous years' group of Grade 3 students.

Where the results continue to be troublesome is with the gap between FNMI students and Non-FNMI students. In 2016-17, only 59.3% of Grade 3 FNMI students were reading at grade level while 76.3% of Non-FNMI students were reading at grade level. The gap has been reduced slightly, but not enough to consider it a celebration. The reason for this is North East School Division has 25.9% 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 these 14 students in the near future.

North East School Division is also pleased to report 92.3% of our students have a reported reading level. This includes 94.7% of the FNMI students within NESD with a reported reading level. Provincially, 88.9% of students have a reported reading level while 95.2% of the province's FNMI students have a reported reading level.

Improving First Nations and Métis Student Engagement and Graduation Rates and Following Their Voices

OUTCOME:

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

PRIORITY:

In partnership with First Nations and Métis stakeholders, implement the Following Their Voices Initiative

<p>School division goals aligned with the First Nations and Métis Student Engagement and Graduation Rates outcome and the Following Their Voices priority</p>	<p>For the 2016-17 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 FNM 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
<p>School division actions taken during the 2016-17 school year to achieve the targets and outcomes of the First Nations and Métis Student Engagement and Graduation Rates outcome and the Following Their Voices priority</p>	<p>For the 2016-17 school year, North East School Division trained all of its Career Guidance Personnel including the Graduation Mentor from Kinistin First Nation with the usage of <i>My Blueprint</i>. In 2017-18, all students including those from Kinistin will be utilizing <i>My Blueprint</i> to monitor student progress and assist with future career planning.</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. The teacher in Wagner School focused on a cohort of Grade five students and the teacher at LP Miller focused on supporting a cohort of Grade ten students. 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. Plans are in place to build capacity within each school.</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, schools were tasked with developing individual program plans aimed at supporting students to get back on track for graduation.</p> <p>North East School Division has initiated a dual credit Continuing Care Aide course for students in Melfort. Meetings with partners, Kelsey Trail Health Region (KTHR) and Cumberland Regional College (CRC) were established. A cohort group of students were</p>

identified to receive courses delivered from Sask Polytech via CRC and receive both high school and post-secondary credit.

Measures for Improving First Nations and Métis Student Engagement and Graduation Rates and Following Their Voices

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, 2016-17

Subject	All Students		Non-FNMI		FNMI	
	Province	North East	Province	North East	Province	North East
English Language Arts A 10 (Eng & Fr equiv)	73.3	79.5	76.4	80.3	61.0	74.2
English Language Arts B 10 (Eng & Fr equiv)	73.0	80.1	76.0	81.2	61.0	72.6
Science 10 (Eng & Fr equiv)	72.3	77.6	75.6	79.2	59.5	66.0
Math: Workplace and Apprenticeship 10 (Eng & Fr equiv)	72.8	80.9	76.2	82.1	61.5	73.4
Math: Foundations and Pre-calculus 10 (Eng & Fr equiv)	72.9	76.5	74.9	76.9	61.9	72.2
English Language Arts 20 (Eng & Fr equiv)	74.7	80.1	76.7	80.3	64.9	77.4
Math: Workplace and Apprenticeship 20 (Eng & Fr equiv)	67.4	70.9	70.2	71.7	61.4	65.2
Math: Foundations 20 (Eng & Fr equiv)	73.8	79.5	75.6	80.1	63.7	71.2

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, 2017

Analysis of results

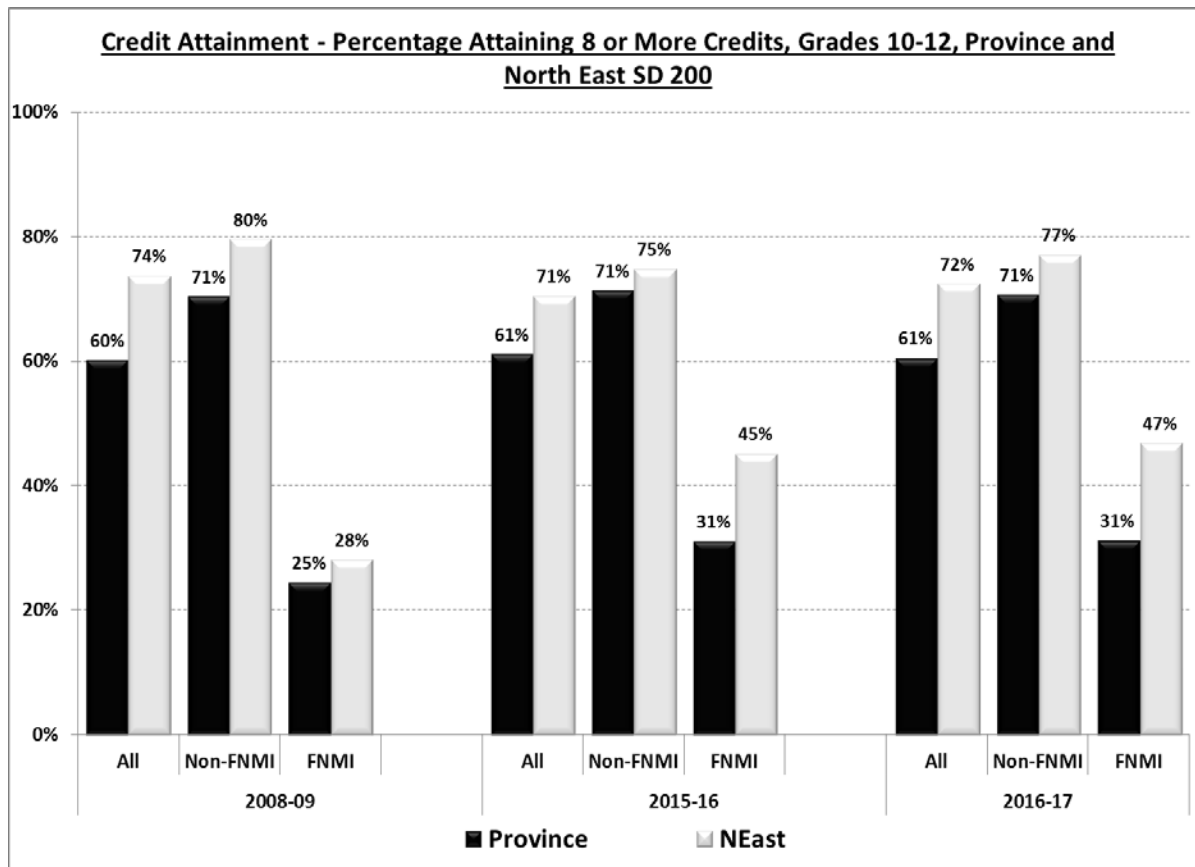
North East School Division is proud to continue to celebrate the academic accomplishments of its students. In 2016-17, the average final marks for all North East students exceeded the provincial results in all subject areas identified in the Average Final Marks for Selected Secondary-Level Courses. The 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 North East School Division. In all reported subject areas, Non-FNMI students out-perform the FNMI students. The smallest gap occurs in Workplace and Apprenticeship 20 where the difference is 3.8%. The largest gap occurs in English Language Arts A 10 is a gap of 13.2%. 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.



Notes: Proportions are calculated as the percentage of students enrolled at the secondary level on September 30 attaining eight or more credits yearly. Results for populations of 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, 2017

Analysis of results

Overall, North East School Division has had a slight increase in credit attainment from 71% of all Grades 10-12 students receiving eight or more credits in 2015-16 up to 72% in 2016-17. This trend is also true for the Non-FNMI students who witnessed an increase from 75% up to 77% over the same time period. The self-declared FNMI subpopulation in the North East School Division also had a greater percentage students obtain eight or more credits. This subpopulation's percentages increased from 45% to 47% from 2015-16 to 2016-17. 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 to make this 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, as they have attained just under 6 credits per year on average for the past 3 years.

Graduation Rates

Outcome:

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

Priority:

Identify and implement high impact strategies for supporting student engagement, retention, and graduation.

School Division goals aligned with the Graduation Rates outcome and priority

For the 2016-17 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.

School division actions taken during the 2016-17 school year to achieve the targets and outcomes of the Graduation Rates outcome

North East School Division continued the process during the 2016-17 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 2016-17 school year, the North East School Division Online Virtual School began the process of redesigning all of its online courses. This redesign allows for students, facilitators and teachers to better monitor the progress of individual students within each course. Student progress is monitored in real-time for the purpose of up-to-date monitoring and supervision.

North East School Division continued its partnership with both the Saskatchewan Rivers School Division and the South East Cornerstone School Division to expand its capability to correlate data between attendance and achievement. With this data, schools are more adept at identifying students with poor attendance who are at risk of not achieving credits.

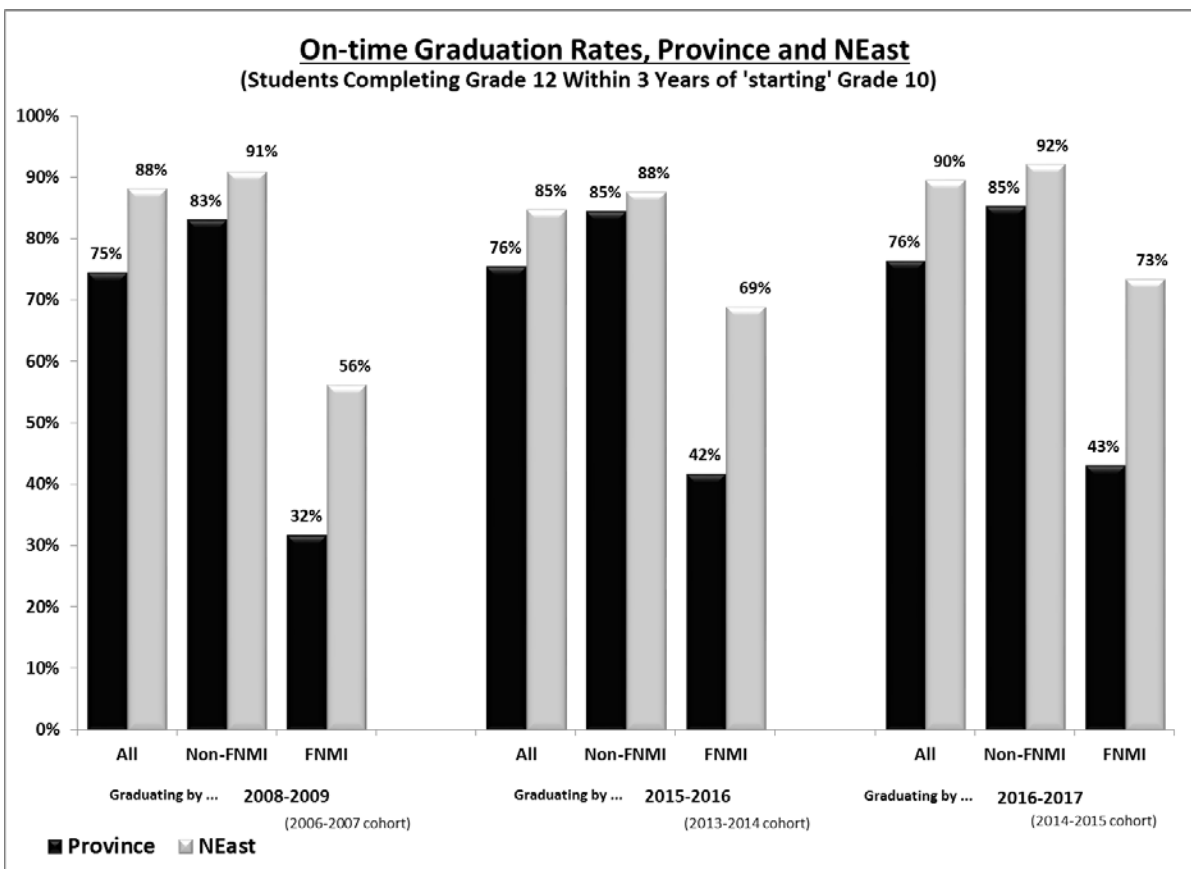
North East School Division established its Graduation Rates team following attending the inaugural Grad Rates Symposium that was held in Moose Jaw. This team is comprised of select school Principals, Coordinators and the FNME Consultant.

Measures for Graduation Rates

Grade 12 Graduation Rate: On-Time

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 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, 2017

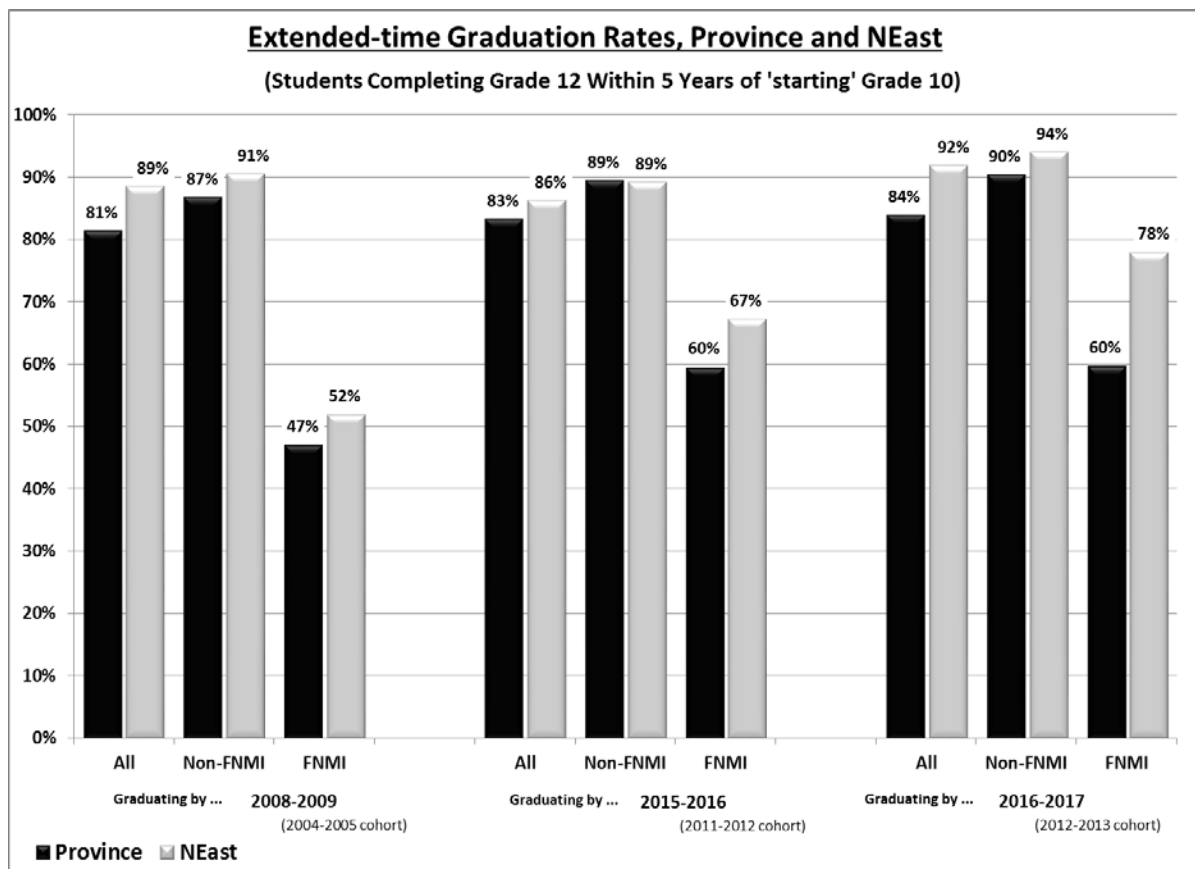
Analysis of results

North East School is proud to report an increase its On-time Graduation Rate. In June 2017, 90% of all North East School Division’s students graduated within three years of entering Grade 10 in 2014-2015, with 92% of Non-FNMI students and 73% of FNMI students graduating with the three-year window. All three of these values are higher than the previous year. A continuing area of concern is the FNMI graduation rate being lower than the Non-FNMI graduation rate. 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

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 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.



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, 2017

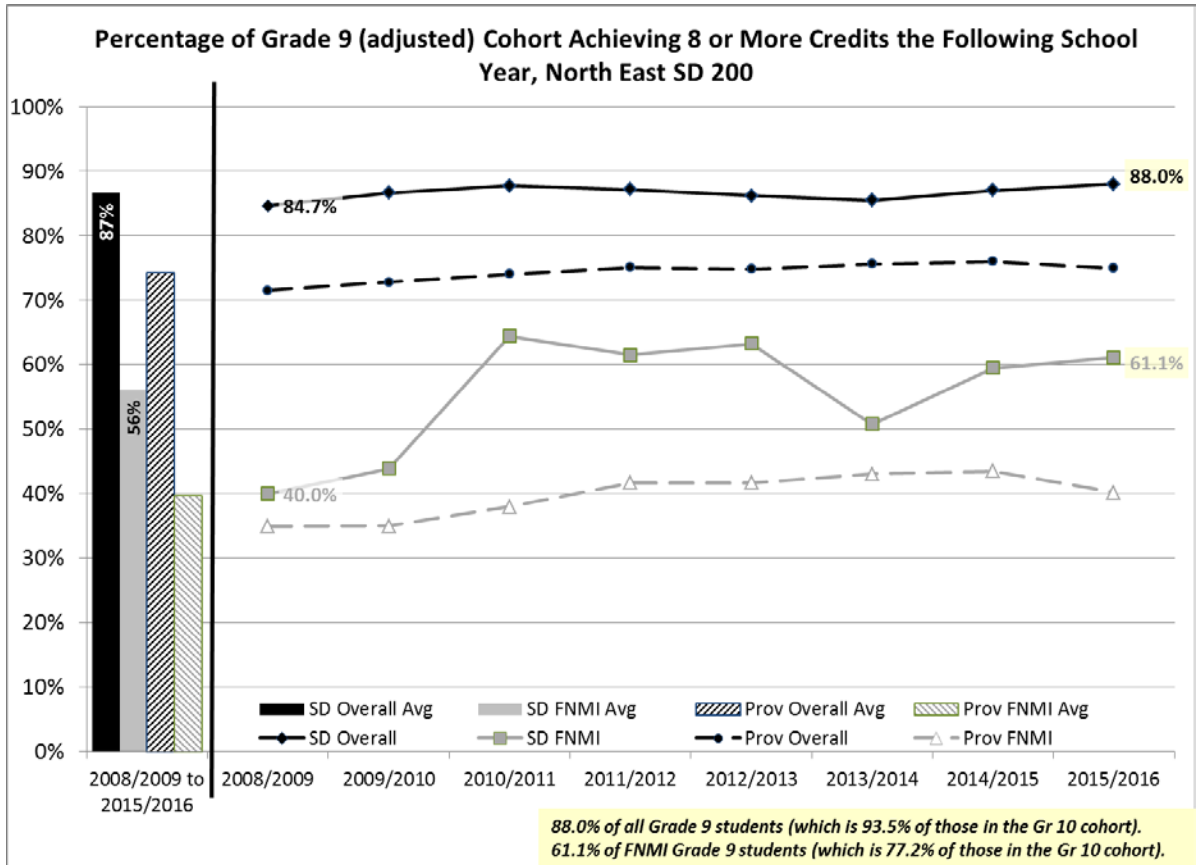
Analysis of results

In June 2017, 92% of all North East School Division's students graduated within five years of entering Grade 10 in 2012-2013, with 94% of Non-FNMI students and 78% of FNMI students graduating with the five-year window. The overall rate is 6% higher than the previous year which is attributable to both the Non-FNMI graduation rate and the FNMI graduation rate increasing. North East School Division is proud of the fact that the results in all three categories are equal to or 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 a 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 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: Percentages 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, 2017

Analysis of results

North East School Division is proud to report 88.0% of students enrolled in Grade 10 for the first time in 2016-17 achieved 8 or more credits, while 61.1% of FNMI students achieved 8 or more credits which is well ahead of the provincial results for the subpopulation of students (40.2%). Efforts are in place within the North East School Division, to ensure the FNMI subpopulation group's rate will return to its previous levels or higher. Our division's results are significantly better than the provincial results of 74.9% for all students, and 40.2% for FNMI students. Over the past 8 years, 87% of the NESD students and 56% 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.

Sector-Wide Efficiencies

Outcome:

By August 31, 2020, implement a sector-wide approach to find efficiencies and increase value add in order for the sector to be responsive to the challenges of student needs.

School division goals aligned with the Sector-Wide Efficiencies outcome

For the 2016-17 school year, North East School Division had the following goals that aligned with the Sector-Wide Efficiencies outcome:

- Participate in Value Stream Mapping events
- Participate in joint Request for Proposals (RFPs)

School division actions taken during the 2016-17 school year to achieve the targets and outcomes of the Sector-Wide Efficiencies outcome

North East School Division participated in one Continuous Improvement event. The Value Stream Mapping event centered on the project request process of the facilities department. Highlights of this event included increased communication, identified pain points, streamlined the process and ensured the process is customer focused.

North East School Division participated in two large joint Request for Proposals (RFPs). Both RFPs were a result of the work completed by school divisions constructing P3 schools: an RFP for school furniture and an RFP for physical education equipment.

Early Years

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.

School division goals aligned with the Early Years outcome

For the 2016-17 school year, North East School Division had the following goals aligned with the Sector-Wide Efficiencies outcome:

- By June 2017, 90% of our students exiting Kindergarten will score within the appropriate range in four of the five domains on 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).

School division actions taken during the 2016-17 school year to achieve the targets and outcomes of the Early Years outcome

The Prekindergarten and Kindergarten programs in the NESD utilize the 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, community forums, and other information opportunities to address the quality of child development.

The Help Me Tell My Story (HMTMS) assessment was unable to be conducted due to the online data collection malfunctioning. NESD schools participating in the HMTMS still utilized the story books, puppets, and set up family engagement opportunities for children to develop their oral language.

The ECERS-3 has enhanced the quality of early childhood environments, interaction, and quality programming in the Prekindergarten and Kindergarten programs in the NESD. The environments are welcoming, rich in resources, and provide strong interactions to enhance children's language and sense of belonging.

In 2016-17, North East School Division broadened its support for nutrition programs. The division now provides nutritional funding for healthy snacks to all Kindergarten students. The division continues to find equitable opportunities to disperse nutrition funding to all schools. An example of this is the division increasing the Prekindergarten nutrition funding to meet the needs of the students.

Measures for Early Years

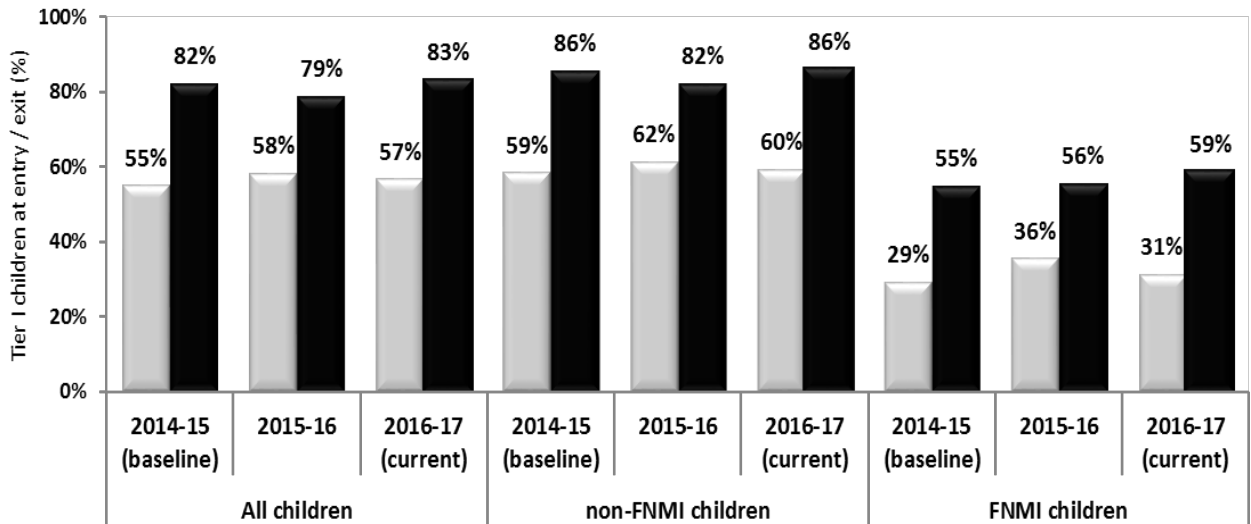
Early Years Evaluation

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. Responsive Tiered Instruction (RTI) is a preventive approach that allows educators, school teams and divisions to allocate resources early and continuously, rather than waiting until after children have experienced failure before responding.

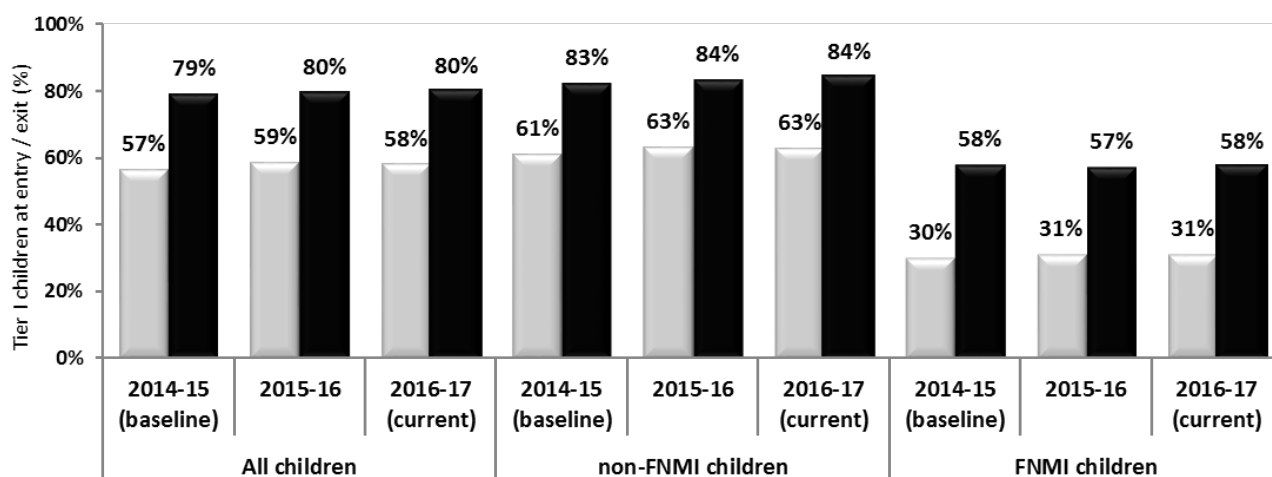
The following displays the percentage of children (all children, non-FNMI and FNMI) in the division assessed as Tier I at Kindergarten entry and after the Kindergarten year at exit, for the 2014-15 (baseline) year and the two years following, as well as the provincial results for each category.

Ready to Learn: Children screened at Tier I (%) on Early Years Evaluation – Teacher Assessment (EYE-TA) at Kindergarten entry and exit, 2014-15 (baseline), 2015-16, and 2016-17 (current)

North East SD



Saskatchewan (all divisions)



Children (%) at Tier I at Kindergarten entry

Children (%) at Tier I at Kindergarten 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, 2017

Analysis of results

North East School Division is pleased to report 83% of the Kindergarten children scored at Tier 1, up from 79% in 2015-16, showing their learning and development is typical of children the same age. These results are higher than the provincial average of 80%, but more importantly are 7% away from the provincial target. 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 only 17% by year's end, something the NESD is proud of. North East School Division reports only 59% of FNMI children are 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 2016-17, 4890 students were enrolled with the North East School Division. This is 83 students more than in 2015-16 (4807 students) and 16 students more than in 2014-15 (4874 students). For 2016-17 and for both of the previous years, the population of Kindergarten to Grade 3 students was significantly lower than the population of older students. This means that a trend of lower student population may return in the years ahead, as these students progress through the grades. North East School Division witnessed an increase of Self-Identified FNMI from 682 students in 2015-16 to 712 students in 2016-17. In 2016-17, North East School Division had 118 students classified as English as Additional Language. In 2015-16 North East School Division had 151 of these students. With the continued growth in immigrant population, we can expect this subpopulation to hold at its existing level or possibly increase. North East School Division strongly supports the smooth transition of its young learners into the school system. North East School Division has nine Prekindergarten programs being delivered in four communities, with a total space for 164 students, of which 146 students were enrolled. In the future we would like to see this delivery model expanded into other communities.

Students – North East SD

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

PreK	125	137	146
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Note: The table above identifies the actual number of students enrolled in each grade as of September 30 of each year.

Source: Ministry of Education, 2016

Subpopulation Enrolments	Grades			
		2014-15	2015-16	2016-17
Self-Identified FNMI	K to 3	195	210	212
	4 to 6	140	132	168
	7 to 9	211	168	155
	10 to 12	243	172	177
	Total	789	682	712
English as an Additional Language	1 to 3	73	53	36
	4 to 6	34	39	33
	7 to 9	27	32	20
	10 to 12	19	27	29
	Total	153	151	118

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

Source: Ministry of Education, 2016

Staff

Job Category	FTEs
Classroom teachers	288.9
Principals, vice-principals	19.9
Other educational staff (positions that support educational programming) – e.g., educational psychologists, educational assistants, school community coordinators, speech language pathologists	148.3
Administrative and financial staff – e.g., Chief Financial Officers, accountants, Information Technology people, supervisors, managers, administrative assistants, clerks	50.7
Plant operations and maintenance – e.g., caretakers, handypersons, carpenters, plumbers, electricians, gardeners, supervisors, managers	56.3
Transportation – e.g., bus drivers, mechanics, parts persons, bus cleaners, supervisors, managers	76.5
League of Educational Administrators, Directors and Superintents (LEADS) – e.g., director of education, superintendents	3.0
Total Full-Time Equivalent (FTE) Staff	643.6

Notes:

- The numbers shown above represent full-time equivalents (FTEs). The number of employees may be greater because some people work part-time or seasonally.
- Some individuals are counted in more than one category. For example, a teaching principal might be counted as 0.4 as a classroom teacher and 0.6 as a principal.

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.

School Division Infrastructure and Transportation

School List

School	Grades	Location
Arborfield School	K-12	Arborfield
Bjorkdale School	K-12	Bjorkdale
Brunswick School	K-6	Melfort
Carrot River Elementary School	K-4	Carrot River
Carrot River Junior and Senior High School	5-12	Carrot River
Central Park Elementary School	K-3	Nipawin
Gronlid School	K-12	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	2016-17 Cost
Brunswick School	Servery	New server for nutrition program	115,011
Tisdale Elementary School	Servery	Renovation of existing server for nutrition program	36,550
Tisdale Middle & Secondary School	Library	Replacement of floor in Library	54,150
Melfort and Unit Comprehensive Collegiate	Mechanical System	Mechanical system upgrade Phase 2 & 3: controls, mixing boxes to classrooms, gym air handler	1,882,636
Tisdale Office and Transportation Building	Renovation	Transportation and technology office space renovated and a wash bay addition to the bus shop area	834,010
Total			2,992,357

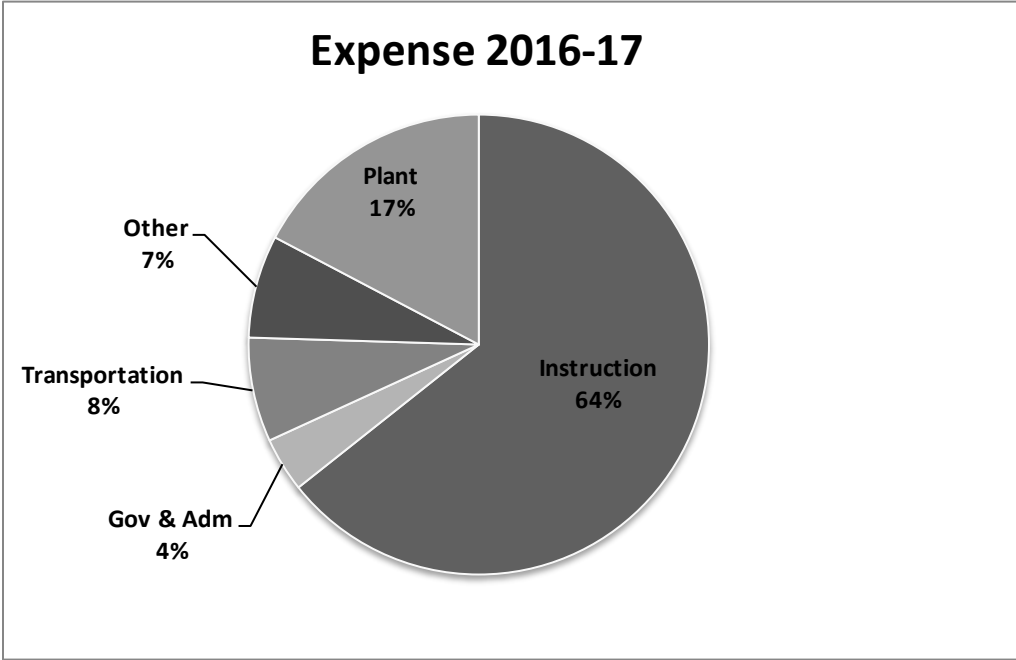
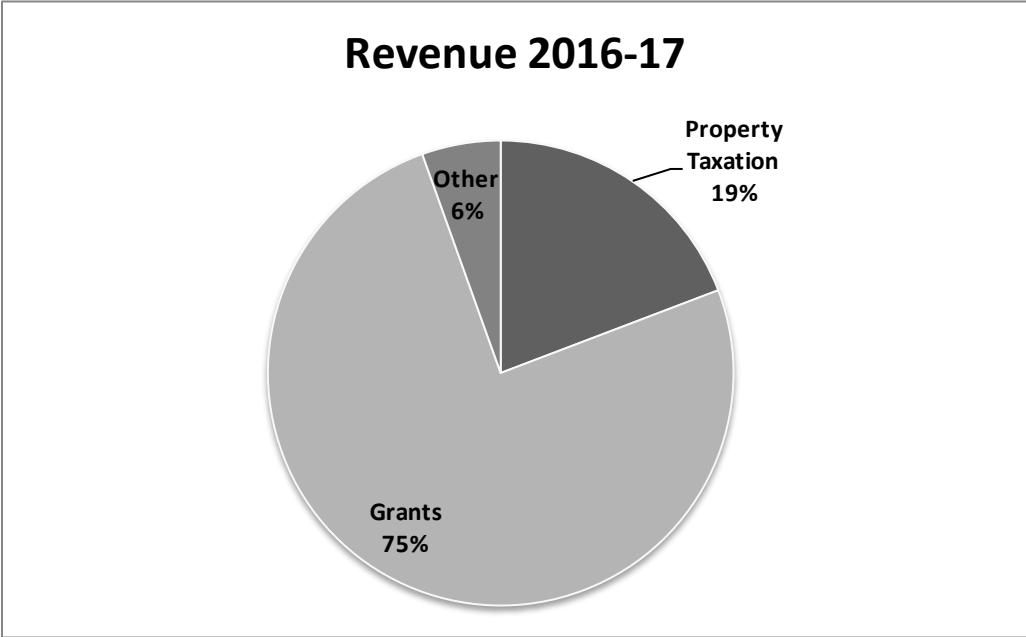
Transportation

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

North East School Division operates its own transportation service and owns a fleet of 97 buses (70 route buses and 26 spares) of various sizes. In addition, the school division utilizes taxis and/or wheelchair accessible vans in Hudson Bay, Melfort, Nipawin and Tisdale to provide transportation for special needs students.

Financial Overview

Summary of Revenue and Expenses



Budget to Actual Revenue, Expenses and Variances

	2017	2017	2016	Budget to Actual Variance	Budget to Actual % Variance	Note
	Budget	Actual	Actual	Over / (Under)		
REVENUES						
Property Taxation	11,010,960	11,529,652	10,867,537	518,692	5%	
Grants	44,960,995	45,208,021	47,177,822	247,026	1%	
Tuition and Related Fees	571,000	634,505	619,491	63,505	11%	1
School Generated Funds	1,029,150	1,320,672	1,533,168	291,522	28%	2
Complementary Services	608,832	607,348	609,245	(1,484)	0%	
External Services	130,143	129,241	134,433	(902)	-1%	
Other	574,600	592,003	664,360	17,403	3%	
Total Revenues	58,885,680	60,021,442	61,606,056	1,135,762	2%	
EXPENSES						
Governance	459,450	447,495	395,685	(11,955)	-3%	
Administration	2,203,421	2,029,480	2,524,352	(173,941)	-8%	3
Instruction	42,490,888	41,587,017	40,581,175	(903,871)	-2%	
Plant	10,238,897	11,176,198	9,836,985	937,301	9%	4
Transportation	4,762,053	4,738,579	4,140,304	(23,474)	0%	
Tuition and Related Fees	275,000	231,325	219,759	(43,675)	-16%	5
School Generated Funds	949,420	1,220,513	1,146,884	271,093	29%	6
Complementary Services	1,450,215	1,405,014	1,664,999	(45,201)	-3%	
External Services	228,208	212,738	203,698	(15,470)	-7%	7
Other Expenses	362,541	1,603,250	401,731	1,240,709	342%	8
Total Expenses	63,420,093	64,651,609	61,115,572	1,231,516	2%	
Surplus (Deficit) for the Year	(4,534,413)	(4,630,167)	490,484			

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

Note	Explanation
1	Federal tuition student enrolment numbers greater than expected at budget time. ☐
2	Schools estimated school generated fund revenues at budget time which was low compared to the actual amount received. Schools have been fundraising for playground equipment.
3	Administrative staff participating in less professional development opportunities than anticipated at budget time; staff position on long term disability and not replaced; less spent on computer support hours than anticipated at budget time; decrease in insurance rates.
4	Tisdale Transportation and Technology Office project costs expensed rather than capitalized; the budget had included the expenditures as a component of the tangible capital asset budget. On April 11, 2017, the Board of the North East School Division approved additional expenditures in 2016-17 to combine phases two and three of the Melfort Unit Comprehensive Collegiate mechanical upgrades to the heating, ventilation, air conditioning systems. This project is funded with the Preventative Maintenance and Renewal (PMR) grant.

- 5 Student enrolment numbers in the Cumberland Regional College Adult Basic Education program were less than budget.
- 6 Schools estimate the budget for school generated fund expenses - costs associated with fundraising activities to offset sports and extra-curricular costs were not budgeted.
- 7 New cafeteria worker hired at a lower rate than budgeted; canteen salary charged to the school generated funds expense but originally budgeted under external services.
- 8 Stewart Hawke Elementary School in Hudson Bay is no longer in use; therefore, the net book value of the school was eliminated from the accounting records. This was not included in the 2016-17 budget. The allowance for doubtful accounts increased, which had not been budgeted. The allowance increased because at January 1, 2018, the province of Saskatchewan will be collecting education property taxes. As a result, school divisions will no longer be collecting any property tax arrears.

Appendix A – Payee List

Board Remuneration and Personal Services available upon request.

Transfers

Name	Amount
Cumberland Regional College	232,665

Supplier Payments

Name	Amount
Allmar Inc.	51,133
AODBT	128,975
Bakken, Ivy	67,782
Black & McDonald Limited	1,841,133
BMO Financial Group	1,472,840
CDW Canada Inc.	228,297
Digness, Wilfred	85,728
Federated Co-operatives Ltd.	706,695
Fouillard Carpet Sales	68,048
Good Spirit School Division	76,180
Graham Construction & Eng	615,026
HBI Office Plus Inc.	305,074
HAD Engineering Ltd.	227,061
Johnson Controls	55,676
Klassen Driving School	58,703
Konica Minolta Bus. Solutions	223,680
Legacy Bus Sales Ltd.	724,870
Marsh Canada Limited	277,930
Maxim Truck & Trailer	115,083

Name	Amount
1 Stop Playground Inc.	76,565
PCG Canada ULC	59,972
Pearson Canada Inc T46254	105,995
Pinnacle Distribution Inc.	220,380
Powerland Computers Ltd.	310,757
Redbird Communications	60,749
Sask. School Boards Assoc.	98,686
Sask. Workers' Compensation Board	174,091
Saskatoon Tribal Council Inc.	153,319
Save-U IGA	70,062
Sisson Electric	193,722
SaskEnergy	469,494
SaskPower	1,029,404
SaskTel	377,872
Ten & Two Driver Training	59,670
TSA Insurance Ltd.	109,175
VCM Construction Ltd.	775,637
Warner Truck Industries Ltd.	150,190

Other Expenditures

Name	Amount
CUPE Local #4875	132,277
Municipal Employees' Pension Plan	1,956,235
NETA	78,687
Receiver General	11,560,090

Name	Amount
Sask. School Boards	666,190
Sask. Teachers' Federation	4,205,268
Teachers Superannuation Commission	55,765

Appendix B – Management Report and Audited Financial Statements



NESD Board of Education

Meeting Date: November 28, 2017

Topic: Financial Information for the year ending August 31, 2017

MEETING	AGENDA ITEM	INTENT
<input checked="" type="checkbox"/> Board Meeting	<input type="checkbox"/> New Business	<input type="checkbox"/> Information
<input type="checkbox"/> Committee of the Whole	<input type="checkbox"/> Board Strategic Direction	<input checked="" type="checkbox"/> Decision
<input type="checkbox"/> Audit Committee	<input checked="" type="checkbox"/> Monitoring or Reporting Items	<input type="checkbox"/> Discussion
	<input type="checkbox"/> Information Items	
	<input type="checkbox"/> Correspondence	

BACKGROUND

Financial reports are provided to the Board on a quarterly basis. This is the final financial report for the 2016-17 year end.

CURRENT STATUS

Please find attached the following for the year ending August 31, 2017:

1. Memo for the Year-End
2. Statement of Operations
3. Statement of Cash Requirements
4. Accumulated Surplus Activity Statement
5. Statement of Tangible Capital Asset Purchases
6. Hudson Bay Community School – Project Costs

Please contact Wanda McLeod, Superintendent of Business Administration, with any specific questions prior to the Board meeting.

RECOMMENDATION

Proposed motion:

That the Board accept the financial report for the year ending August 31, 2017.

PREPARED BY	DATE	ATTACHMENTS
Wanda McLeod, Superintendent of Business Administration	November 20, 2017	<ul style="list-style-type: none"> • Memo for Year-End • Statement of Operations • Statement of Cash Requirements • Accumulated Surplus Activity Statement • Statement of Tangible Capital Asset Purchases • Hudson Bay Community School – Project Costs



North East School Division

Box 6000, 402 Main St.
Melfort, SK S0E 1A0

Phone: (306) 752-5741
Fax: (306) 752-1933

Toll Free: 1-888-752-5741
Website: www.nesd.ca

TO: Board of the North East School Division

FROM: Wanda McLeod, CPA, CA
Donna Eberle, CPA, CA

DATE: November 21, 2017

RE: Financial Reports for the Year Ending August 31, 2017

The Board has been provided quarterly financial information for the North East School Division during the 2016-17 fiscal year. The following provides a summary of the financial results for the year ending August 31, 2017. It is important that this document be used in conjunction with the Statement of Operations, Statement of Cash Requirements and Statement of Accumulated Surplus.

STATEMENT OF OPERATIONS

Revenues

Property Taxation

Property tax revenues are approximately \$519,000 over budget. The property tax estimate as provided by the Ministry of Education was used as the 2016-17 budgeted amount. The province increased the mill rates as of January 1, 2017, which resulted in an increase in property tax revenues and a decrease in provincial grants (compared to budget).

As at January 1, 2018, pursuant to *The Education Property Tax Act*, the Government of Saskatchewan will now be the taxing authority for education property tax. After that date, the school division will no longer recognize taxation revenue.

Grants

The provincial grants totaled approximately \$247,000 over budget. This amount includes the operating, capital and other Ministry of Education grants.

The operating grant is approximately \$81,000 under budget. The operating grant is based on the calculated Ministry of Education formula less the property taxes received. The amount under budget is the net difference between the increase to the grant revenue due to the actual enrolment at September 30, 2016 being greater than January 2016 projection and the decrease to the operating grants due to the mill rate increases. In addition, the provincial government did not allow school divisions to keep the Workers' Compensation Surplus that had been provided to school divisions. This was a reduction of \$66,362 to the operating grant.

In the fourth quarter of 2016-17, the Preventative Maintenance and Renewal (PMR) funding was received in the amount of \$1,335,506. PMR funding was budgeted at \$1,162,000.

Invitational Shared Services Initiative grants totaling \$150,000 for Kinistin and Yellow Quill First Nations has been received and recognized as income. This was not included in the 2016-17 budget.

Tuition and Related Fees

The tuition and related fee revenues are approximately \$63,500 over budget at year end. There were more federally funded students enrolled at North East School Division during 2016-17 compared to the budget.

In addition, there was a billing for a student attending LP Miller Comprehensive School from the Red Earth Cree Nation and a tuition billing for a foreign exchange student attending Hudson Bay Comprehensive School in the second quarter, both of which were unbudgeted.

School Generated Funds

The school generated revenues are approximately \$291,500 over budget at year end. The following contributed to the increase in revenues: schools fundraising to offset extra-curricular sports costs and third party donations to support various school programs and projects. The sports fundraisers and third party donations were unbudgeted. The principals of the schools determine the school generated budgets. Any funds received that are more than the expenditures are placed in the accumulated surplus internally restricted for school generated funds.

Complementary Services

Complementary service revenues are approximately \$1,500 under budget. The complementary service revenue represents the provincial grants for the pre-kindergarten programs and funding for the Outreach Program in Nipawin.

External Services

External service revenues are only approximately \$900 under budget. This amount is not significantly under budget. Cafeteria revenues are included in this category.

Other Revenue

Other revenue is approximately \$17,400 over budget. We received a larger Bank of Montreal (BMO) rebate than anticipated at budget time, due to an increase in purchase card activity. We received more auditorium and theater revenue from the Town of Tisdale than budgeted due to an increase in the number of events. Gain on sale of capital assets is higher than budget due to the sale of more items than anticipated at budget time. Overall daycare rental rates decreased from April-August 2017 based on a decrease in the total operating costs at the related schools.

Expenses

Governance

Governance is approximately \$12,000 under budget. Board elections occurred during the fall of 2016, with the associated costs being approximately \$17,000 less than the amount budgeted. Less board members attended the professional development (PD) sessions than budgeted, which decreased overall PD costs. In May 2017, the Board approved payment of \$72,420, an unbudgeted amount, to Public Section for legal costs related to the Theodore School litigation.

Administration

Administration expenses are approximately \$174,000 under budget. This can be attributed to the following: administrative staff participating in less professional development opportunities than anticipated at budget time; one staff position (included in the budget) on long-term disability and not replaced; less spent on computer support hours than anticipated at budget time; decrease in insurance rates.

Instruction

Total instruction expenses are approximately \$903,900 under budget.

Overall instructional salaries and benefits are \$264,000 under budget. There is approximately \$160,000 in savings because there was one less work day in August 2017 (two days) compared to August 2016 (three days). Also, an additional teacher was hired at Maude Burke School that was not included in the budget. Less professional development days resulted in less substitute teachers being required. Less educational associates had been deployed compared to the budget. A library technician position was vacant for 3.5 months and a youth counsellor position was vacant for 2 months.

Approximately \$96,300 in instructional aids was not spent (compared to budget). The budget included purchases of textbooks and resource materials for the school curriculum, however, the actual purchases were less than anticipated.

There was a change in administrative procedure for equipment purchases, based on recommendations from the Ministry. As a result, schools and instructional departments were under budget by approximately \$442,300 for furniture and equipment purchases. The purchases were included in the budgeted expenses; however, the new administrative procedure reports these purchases as tangible capital assets.

Travel costs are approximately \$75,800 under budget mainly due to lower fuel costs and the continued cost savings from carpooling and fewer longer trips from the restructuring of student service pods.

Student related expenses were approximately \$140,700 under budget. The North East School Improvement Program (NESIP) purchases were budgeted under this category but not all funds were used. Some schools have been allowed to carry forward unused funds, as seen in the details for accumulated surplus.

Plant

Overall the plant expenses are \$937,300 over budget. Two main factors in the building operating expenses contributed to plant expenses being over budget:

- On April 11, 2017, the Board approved the completion of the mechanical upgrades to the heating, ventilation and air conditioning systems at Melfort Unit Comprehensive Collegiate (MUCC) with a budget up to \$2,037,000. This was phase two of the project. The amount included in the budget was \$1.2 million for both the completion of phase 1 (that had started during 2015-16) and a portion of phase 2. At August 31, 2017, \$1.9 million has been expended on phase 2. The phase 1 work that was completed at the beginning of 2016-17 totaled \$128,711. This caused minor maintenance to be over budget by approximately \$828,700. The entire project will be funded using the Preventative Maintenance and Renewal (PMR) grants from the Ministry.
- The tangible capital asset budget included the funds to be used for the renovation and addition of the Tisdale Transportation and Technology Office. After further analysis, it has been determined that a portion of these costs should be expensed and not capitalized. As a result, plant expenses will contain costs of approximately \$414,000 that were not expected at budget time. The operating expenses are shared between plant and transportation expenses. There will be no impact on the overall budget: only a reallocation of costs from tangible capital assets to expenses.

Student Transportation

Student transportation expenses are approximately \$23,400 under budget.

Fuel costs are approximately \$139,600 under budget due to lower than expected fuel prices at budget time. Two new mechanics were hired at the beginning of November 2016 – they were budgeted to start September 1. There have been various positions on long-term disability during 2016-17 at various times

of the year. While staff are on long-term disability, NESD does not pay the salaries and benefits of these individuals.

Repairs and maintenance of buses is approximately \$41,000 over budget due to unanticipated repairs at budget time. Similar to plant expenses, the tangible capital asset budget included the funds to be used for the renovation and addition at the Tisdale Transportation and Technology Office. After further analysis, it has been determined a portion of these costs should be expensed and not capitalized. As a result, transportation expenses contains expenses of approximately \$414,000 that were not expected at budget time. As mentioned in the plant expense section, the operating expenses related to this project are shared equally between plant and transportation expenses. There will be no impact on the overall budget, only a reallocation of costs from tangible capital assets to expenses.

Tuition and Related Fees

The tuition and related fees are under budget by approximately \$43,700. The number of students enrolled in the regional college adult basic education program is lower than expected. Cumberland Regional College invoiced North East School Division for 20 students and the budget included 25 students. This program is fully funded by the Ministry.

School Generated Funds

The school generated expenses are approximately \$271,100 over budget. As mentioned in the revenue section, any difference between the school generated revenues and school generated expenses and school generated tangible capital assets is reported as internally restricted accumulated surplus. The amount that is over budget can be explained by the following factors: the schools have been fundraising to offset the costs of various sports and extra-curricular costs. This fundraising was not included in the budget and directly impacts the related fundraising expenses. There was a write-off of a school playground deposit (at Reynolds School) of \$27,650 due to the vendor not delivering the playground equipment as promised, which was unbudgeted.

Complementary Services

Complementary services include costs associated with outreach workers and the pre-kindergarten programs in the division. The complementary services expenses are \$45,200 under budget due to a decrease in salary expenses, as new teachers were hired at lower salaries than what had been budgeted.

External Services

External services are approximately \$15,500 under budget. External services include the costs associated with operating the cafeterias at MUCC and LP Miller. A canteen salary at Carrot River Jr. Sr. High School that had originally been budgeted under external services, is being charged directly to the school generated funds of the high school.

Other Expenses

Other expenses are approximately \$1.2 million over budget. \$1,001,735 was recorded as an adjustment to the allowance for uncollectible taxes relating to municipal arrears anticipated at December 31, 2017. The school division will no longer be collecting the education property taxes as of January 1, 2018; therefore, any arrears will be going to the province. There was a write down of the Stewart Hawke Elementary School (SHES) building in Hudson Bay for \$238,187. As the building is not being used for current school operations, the building has been removed from the financial statements.

STATEMENT OF CASH REQUIREMENTS

The Public Sector Accounting Standards (PSAS) provide statements that include items that do not have an impact on the cash of the school division (such as amortization expense) and omit purchases that do have an impact on cash flows (such as the purchase of tangible capital assets). When budgeting, it is

more important to look at the full picture for the organization. This would include the purchase of tangible capital assets and the use of the accumulated surplus. The Statement of Cash Requirements provides additional detail for a more complete picture for the 2016-17 fiscal year of the school division.

Tangible Capital Assets

The tangible capital asset (TCA) purchases totaled \$3.5 million at year-end, out of the total \$4.7 million budgeted.

Please refer to the Statement of Tangible Capital Asset Purchases for more information.

Amortization

Amortization expense is a non-cash budget item and the actual is under budget by approximately \$134,000.

Preventative Maintenance and Renewal (PMR)

PMR projects for the year consisted of completing phase 1 of the Melfort Unit Comprehensive Collegiate mechanical upgrades to the heating, ventilation and air conditioning systems at a cost of approximately \$128,700. Costs were incurred for a portion of phase 2 of the project, costing approximately \$1.9 million. The school division also completed a strategic facility plan costing \$19,600 that was fully funded using PMR funds.

STATEMENT OF ACCUMULATED SURPLUS

Please refer to the statement titled "Statement of Accumulated Surplus Activity" for more information. The board motion on January 24, 2017 that created the new internally restricted accumulated surplus, teachers for diversity and small schools, is reflected in the statement. In addition, the purchase of the replacement information technology vehicle (as approved by the Board on February 14, 2017) has reduced the unrestricted accumulated surplus. The board motion on May 30, 2017 that funded the purchase of six replacement buses during the 2017-18 fiscal year, as well as the funds to replace a vehicle during the 2017-18 fiscal year, is reflected in the statement.

NORTH EAST SCHOOL DIVISION
Statement of Operations
For the year ending August 31, 2017

	16 - 17			
	Budget	Actual		
	2016-17	2016-17	Variance	%
REVENUES				
Property Taxation	\$ 11,010,960	\$ 11,529,652	\$ 518,692	5%
Grants	44,960,995	45,208,021	\$ 247,026	1%
Tuition and Related Fees	571,000	634,505	\$ 63,505	11%
School Generated Funds	1,029,150	1,320,672	\$ 291,522	28%
Complementary Services	608,832	607,348	\$ (1,484)	0%
External Services	130,143	129,241	\$ (902)	-1%
Other Revenue	574,600	592,003	\$ 17,403	3%
Total Revenues	<u>\$ 58,885,680</u>	<u>\$ 60,021,442</u>	<u>\$ 1,135,762</u>	<u>2%</u>
EXPENSES				
Governance	\$ 459,450	\$ 447,495	\$ (11,955)	-3%
Administration	2,203,421	\$ 2,029,480	\$ (173,941)	-8%
Instruction	42,490,888	\$ 41,587,017	\$ (903,871)	-2%
Plant	10,238,897	\$ 11,176,198	\$ 937,301	9%
Transportation	4,762,053	\$ 4,738,579	\$ (23,474)	0%
Tuition and Related Fees	275,000	\$ 231,325	\$ (43,675)	-16%
School Generated Funds	949,420	\$ 1,220,513	\$ 271,093	29%
Complementary Services	1,450,215	\$ 1,405,014	\$ (45,201)	-3%
External Services	228,208	\$ 212,738	\$ (15,470)	-7%
Other Expenses	362,541	\$ 1,603,250	\$ 1,240,709	342%
Total Expenses	<u>\$ 63,420,093</u>	<u>\$ 64,651,609</u>	<u>\$ 1,231,516</u>	<u>2%</u>
Operating Deficit for the Year	<u>\$ (4,534,413)</u>	<u>\$ (4,630,167)</u>	<u>\$ (95,754)</u>	

NORTH EAST SCHOOL DIVISION
Statement of Cash Requirements
For the year ending August 31, 2017

	Budget 2016-17	Actual 2016-17	Variance
OPERATING DEFICIT FOR THE YEAR	\$ (4,534,413)	\$ (4,630,167)	\$ (95,754)
TANGIBLE CAPITAL ASSETS:			
(-) Purchases	4,652,833	3,539,140	(1,113,693)
(+) Proceeds from disposals	8,000	20,174	12,174
LONG TERM DEBT:			
(-) Repayments of the year	342,539	342,539	-
(+) Debt issued during the year	-	-	-
NON-CASH GAIN/EXPENSES:			
(+) Amortization expense	4,240,208	4,106,294	(133,914)
(+) Write-down of capital assets	-	238,187	238,187
(-) Gain on disposals of tangible capital assets	8,000	16,823	8,823
(+) Employee Future Benefits expenses	93,500	98,800	5,300
OTHER CASH REQUIREMENTS:			
(-) Employee Future Benefits expected payments	17,000	17,100	100
DEFICIT CASH FOR THE YEAR	\$ (5,213,077)	\$ (4,082,314)	\$ 1,130,763
ACCUMULATED SURPLUS CHANGES:			
<i>Internally restricted accumulated surplus:</i>			
Hudson Bay	-	630,880	630,880
Tisdale Office and Transportation Building	2,638,000	834,010	(1,803,990)
NESIP grants to schools	396,954	338,430	(58,524)
ISSI carryover	10,558	3,319	(7,239)
School generated funds (net change)	23,056	156,257	133,201
Decentralized school carry over	-	50,643	50,643
Violent Threat Assessment Response Training	8,000	8,000	-
<i>Preventative Maintenance and Renewal (PMR) Funding:</i>			
2016-17 Project	1,200,000	2,030,936	830,936
PMR 2016-17 funding	(1,162,000)	(1,355,506)	(193,506)
<i>Unrestricted accumulated surplus:</i>			
Enrolment estimates (January projections too low)	300,000	-	(300,000)
Funding shortfall in 2016-17 provincial allocation (note 1)	1,773,509	925,494	(848,015)
New van at MUCC	25,000	20,344	(4,656)
Motions during 2016-17:			
September 27/17 - Improved Learning Environment	-	324,448	324,448
February 14/17 - IT vehicle early replacement	-	30,648	30,648
March 21/17 - student services early vehicle replacement	-	28,585	28,585
Other use of reserves (clean-up from prior year):			
English as an Additional Language Pilot	-	14,487	14,487
Universal Kindergarten Nutrition Program	-	12,422	12,422
Digital projector replacement	-	21,538	21,538
Melfort maintenance shop	-	7,379	7,379
NET CHANGE IN CASH POSITION (UNRESTRICTED)	\$ -	\$ -	\$ -
Creation of the following internally restricted amounts:			
Teachers for Diversity and Small Schools		\$ 2,000,000	January 24, 2017 Board Motion
Computer Hardware Replacement		70,000	March 21, 2017 Board Motion
Bus Fleet Renewal		721,000	May 30, 2017 Board Motion
Computer Hardware Replacement		50,000	May 30, 2017 Board Motion
Total other reductions to unrestricted accumulated surplus		\$ 2,841,000	

Note 1: It is important to note - this shortfall would not have occurred if NESD did not have the unbudgeted increase in allowance for doubtful education property taxes.

NORTH EAST SCHOOL DIVISION
Statement of Accumulated Surplus Activity
For the year ending August 31, 2017

	Unrestricted	PMR	Externally Restricted	Internally Restricted		Invested in Tangible Capital Assets	Totals
			Broadway School Sale Agreement	Capital Projects	Other		
Annual surplus - Public Sector Accounting Standards	\$ (4,630,167)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,630,167)
Amortization	4,106,294	-	-	-	-	(4,106,294)	-
Capital asset purchases	(2,496,648)	-	-	-	-	2,496,648	-
Write-down of tangible capital assets	238,187	-	-	-	-	(238,187)	-
Repayment of debt	(342,539)	-	-	-	-	342,539	-
Net cost of assets disposed	3,351	-	-	-	-	(3,351)	-
PMR - grants	(1,355,506)	1,355,506	-	-	-	-	-
PMR - expenditures	2,030,936	(2,030,936)	-	-	-	-	-
<i>Internally restricted:</i>							
Bus fleet renewal	(721,000)	-	-	721,000	-	-	-
Computer hardware replacement	(70,000)	-	-	70,000	-	-	-
Vehicle replacement	(50,000)	-	-	50,000	-	-	-
Digital projector replacement	21,538	-	-	(21,538)	-	-	-
Hudson Bay School Project	-	-	-	(630,880)	-	630,880	-
Melfort maintenance shop	7,379	-	-	(7,379)	-	-	-
Non-School Buildings	834,010	-	-	(834,010)	-	-	-
School improvement initiative	251,266	-	-	-	(338,430)	87,164	-
English as an Additional Language pilot program	14,487	-	-	-	(14,487)	-	-
Improved learning environment	-	-	-	-	(324,448)	324,448	-
Teachers for diversity and small schools	(2,000,000)	-	-	-	2,000,000	-	-
Universal Kindergarten nutrition program	12,422	-	-	-	(12,422)	-	-
ISSI (net)	3,319	-	-	-	(3,319)	-	-
Violence Threat Risk Assessment Training	8,000	-	-	-	(8,000)	-	-
School budget carryover	50,643	-	-	-	(50,643)	-	-
School generated funds	156,257	-	-	-	(156,257)	-	-
Totals for the year	(3,927,771)	(675,430)	-	(652,807)	1,091,994	(466,153)	(4,630,167)
Balance, August 31, 2016	9,180,268	1,817,395	50,556	3,553,563	8,584,791	65,922,047	89,108,620
Balance, August 31, 2017	5,252,497	1,141,965	50,556	2,900,756	9,676,785	65,455,894	84,478,453

NORTH EAST SCHOOL DIVISION
Statement of Tangible Capital Asset Purchases
For the year ending August 31, 2017

	Actual 2016- 17	Budget 2016-17	Variance
Tisdale Office and Transportation Building (note 1)	\$ 3,102	\$ 2,638,000	(2,634,898)
Computer hardware (note 2)	971,778	803,888	167,890
School buses (note 3)	754,061	721,000	33,061
Furniture and equipment (note 2)	786,777	321,945	464,832
Playground equipment (note 4)	182,186	78,000	104,186
Vehicles (note 5)	171,994	50,000	121,994
Computer software	37,362	40,000	(2,638)
Hudson Bay Community School (note 6)	631,880	-	631,880
	<hr/>	<hr/>	<hr/>
Totals	\$ 3,539,140	\$ 4,652,833	\$ (1,113,693)

Notes:

1. The budget for the renovations and addition was reported as a tangible capital asset. After the budget was approved, the expenditures were reviewed and only costs related to the addition will be reported as a tangible capital asset. The other costs will be expenses in the Statement of Operations. During 2016-17, approximately \$830,000 was recognized as expenses for this project. In addition, the scope of the work decreased for this project. It is expected the total budget (operating and capital) will be \$1.5 million.

2. The reporting of tangible capital assets changed at September 1, 2016. After consulting with the Ministry of Education, computer hardware and furniture and equipment purchases have been capitalized. In the past, a threshold was used to determine capitalization and the budget was built based on this past practice; therefore, the budget money for the above amounts that are over budget was reported as budgeted operating expenses. Overall on budget when operating expense and capital budgets are combined.

3. Six new buses were included in the 2016-17 budget. Six new buses and two used buses were purchased.

4. Reynolds Central School planned to purchase playground equipment in 2015-16; however, this purchase was made in 2016-17 (and funded with fundraising dollars). The cost of this equipment was \$63,460. The budget for the Brunswick playground equipment was \$20,000 and the actual cost was \$78,750. This was also funded with fundraising dollars. The principals determine the budget allocations for their schools.

5. On February 14, 2017, the Board approved purchasing an information services vehicle that cost \$30,649 (not in the budget). On March 21, 2017, the Board approved purchasing a student services vehicle that cost \$28,585 (not in the budget). LP Miller Collegiate purchased a used fifteen passenger van for approximately \$30,000 that was not in the 2016-17 budget. It was funded with school generated funds. Facilities included \$40,000 in the furniture and equipment budget for a vehicle that cost \$42,175 (and reported as a vehicle purchase).

6. All payments owing to Graham Construction have been accrued. All payments owing to Graham Construction have not been paid to the company.

NORTH EAST SCHOOL DIVISION
Hudson Bay Community School - Project Costs
For the year ending August 31, 2017

Total budget for the project	\$ 27,737,698
Total design and construction costs to August 31, 2017 (note 1)	<u>27,626,669</u>
Total remaining budget dollars for the project at August 31, 2017	<u><u>\$ 111,029</u></u>

Summary of total funding for total project:

Total project cost	\$ 27,737,698
Total funding from Ministry (note 2)	17,689,791
Total funding from Town of Hudson Bay (note 3)	<u>522,635</u>
Total funding from North East School Division (note 4)	<u><u>\$ 9,525,272</u></u>

Notes:

1. The cost of building for the Hudson Bay School totals \$27,626,669 at August 31, 2017.
2. As of August 31, 2017, \$17,689,791 had been recognized as revenue during the construction of the school. No further revenue is expected.
3. At August 31, 2017, all of the expected funding from the Town of Hudson Bay had been recognized as revenue in the financial statements.
4. The funding from the North East School Division is in the form of a loan that is amortized over a twenty year time period and is being funded through the provincial operating grant.



NESD Board of Education

Meeting Date: November 28, 2017

Topic: Audited Financial Statements for the year ending August 31, 2017

MEETING	AGENDA ITEM	INTENT
<input checked="" type="checkbox"/> Board Meeting	<input type="checkbox"/> Principle and Policy Item	<input type="checkbox"/> Information
<input type="checkbox"/> Committee of the Whole	<input type="checkbox"/> Board Strategic Direction	<input checked="" type="checkbox"/> Decision
	<input checked="" type="checkbox"/> Monitoring or Reporting Items	<input type="checkbox"/> Discussion
	<input type="checkbox"/> Information Items	
	<input type="checkbox"/> Correspondence	

BACKGROUND

At the Committee of the Whole meeting on November 28, 2017, Brian Heinrichs from Virtus Group provided a presentation that included a review of the following reports:

- Draft audited financial statements for the year ending August 31, 2017
- Virtus Group Audit Completion Report
- Virtus Group Report to Management
- Virtus Group Report to the Provincial Auditor on Compliance with Specific Legislative Authorities
- Virtus Group Report to the Provincial Auditor on System of Internal Controls
- Virtus Group Report to the Provincial Auditor on Specific Matters
- Letter of Representation

Melissa Yanyu from the Office of the Provincial Auditor was also at the November 28, 2017 Committee of the Whole meeting.

Wanda McLeod, Superintendent of Business Administration, provided a package of year end information and a presentation that included a memo for yearend (variance analysis of the Statement of Operations and Statement of Cash Requirements) and the Hudson Bay Community School project costs to August 31, 2017. The presentation by the Superintendent of Business Administration also provided a review of the notes to the draft audited financial statements.

CURRENT STATUS

The draft audited financial statements are attached for the Board's review.

Please contact Wanda McLeod, Superintendent of Business Administration, with specific questions prior to the board meeting.

RECOMMENDATION

Proposed Board Motion

That the Board approves the Audited Financial Statements for the North East School Division for the year ended August 31, 2017, pending changes made after the format review and approval of the Ministry of Education and Ministry of Finance.

PREPARED BY	DATE	ATTACHMENTS
Wanda McLeod, Superintendent of Business Administration	Nov. 27, 2017	Draft Audited Financial Statements for the year ending August 31, 2017



Audited Financial Statements



Of the North East School Division No. 200

School Division No. 2000500

For the Period Ending: August 31, 2017

Chief Financial Officer

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 28, 2017



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, 2017 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, 2017 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 28, 2017
Saskatoon, Saskatchewan

Chartered Professional Accountants

North East School Division No. 200
Statement of Financial Position
as at August 31, 2017

	2017	2016
	\$	\$
Financial Assets		
Cash and Cash Equivalents	19,116,997	21,575,685
Accounts Receivable (Note 8)	2,918,847	3,509,656
Portfolio Investments (Note 4)	923,593	911,435
Total Financial Assets	22,959,437	25,996,776
Liabilities		
Accounts Payable and Accrued Liabilities (Note 9)	3,605,321	2,879,596
Long-Term Debt (Note 10)	8,462,104	8,804,643
Liability for Employee Future Benefits (Note 6)	677,300	595,600
Deferred Revenue (Note 11)	604,054	425,135
Total Liabilities	13,348,779	12,704,974
Net Financial Assets	9,610,658	13,291,802
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	73,917,998	74,726,690
Inventory of Supplies for Consumption	313,875	314,254
Prepaid Expenses	635,922	775,874
Total Non-Financial Assets	74,867,795	75,816,818
Accumulated Surplus (Note 14)	84,478,453	89,108,620

Contractual Obligations and Commitments (Note 18)

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

Approved by the Board:

_____ Chairperson

_____ Chief Financial Officer

North East School Division No. 200
Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
REVENUES	(Note 15)		
Property Taxation	11,010,960	11,529,652	10,867,537
Grants	44,960,995	45,208,021	47,177,822
Tuition and Related Fees	571,000	634,505	619,491
School Generated Funds	1,029,150	1,320,672	1,533,168
Complementary Services (Note 12)	608,832	607,348	609,245
External Services (Note 13)	130,143	129,241	134,433
Other	574,600	592,003	664,360
Total Revenues (Schedule A)	58,885,680	60,021,442	61,606,056
EXPENSES			
Governance	459,450	447,495	395,685
Administration	2,203,421	2,029,480	2,524,352
Instruction	42,490,888	41,587,017	40,581,175
Plant	10,238,897	11,176,198	9,836,985
Transportation	4,762,053	4,738,579	4,140,304
Tuition and Related Fees	275,000	231,325	219,759
School Generated Funds	949,420	1,220,513	1,146,884
Complementary Services (Note 12)	1,450,215	1,405,014	1,664,999
External Services (Note 13)	228,208	212,738	203,698
Other Expenses	362,541	1,603,250	401,731
Total Expenses (Schedule B)	63,420,093	64,651,609	61,115,572
Operating Surplus (Deficit) for the Year	(4,534,413)	(4,630,167)	490,484
Accumulated Surplus from Operations, Beginning of Year	89,108,620	89,108,620	88,618,136
Accumulated Surplus from Operations, End of Year	84,574,207	84,478,453	89,108,620

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, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
	(Note 15)		
Net Financial Assets, Beginning of Year	13,291,802	13,291,802	13,312,213
Changes During the Year			
Operating Surplus (Deficit) for the Year	(4,534,413)	(4,630,167)	490,484
Acquisition of Tangible Capital Assets (Schedule C)	(4,652,833)	(3,539,140)	(4,555,272)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	8,000	20,174	10,042
Net Gain on Disposal of Capital Assets (Schedule C)	(8,000)	(16,823)	(10,042)
Write-Down of Tangible Capital Assets (Schedule C)	-	238,187	-
Amortization of Tangible Capital Assets (Schedule C)	4,240,208	4,106,294	4,143,600
Net Acquisition of Inventory of Supplies	-	379	(37,717)
Net Change in Other Non-Financial Assets	-	139,952	(61,506)
Change in Net Financial Assets	(4,947,038)	(3,681,144)	(20,411)
Net Financial Assets, End of Year	8,344,764	9,610,658	13,291,802

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, 2017

	2017	2016
	\$	\$
OPERATING ACTIVITIES		
Operating Surplus (Deficit) for the Year	(4,630,167)	490,484
Add Non-Cash Items Included in Surplus / Deficit (Schedule D)	4,327,658	4,133,558
Net Change in Non-Cash Operating Activities (Schedule E)	1,717,484	(1,621,447)
Cash Provided by Operating Activities	1,414,975	3,002,595
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(3,539,140)	(4,555,272)
Proceeds on Disposal of Tangible Capital Assets	20,174	10,042
Cash Used by Capital Activities	(3,518,966)	(4,545,230)
INVESTING ACTIVITIES		
Cash Used to Acquire Portfolio Investments	(12,158)	(3,665)
Cash Used by Investing Activities	(12,158)	(3,665)
FINANCING ACTIVITIES		
Repayment of Long-Term Debt	(342,539)	(328,605)
Cash Used by Financing Activities	(342,539)	(328,605)
DECREASE IN CASH AND CASH EQUIVALENTS	(2,458,688)	(1,874,905)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	21,575,685	23,450,590
CASH AND CASH EQUIVALENTS, END OF YEAR	19,116,997	21,575,685

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, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
Property Taxation Revenue			
Tax Levy Revenue			
Property Tax Levy Revenue	11,010,960	11,323,822	10,643,369
Total Property Tax Revenue	11,010,960	11,323,822	10,643,369
Grants in Lieu of Taxes			
Federal Government	-	46,878	46,522
Provincial Government	-	83,666	102,087
Other	-	9,266	6,595
Total Grants in Lieu of Taxes	-	139,810	155,204
Other Tax Revenues			
House Trailer Fees	-	19,537	18,917
Total Other Tax Revenues	-	19,537	18,917
Additions to Levy			
Penalties	-	104,647	121,225
Other	-	1,498	4,637
Total Additions to Levy	-	106,145	125,862
Deletions from Levy			
Cancellations	-	(50,009)	(46,241)
Other Deletions	-	(9,653)	(29,574)
Total Deletions from Levy	-	(59,662)	(75,815)
Total Property Taxation Revenue	11,010,960	11,529,652	10,867,537
Grants			
Operating Grants			
Ministry of Education Grants			
Operating Grant	43,487,544	43,406,287	44,805,935
Other Ministry Grants	104,451	254,451	254,451
Total Ministry Grants	43,591,995	43,660,738	45,060,386
Other Provincial Grants	207,000	211,777	198,107
Total Operating Grants	43,798,995	43,872,515	45,258,493
Capital Grants			
Ministry of Education Capital Grants	1,162,000	1,335,506	1,889,784
Other Provincial Capital Grants	-	-	29,545
Total Capital Grants	1,162,000	1,335,506	1,919,329
Total Grants	44,960,995	45,208,021	47,177,822

North East School Division No. 200
Schedule A: Supplementary Details of Revenues
for the year ended August 31, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
Tuition and Related Fees Revenue			
Operating Fees			
Tuition Fees			
School Boards	1,000	3,500	6,500
Federal Government and First Nations	570,000	624,917	609,491
Individuals and Other	-	6,088	3,500
Total Tuition Fees	571,000	634,505	619,491
Total Operating Tuition Fees	571,000	634,505	619,491
Total Tuition and Related Fees Revenue	571,000	634,505	619,491
School Generated Funds Revenue			
Non-Curricular Fees			
Commercial Sales - Non-GST	226,800	224,101	228,857
Fundraising	502,750	598,921	573,577
Grants and Partnerships	75,900	60,675	163,269
Students Fees	117,400	212,369	226,176
Other	106,300	224,606	341,289
Total Non-Curricular Fees	1,029,150	1,320,672	1,533,168
Total School Generated Funds Revenue	1,029,150	1,320,672	1,533,168
Complementary Services			
Operating Grants			
Ministry of Education Grants			
Operating Grant	595,332	593,748	595,044
Other Grants	13,500	13,600	14,201
Total Operating Grants	608,832	607,348	609,245
Total Complementary Services Revenue	608,832	607,348	609,245
External Services			
Fees and Other Revenue			
Other Revenue	130,143	129,241	134,433
Total Fees and Other Revenue	130,143	129,241	134,433
Total External Services Revenue	130,143	129,241	134,433
Other Revenue			
Miscellaneous Revenue	15,500	25,341	110,268
Sales & Rentals	337,100	352,143	352,427
Investments	214,000	197,696	191,623
Gain on Disposal of Capital Assets	8,000	16,823	10,042
Total Other Revenue	574,600	592,003	664,360
TOTAL REVENUE FOR THE YEAR	58,885,680	60,021,442	61,606,056

North East School Division No. 200
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
Governance Expense			
Board Members Expense	125,150	123,470	118,969
Professional Development - Board Members	95,000	48,127	45,494
Advisory Committees	31,400	31,456	43,800
Professional Development - Advisory Committees	8,500	9,416	8,504
Elections	27,000	9,703	3,950
Other Governance Expenses	172,400	225,323	174,968
Total Governance Expense	459,450	447,495	395,685
Administration Expense			
Salaries	1,589,037	1,537,029	1,842,948
Benefits	196,970	198,407	207,028
Supplies & Services	180,050	135,302	172,370
Non-Capital Furniture & Equipment	8,400	5,636	7,497
Building Operating Expenses	37,000	25,506	88,178
Communications	38,200	26,650	38,700
Travel	45,500	30,741	58,718
Professional Development	47,000	16,190	38,246
Amortization of Tangible Capital Assets	61,264	54,019	70,667
Total Administration Expense	2,203,421	2,029,480	2,524,352
Instruction Expense			
Instructional (Teacher Contract) Salaries	29,458,288	29,392,525	28,342,341
Instructional (Teacher Contract) Benefits	1,422,777	1,455,006	1,447,388
Program Support (Non-Teacher Contract) Salaries	5,689,345	5,508,413	5,220,981
Program Support (Non-Teacher Contract) Benefits	1,048,323	998,358	921,945
Instructional Aids	972,520	876,252	965,422
Supplies & Services	852,492	897,762	1,077,676
Non-Capital Furniture & Equipment	656,951	266,402	459,766
Communications	117,525	99,147	110,541
Travel	225,774	150,021	173,765
Professional Development	272,125	255,608	236,299
Student Related Expense	494,941	354,205	356,229
Amortization of Tangible Capital Assets	1,279,827	1,333,318	1,268,822
Total Instruction Expense	42,490,888	41,587,017	40,581,175

North East School Division No. 200
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
Plant Operation & Maintenance Expense			
Salaries	3,026,756	2,925,189	2,862,057
Benefits	552,797	522,479	519,893
Supplies & Services	15,350	5,557	74,497
Non-Capital Furniture & Equipment	33,000	36,374	22,597
Building Operating Expenses	4,292,200	5,497,968	4,066,821
Communications	19,250	15,280	16,305
Travel	120,000	127,230	119,369
Professional Development	23,000	13,958	12,976
Amortization of Tangible Capital Assets	2,156,544	2,032,163	2,142,470
Total Plant Operation & Maintenance Expense	10,238,897	11,176,198	9,836,985
Student Transportation Expense			
Salaries	2,086,234	1,924,925	1,845,938
Benefits	392,971	356,152	332,750
Supplies & Services	920,100	761,521	814,163
Non-Capital Furniture & Equipment	422,500	449,482	325,114
Building Operating Expenses	118,700	492,488	94,370
Communications	26,950	22,755	23,708
Travel	9,100	9,949	8,317
Professional Development	15,700	11,949	9,412
Contracted Transportation	49,500	40,602	42,489
Amortization of Tangible Capital Assets	720,298	668,756	644,043
Total Student Transportation Expense	4,762,053	4,738,579	4,140,304
Tuition and Related Fees Expense			
Tuition Fees	275,000	231,325	219,759
Total Tuition and Related Fees Expense	275,000	231,325	219,759
School Generated Funds Expense			
Academic Supplies & Services	12,529	9,386	3,876
Cost of Sales	480,550	500,313	501,933
Non-Capital Furniture & Equipment	24,427	11,960	21,013
School Fund Expenses	431,914	698,854	620,062
Total School Generated Funds Expense	949,420	1,220,513	1,146,884

North East School Division No. 200
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2017

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
Complementary Services Expense			
Instructional (Teacher Contract) Salaries & Benefits	432,870	403,305	442,783
Program Support (Non-Teacher Contract) Salaries & Benefits	763,077	758,255	735,573
Instructional Aids	22,900	37,755	40,262
Supplies & Services	-	-	256,948
Non-Capital Furniture & Equipment	5,875	-	5,854
Communications	1,800	2,413	2,496
Travel	15,000	17,679	17,187
Professional Development (Non-Salary Costs)	8,000	6,415	7,940
Student Related Expenses	181,302	164,223	141,427
Amortization of Tangible Capital Assets	19,391	14,969	14,529
Total Complementary Services Expense	1,450,215	1,405,014	1,664,999
External Service Expense			
Program Support (Non-Teacher Contract) Salaries & Benefits	151,624	139,064	135,243
Supplies & Services	72,200	67,413	64,879
Non-Capital Furniture & Equipment	1,000	2,708	-
Travel	500	484	507
Amortization of Tangible Capital Assets	2,884	3,069	3,069
Total External Services Expense	228,208	212,738	203,698
Other Expense			
Interest and Bank Charges			
Current Interest and Bank Charges	2,750	3,537	2,657
Interest on Capital Loans	359,791	359,791	373,725
Total Interest and Bank Charges	362,541	363,328	376,382
Write-Down of Tangible Capital Assets	-	238,187	-
Provision for Uncollectable Accounts	-	1,001,735	25,349
Total Other Expense	362,541	1,603,250	401,731
TOTAL EXPENSES FOR THE YEAR	63,420,093	64,651,609	61,115,572

North East School Division No. 200

**Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2017**

	Land		Buildings		School	Other	Furniture and Equipment		Computer Hardware and Equipment		Assets Under Construction		2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Tangible Capital Assets - at Cost													
Opening Balance as of September 1	253,128	1,123,935	98,962,887	1,691,681	8,835,868	1,006,534	4,071,787	3,630,195	267,360	15,927	119,859,302	117,150,257	
Additions/Purchases	1,000	182,186	630,880	-	754,061	171,994	786,777	971,778	37,362	3,102	3,539,140	4,555,272	
Disposals	-	-	-	-	(166,238)	(75,842)	(442,608)	(805,451)	(47,623)	-	(1,537,762)	(1,846,227)	
Write-Downs	-	-	(992,446)	-	-	-	-	-	-	-	(992,446)	-	
Transfers to (from)	-	15,927	-	-	-	-	-	-	-	(15,927)	-	-	
Closing Balance as of August 31	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	
Tangible Capital Assets - Amortization													
Opening Balance as of September 1	N/A	316,550	33,827,810	1,057,870	5,176,504	871,771	2,140,895	1,619,860	121,352	-	45,132,612	42,835,239	
Amortization of the Period	-	60,602	1,780,606	62,800	638,152	97,208	485,857	920,143	60,926	-	4,106,294	4,143,600	
Disposals	-	-	-	-	(166,238)	(72,491)	(442,608)	(805,451)	(47,623)	-	(1,534,411)	(1,846,227)	
Write-Downs	-	-	(754,259)	-	-	-	-	-	-	-	(754,259)	-	
Closing Balance as of August 31	N/A	377,152	34,854,157	1,120,670	5,648,418	896,488	2,184,144	1,734,552	134,655	N/A	46,950,236	45,132,612	
Net Book Value													
Opening Balance as of September 1	253,128	807,385	65,135,077	633,811	3,659,364	134,763	1,930,892	2,010,335	146,008	15,927	74,726,690	74,315,018	
Closing Balance as of August 31	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	
Change in Net Book Value	1,000	137,511	(1,387,913)	(62,800)	115,909	71,435	300,920	51,635	(23,564)	(12,825)	(808,692)	411,672	
Disposals													
Historical Cost	-	-	-	-	166,238	75,842	442,608	805,451	47,623	-	1,537,762	1,846,227	
Accumulated Amortization	-	-	-	-	166,238	72,491	442,608	805,451	47,623	-	1,534,411	1,846,227	
Net Cost	-	-	-	-	-	3,351	-	-	-	-	3,351	-	
Price of Sale	-	-	-	-	3,510	15,060	650	954	-	-	20,174	10,042	
Gain on Disposal	-	-	-	-	3,510	11,709	650	954	-	-	16,823	10,042	

North East School Division No. 200
Schedule D: Non-Cash Items Included in Surplus / Deficit
for the year ended August 31, 2017

	2017	2016
	\$	\$
Non-Cash Items Included in Surplus / Deficit		
Amortization of Tangible Capital Assets (Schedule C)	4,106,294	4,143,600
Net Gain on Disposal of Tangible Capital Assets (Schedule C)	(16,823)	(10,042)
Write-Down of Tangible Capital Assets (Schedule C)	238,187	-
Total Non-Cash Items Included in Surplus / Deficit	4,327,658	4,133,558

North East School Division No. 200
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2017

	2017	2016
	\$	\$
Net Change in Non-Cash Operating Activities		
Decrease (Increase) in Accounts Receivable	590,809	832,989
Increase (Decrease) in Accounts Payable and Accrued Liabilities	725,725	(2,444,214)
Increase in Liability for Employee Future Benefits	81,700	63,100
Increase in Deferred Revenue	178,919	25,901
Decrease (Increase) in Inventory of Supplies for Consumption	379	(37,717)
Decrease (Increase) in Prepaid Expenses	139,952	(61,506)
Total Net Change in Non-Cash Operating Activities	1,717,484	(1,621,447)

North East School Division No. 200
Schedule D: Non-Cash Items Included in Surplus / Deficit
for the year ended August 31, 2017

	2017	2016
	\$	\$
Non-Cash Items Included in Surplus / Deficit		
Amortization of Tangible Capital Assets (Schedule C)	4,106,294	4,143,600
Net Gain on Disposal of Tangible Capital Assets (Schedule C)	(16,823)	(10,042)
Write-Down of Tangible Capital Assets (Schedule C)	238,187	-
Total Non-Cash Items Included in Surplus / Deficit	4,327,658	4,133,558

North East School Division No. 200
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2017

	2017	2016
	\$	\$
Net Change in Non-Cash Operating Activities		
Decrease (Increase) in Accounts Receivable	590,809	832,989
Increase (Decrease) in Accounts Payable and Accrued Liabilities	725,725	(2,444,214)
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Decrease (Increase) in Prepaid Expenses	139,952	(61,506)
Total Net Change in Non-Cash Operating Activities	1,717,484	(1,621,447)

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2017

1. AUTHORITY AND PURPOSE

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

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

2. SIGNIFICANT ACCOUNTING POLICIES

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

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

a) Basis of Accounting

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

b) Reporting Entity

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

c) Trust Funds

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

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

d) Measurement Uncertainty and the Use of Estimates

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

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2017

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

- the liability for employee future benefits of \$677,300 (2016 - \$595,600) because actual experience may differ significantly from actuarial estimations.
- property taxation revenue of \$11,529,652 (2016 - \$10,867,537) because final tax assessments may differ from initial estimates.
- uncollectible taxes of \$1,500,000 (2016 - \$498,265) because actual collectability may differ from initial estimates.
- useful lives of capital assets and related accumulated amortization of \$46,950,236 (2016 - \$45,132,612) 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. Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. The school division believes that it is not subject to significant unrealized foreign exchange translation gains and losses arising from its financial instruments.

f) Financial Assets

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

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2017

Cash and Cash Equivalents consists of cash, bank deposits and highly liquid investments with initial maturity terms of three months or less and held for the purpose of meeting short-term operating cash commitments rather than for investing purposes.

Accounts Receivable includes taxes receivable 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 twelve 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.

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2017

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

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

h) Liabilities

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

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

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

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

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

i) Employee Pension Plans

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

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.

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2017

- ii) Other employees participate in the Municipal Employees' Pension Plan (MEPP). In accordance with the Public Sector Accounting Board (PSAB) standards, the plan is accounted for as a defined contribution plan whereby the school division's contributions are expensed when due.

j) Revenue Recognition

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

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

i) Government Transfers (Grants)

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

ii) Property Taxation

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

iii) Fees and Services

Revenues from tuition fees and other fees and services are recognized in the year they are earned. Amounts that are restricted pursuant to legislation, regulation or agreements with external parties that may only be used in the conduct of certain programs or in the delivery of specific services and transactions are initially recorded as deferred revenue and subsequently recognized as revenue in the fiscal year the related expenses are incurred or services are performed.

iv) Interest Income

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

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2017

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.

l) Adoption of Public Sector Accounting Standards

On September 1, 2016, the school division adopted Public Sector Accounting standards PS 2200 Related Party Disclosures, PS 3210 Assets, and PS 3320 Contingent Assets, and PS3380 Contractual Rights.

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, 2017 was \$0 (August 31, 2016 - \$0).

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2017

4. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

	2017	2016
Portfolio investments in the cost and amortized cost category:	<u>Cost</u>	<u>Cost</u>
Equitable Bank GIC Due 02/24/2017 1.75%	\$ -	\$ 101,328
HSBC Bank of Canada GIC Due 02/24/2017 1.55%	-	101,176
Montreal Trust CDA GIC Due 02/24/2017 1.45%	-	101,100
Pacific & Western GIC Due 02/24/2017 1.50%	-	101,138
B2B Bank Due 02/26/2018 1.75%	104,397	101,323
Home Trust Company GIC Due 02/26/2018 1.80%	104,522	101,361
Homequity Bank GIC Due 02/26/2018 1.80%	104,522	101,361
Laurentian Bank GIC Due 02/26/2018 1.75%	104,397	101,324
LBC Trust GIC Due 02/26/2018 1.75%	104,397	101,324
RBC GIC Due 12/24/2018 2.83%	82,586	-
Equitable Bank GIC Due 01/09/2019 2.96%	103,578	-
Bank of Nova Scotia GIC Due 01/24/2019 2.67%	80,475	-
CDN Western Bank GIC Due 02/04/2019 1.86%	50,498	-
CDN Western Trust GIC Due 02/05/2019 1.86%	27,277	-
Canadian Tire Bank GIC Due 02/06/2019 2.60%	46,632	-
ICICI Bank Canada GIC Due 03/21/2019 2.82%	10,312	-
Total portfolio investments reported at cost and amortized cost	\$923,593	\$ 911,435

5. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2017 Actual	2016 Actual
Governance	\$ 123,024	\$ 324,471	\$ -	\$ -	\$ 447,495	\$ 395,685
Administration	1,735,436	240,025	-	54,019	2,029,480	2,524,352
Instruction	37,354,302	2,899,397	-	1,333,318	41,587,017	40,581,175
Plant	3,447,668	5,696,367	-	2,032,163	11,176,198	9,836,985
Transportation	2,281,077	1,788,746	-	668,756	4,738,579	4,140,304
Tuition and Related Fees	-	231,325	-	-	231,325	219,759
School Generated Funds	-	1,220,513	-	-	1,220,513	1,146,884
Complementary Services	1,161,560	228,485	-	14,969	1,405,014	1,664,999
External Services	139,064	70,605	-	3,069	212,738	203,698
Other	-	1,239,922	363,328	-	1,603,250	401,731
TOTAL	\$46,242,131	\$13,939,856	\$ 363,328	\$ 4,106,294	\$ 64,651,609	\$ 61,115,572

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, 2015 and extrapolated the results to estimate the Liability for Employee Future Benefits as at August 31, 2017.

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2017

Details of the employee future benefits are as follows:

	2017	2016
	Aug. 31, 2017	Aug. 31, 2016
Actuarial extrapolation date		
Long-term assumptions used:		
Discount rate at end of period	2.69%	2.10%
Inflation and productivity rate for Teachers (excluding merit and promotion)	2.50%	3.20%
Inflation and productivity rate for Non-Teachers (excluding merit and promotion)	3.00%	3.20%
Expected average remaining service life (years)	14	14

Liability for Employee Future Benefits	2017	2016
Accrued Benefit Obligation - beginning of year	\$ 779,600	\$ 688,400
Current period service cost	67,900	61,100
Interest cost	17,600	18,400
Benefit payments	(17,100)	(27,800)
Actuarial (gains)/losses	(124,000)	38,600
Plan amendments	-	900
Accrued Benefit Obligation - end of year	724,000	779,600
Unamortized Net Actuarial Losses	(46,700)	(184,000)
Liability for Employee Future Benefits	\$ 677,300	\$ 595,600

Expense for Employee Future Benefits	2017	2016
Current period service cost	\$ 67,900	\$ 61,100
Amortization of net actuarial loss	13,300	10,500
Plan amendments	-	900
Benefit cost	81,200	72,500
Interest cost	17,600	18,400
Total Employee Future Benefits Expense	\$ 98,800	\$ 90,900

7. PENSION PLANS

Multi-Employer Defined Benefit Plans

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

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

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

The STRP and STSP are funded by contributions by the participating employee members and the Government of Saskatchewan. The school division's obligation to the STRP and STSP is limited to collecting and remitting contributions of the employees at rates determined by the plans. Accordingly,

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2017

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:

	2017			2016
	STRP	STSP	TOTAL	TOTAL
Number of active School Division members	412	8	420	404
Member contribution rate (percentage of salary)	11.30% / 13.50 %	6.05% / 7.85%	6.05% / 13.50 %	6.05% / 12.40 %
Member contributions for the year	\$ 3,470,523	\$ 20,172	\$ 3,490,695	\$ 3,071,652

ii) Municipal Employees' Pension Plan (MEPP)

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

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

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

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

Details of the MEPP are as follows:

	2017	2016
Number of active School Division members	415	411
Member contribution rate (percentage of salary)	8.15%	8.15%
School Division contribution rate (percentage of salary)	8.15%	8.15%
Member contributions for the year	\$ 957,984	\$ 891,549
School Division contributions for the year	\$ 957,984	\$ 891,549
Actuarial (extrapolation) valuation date	(DEC/31/2016)	DEC/31/2015
Plan Assets (in thousands)	\$ 2,323,947	\$ 2,148,676
Plan Liabilities (in thousands)	\$ 1,979,463	\$ 1,831,743
Plan Surplus (in thousands)	\$ 344,484	\$ 316,933

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2017

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:

	2017			2016		
	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	\$ 3,313,849	\$ 498,265	\$ 2,815,584
Other Receivables	540,780	-	540,780	694,072	-	694,072
Total Accounts Receivable	\$ 4,418,847	\$ 1,500,000	\$ 2,918,847	\$ 4,007,921	\$ 498,265	\$ 3,509,656

As at January 1, 2018, pursuant to *The Education Property Tax Act*, the Government of Saskatchewan will now be the taxing authority for education property tax. After that date, the school division will no longer earn taxation revenue.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of accounts payable and accrued liabilities are as follows:

	2017	2016
Accrued Salaries and Benefits	\$ 889,441	\$ 1,251,101
Supplier Payments	1,706,351	1,331,765
Other (utilities, maintenance, capital project progress)	1,009,529	296,730
Total Accounts Payable and Accrued Liabilities	\$ 3,605,321	\$ 2,879,596

10. LONG-TERM DEBT

Details of long-term debt are as follows:

		2017	2016
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)	\$ 8,462,104	\$ 8,804,643
Total Long-Term Debt		\$ 8,462,104	\$ 8,804,643

NORTH EAST SCHOOL DIVISION NO. 200
NOTES TO THE FINANCIAL STATEMENTS
As at August 31, 2017

Future principal repayments over the next 5 years are estimated as follows:	
	Capital Loan
2018	\$ 357,063
2019	372,204
2020	387,986
2021	404,438
2022	439,463
Thereafter	6,500,950
Total	\$ 8,462,104

Principal and interest payments on the long-term debt are as follows:		
	2017	2016
Principal	\$ 342,539	\$ 328,605
Interest	359,791	373,725
Total	\$ 702,330	\$ 702,330

11. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at Aug. 31, 2016	Additions during the Year	Revenue recognized in the Year	Balance as at Aug. 31, 2017
Capital projects:				
Federal capital tuition	\$ 415,028	\$ 27,626	\$ -	\$ 442,654
Total capital projects deferred revenue	415,028	27,626	-	442,654
Other deferred revenue:				
Rental Revenue	7,607	7,334	(7,607)	7,334
Other	2,500	154,066	(2,500)	154,066
Total other deferred revenue	10,107	161,400	(10,107)	161,400
Total Deferred Revenue	\$ 425,135	\$ 189,026	\$ (10,107)	\$ 604,054

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.

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Following is a summary of the revenues and expenses of the Complementary Services programs operated by the school division in 2017 and 2016:

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Community and Inter-Agency Liaison	Universal Kindergarten Nutrition Program	Universal Snack Program	2017	2016
Revenues:						
Operating Grants	\$ 593,748	\$ 13,600	\$ -	\$ -	\$ 607,348	\$ 609,245
Total Revenues	593,748	13,600	-	-	607,348	609,245
Expenses:						
Salaries & Benefits	548,233	613,327	-	-	1,161,560	1,178,356
Instructional Aids	29,056	8,699	-	-	37,755	40,262
Supplies and Services	-	-	-	-	-	256,948
Non-Capital Equipment	-	-	-	-	-	5,854
Communications	251	2,162	-	-	2,413	2,496
Travel	-	17,679	-	-	17,679	17,187
Professional Development (Non-Salary Costs)	821	5,594	-	-	6,415	7,940
Student Related Expenses	18,995	89,286	20,938	35,004	164,223	141,427
Amortization of Tangible Capital Assets	13,417	1,552	-	-	14,969	14,529
Total Expenses	610,773	738,299	20,938	35,004	1,405,014	1,664,999
Deficiency of Revenues over Expenses	\$ (17,025)	\$ (724,699)	\$ (20,938)	\$ (35,004)	\$ (797,666)	\$(1,055,754)

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.

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Following is a summary of the revenues and expenses of the External Services programs operated by the school division in 2017 and 2016:

Summary of External Services Revenues and Expenses, by Program - Cafeterias	2017	2016
Revenues:		
Fees and Other Revenues	\$ 129,241	\$ 134,433
Total Revenues	129,241	134,433
Expenses:		
Salaries & Benefits	139,065	135,243
Supplies and Services	67,413	64,879
Non-Capital Equipment	2,707	-
Travel	484	507
Amortization of Tangible Capital Assets	3,069	3,069
Total Expenses	212,738	203,698
Deficiency of Revenues over Expenses	\$ (83,497)	\$ (69,265)

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

14. ACCUMULATED SURPLUS

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

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

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Details of accumulated surplus are as follows:

	August 31 2016	Additions during the year	Reductions during the year	August 31 2017
Invested in Tangible Capital Assets:				
Net Book Value of Tangible Capital Assets	\$ 74,726,690	\$ 3,539,140	\$ 4,347,832	\$ 73,917,998
Less: Debt owing on Tangible Capital Assets	8,804,643	-	342,539	8,462,104
	65,922,047	3,539,140	4,005,293	65,455,894
PMR maintenance project allocations (1)	1,817,395	1,355,506	2,030,936	1,141,965
Externally Restricted Surplus:				
Broadway School Sale Agreement	50,556	-	-	50,556
Internally Restricted Surplus:				
Capital projects:				
Bus Fleet Renewal	-	721,000	-	721,000
Computer Hardware Replacement	480,000	70,000	-	550,000
Digital Projector Replacement	45,458	-	21,538	23,920
Hudson Bay School Project	741,909	-	630,880	111,029
Information Technology Renewal	20,565	-	-	20,565
Melfort Maintenance Shop	7,379	-	7,379	-
Non-School Buildings	2,249,607	-	834,010	1,415,597
Telephone System Replacement	8,645	-	-	8,645
Vehicle Replacement	-	50,000	-	50,000
	3,553,563	841,000	1,493,807	2,900,756
Other:				
English as an Additional Language Pilot Program	14,487	-	14,487	-
Improved Learning Environment of Students	551,220	-	324,448	226,772
Invitational Shared Services Initiatives (ISSI)	10,818	150,000	153,319	7,499
School Budget Carryover	291,051	1,409,659	1,460,302	240,408
School Generated Funds	1,124,824	1,326,276	1,482,533	968,567
School Improvement Initiative	726,299	-	338,430	387,869
Teachers for Diversity and Small Schools	-	2,000,000	-	2,000,000
Tisdale Office Minor Renovations	45,670	-	-	45,670
Universal Kindergarten Nutrition Program	12,422	-	12,422	-
Violence Threat Risk Assessment Training	8,000	-	8,000	-
Contingency	5,800,000	-	-	5,800,000
	8,584,791	4,885,935	3,793,941	9,676,785
Unrestricted Surplus	9,180,268	55,113,128	59,040,899	5,252,497
Total Accumulated Surplus	\$ 89,108,620	\$ 65,734,709	\$ 70,364,876	\$ 84,478,453

- (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.

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

Bus Fleet Renewal represents funds to purchase six replacement buses during the 2017-18 fiscal year.

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

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

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

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

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

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

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

Vehicle Replacement represents funds required to provide for the replacement of a maintenance vehicle during the 2017-18 fiscal year that has reached the end of its life cycle.

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

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

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

School Budget Carryover represents 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.

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Teachers for Diversity and Small Schools represents funds available to help ensure the additional teachers at the smaller schools and the diversity teachers continue even if the funding level from the province is at a low level.

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.

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

Violence Threat Risk Assessment Training represents funds received from the Ministry for training purposes that took place in 2016-17.

Contingency represents funds available to be used for emergency purposes.

15. BUDGET FIGURES

Budget figures included in the financial statements were approved by the board of education on June 27, 2016 and the Minister of Education on August 8, 2016.

16. RELATED PARTIES

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

Related Party Transactions

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

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	2017	2016
Revenues:		
Boards of Education	\$ 3,500	\$ 6,500
Cumberland Regional College	123,367	127,596
Kelsey Trail Health Region	30,866	31,274
Ministry of Education - Capital Funding	1,335,506	1,889,784
Ministry of Education - Operating Grant	44,254,486	45,655,430
	\$ 45,747,725	\$ 47,710,584
Expenses:		
Board of Education	\$ 110,595	\$ 62,328
Cumberland Regional College	233,208	222,058
Gabriel Dumont Institute	-	240
Kelsey Trail Health Region	2,000	810
Minister of Finance	30,710	34,057
Saskatchewan Government Insurance	111,516	112,884
Saskatchewan Polytechnic	510	-
Saskatchewan Power Corporation	943,756	823,674
Saskatchewan Telecommunications Holding Corporation	533,786	708,557
Saskatchewan Transportation Company	1,389	1,410
Saskatchewan Workers' Compensation Board	174,091	134,363
SaskEnergy Incorporated	439,324	391,040
	\$ 2,580,885	\$ 2,491,421
Accounts Receivable:		
Cumberland Regional College	\$ 13,958	\$ 3,026
Kelsey Trail Health Region	-	3,433
Saskatchewan Government Insurance	36,643	32,112
Saskatchewan Professional Teachers Regulatory Board	903	-
Saskatchewan Telecommunications Holding Corporation	-	340
	\$ 51,504	\$ 38,911
Prepaid Expenses:		
Saskatchewan Government Insurance	\$ 50,601	\$ 53,957
Saskatchewan School Boards Association	31,830	31,416
Saskatchewan Telecommunications Holding Corporation	40,221	50,870
Saskatchewan Workers' Compensation Board	55,269	43,968
	\$ 177,921	\$ 180,211
Accounts Payable and Accrued Liabilities:		
Minister of Finance	\$ 928	\$ 1,452
SaskEnergy Incorporated	60,838	4,239
Saskatchewan Power Corporation	154,527	134,893
Saskatchewan Telecommunications Holding Corporation	-	105,266
Saskatchewan Transportation Company	191	-
	\$ 216,484	\$ 245,850
Deferred Revenue:		
Cumberland Regional College	\$ 7,334	\$ 7,607
	\$ 7,334	\$ 7,607

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

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

17. TRUSTS

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

Information about these trusts is as follows:

	Total Trust Fund	
	<u>2017</u>	<u>2016</u>
Cash and short-term investments	\$ 197,623	\$ 192,266
Portfolio investments	466,011	477,978
Total Assets	663,634	670,244
Revenues		
Contributions and donations	20,155	10,191
Interest on investments	9,390	8,774
	<u>29,545</u>	<u>18,965</u>
Expenses		
Scholarships paid	36,155	20,996
	<u>36,155</u>	<u>20,996</u>
Deficiency of Revenues over Expenses	(6,610)	(2,031)
Trust Fund Balance, Beginning of Year	670,244	672,275
Trust Fund Balance, End of Year	\$ 663,634	\$ 670,244

18. CONTRACTUAL RIGHTS

Significant contractual rights of the school division are as follows:

- Hudson Bay Child Care Co-operative lease contract ending on August 31, 2025. Lease to be adjusted July 1 each year based on total operating costs of the Facility. The maximum increase per year will be 2% of the prior year lease payment.
- Nipawin Daycare Co-operative lease contract. Estimated increase of 2% per year of the prior year lease payment. The renewal term shall be for 10 years commencing on April 1, 2018 and continuing until March 31, 2028.
- Melfort Daycare lease contract. Estimated increase of 2% per year of the prior year lease payment. The lease shall end on March 31, 2020. The renewal term shall be for 10 years commencing on April 1, 2020 and continuing until March 31, 2030.
- Quilly Willy Early Learning Childcare Centre lease contract. Estimated increase of 2% per year of the prior year lease payment. The lease shall end on March 31, 2020. The renewal term shall be for 10 years commencing on April 1, 2020 and continuing until March 31, 2030.
- Operating Agreement between the North East School Division, Cumberland Regional College, Town of Tisdale and the Kelsey Trail Health Region for the maintenance of the joint use facility. Estimate increase of 2% per year of the prior year lease payment. The lease shall continue indefinitely.

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- Central Park Library lease contract. Estimated increase of 2% per year of the prior year lease payment. Lease shall end on March 31, 2018. The renewal term shall be for 10 years commencing on April 1, 2018 and continuing until March 31, 2028.
- Kids First Program at Central Park School lease contract. Estimated increase of 2% per year of the prior year lease payment. The lease shall end on March 31, 2018. The renewal term shall be for 10 years commencing on April 1, 2018 and continuing until March 31, 2028.
- Cumberland Regional College space rental at Melfort Unit Comprehensive Collegiate. Estimated increase of 2% per year of the prior year lease payment. The lease shall continue indefinitely.

	Hudson Bay Child Care Co- operative	Nipawin Daycare Co- operative	Melfort Daycare	Quilly Willy Early Learning Childhood Centre	Operating Agreement for Joint Facility	Central Park Library	Kids First Program	Cumberland Regional College
2018	\$ 12,281	\$ 4,522	\$ 25,635	\$ 15,706	\$ 98,625	\$ 43,254	\$ 14,264	\$ 88,737
2019	12,522	4,613	26,145	16,020	100,597	44,119	14,550	90,512
2020	12,774	4,705	26,668	16,340	102,609	45,002	14,841	92,322
2021	13,027	4,799	27,202	16,667	104,661	45,902	15,137	94,169
2022	13,292	4,895	27,746	17,000	106,754	46,820	15,440	96,052
Thereafter	41,502	23,705	229,200	140,437	Indefinite	278,680	74,775	Indefinite
Total Contractual Rights	\$ 105,398	\$ 47,239	\$ 362,596	\$ 222,170	Indefinite	\$ 503,777	\$ 149,007	Indefinite

19. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

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

- Construction contract with VCM Construction Ltd. for the Tisdale Bus Shop addition and renovation project in Tisdale, Saskatchewan. The value of the work to be completed in the contract totals approximately \$857,000.
- Construction contract with Black & McDonald for the Melfort Unit Comprehensive Collegiate School ventilation project in Melfort, Saskatchewan. The value of the work to be completed in the contract totals approximately \$182,668.
- Photocopier operating lease obligations are \$24,078 as the current photocopier contract expires November 2017.

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20. ACCOUNTING CHANGES

On September 1, 2016, the school division adopted the following new standards:

- PS 3420 Inter-entity Transactions. This section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective; and
- PS 3430 Restructuring Transactions. This section establishes how to account for and report restructuring transactions for both the receipt and transfer of assets and liabilities, together with related program or operating responsibilities.

The adoption of the new standards has been on a prospective basis, without restatement of prior period comparative amounts.

The adoption of the new standards has not resulted in any changes to the measurement, recognition, or disclosure of the school division's inter-entity transactions. During the year, the school division did not have any restructuring transactions.

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, 2017 was:

	August 31, 2017				
	Total	Current	30-60 days	60-90 days	Over 90 days
Other Receivables	\$ 105,642	\$ 103,283	\$ -	\$ -	\$ 2,359
Net Receivables	\$ 105,642	\$ 103,283	\$ -	\$ -	\$ 2,359

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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, 2017				
	Total	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 3,605,321	\$ 3,605,321	\$ -	\$ -	\$ -
Long-term debt	11,764,027	351,165	351,165	2,809,320	8,252,377
Total	\$ 15,369,348	\$ 3,956,486	\$ 351,165	\$ 2,809,320	\$ 8,252,377

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, 2017.

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.