

**AUDITED  
FINANCIAL STATEMENTS  
and Supporting Schedules  
FOR THE YEAR ENDED AUGUST 31, 2003**  
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

**Northern Gateway Regional Division No. 10**

Name of School Jurisdiction

**4104 Kepler Street; Box 840; Whitecourt, Alberta; T7S 1N8**

Mailing Address

**(780) 778-2800      (780) 778-6719**

Telephone and Fax Numbers

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

The financial statements and supporting schedules \_\_\_\_\_ Northern Gateway Regional Division No. 10

(Name of School Jurisdiction)

presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

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

**Board of Trustees Responsibility**

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

**External Auditors**

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

**Declaration of Management and Board Chairman**

To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

**BOARD CHAIRMAN**

**Judy Muir**

Name

**"Original Signed By"**

Signature

**SUPERINTENDENT**

**Eugene J. Miller**

Name

**"Original Signed By"**

Signature

**SECRETARY TREASURER OR TREASURER**

**Michael Gramatovich**

Name

**"Original Signed By"**

Signature

**25-Nov-03**

Board-approved Release Date

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# *Clews & Shoemaker*

CHARTERED ACCOUNTANTS

Graham Rex Clews Professional Corporation

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John S. Shoemaker Professional Corporation

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## AUDITOR'S REPORT

To the Board of Trustees of the Northern Gateway Regional Division No. 10:

We have audited the statement of financial position of Northern Gateway Regional Division No. 10 as at August 31, 2003, and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. 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 plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Northern Gateway Regional Division No. 10 as at August 31, 2003, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with the Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Westlock, Alberta  
November 5, 2003



CHARTERED ACCOUNTANTS

**STATEMENT OF FINANCIAL POSITION**  
as at August 31

(in dollars)

	2003	2002
<b>ASSETS</b>		
Current assets		
Cash and temporary investments	\$1,333,877	\$2,964,791
Accounts receivable (net after allowances)	\$2,588,719	\$1,443,001
Prepaid expenses	\$340,406	\$420,899
Other current assets	\$0	\$0
<b>Total current assets</b>	<b>\$4,263,002</b>	<b>\$4,828,691</b>
School generated assets	\$874,489	\$976,506
Trust assets	\$267,007	\$254,468
Long term accounts receivable	\$0	\$0
Capital assets		
Land	\$1,382,484	\$1,382,484
Buildings	\$72,066,318	
Less: accumulated amortization	(\$21,648,101)	\$50,012,705
Equipment	\$16,662,635	
Less: accumulated amortization	(\$15,694,158)	\$968,477
Vehicles	\$4,747,312	
Less: accumulated amortization	(\$2,870,481)	\$1,876,831
<b>Total capital assets</b>	<b>\$54,646,009</b>	<b>\$54,612,106</b>
<b>TOTAL ASSETS</b>	<b>\$60,050,507</b>	<b>\$60,671,771</b>
<b>LIABILITIES</b>		
Current liabilities		
Bank indebtedness	\$0	\$0
Accounts payable and accrued liabilities	\$1,492,420	\$1,121,549
Deferred revenue	\$693,263	\$1,286,589
Deferred capital allocations	\$37,152	\$37,152
Current portion of all long term debt	\$1,394,214	\$1,481,844
<b>Total current liabilities</b>	<b>\$3,617,049</b>	<b>\$3,927,134</b>
School generated liabilities	\$874,489	\$976,506
Trust liabilities	\$267,007	\$254,468
Employee future benefits liability	\$133,512	\$336,923
Long term debt		
Supported: Debentures and other supported debt	\$8,800,343	\$10,126,062
Less: Current portion of supported debt	(\$1,225,468)	(\$1,325,719)
Unsupported: Debentures and Capital Loans	\$738,135	\$894,259
Capital Leases	\$0	\$0
Mortgages	\$0	\$0
Less: Current portion of unsupported debt	(\$168,745)	(\$156,125)
Unamortized capital allocations	\$38,384,047	\$36,442,358
<b>Total long term liabilities</b>	<b>\$47,803,319</b>	<b>\$47,548,732</b>
<b>TOTAL LIABILITIES</b>	<b>\$51,420,368</b>	<b>\$51,475,865</b>
<b>NET ASSETS</b>		
Unrestricted net assets	\$499,458	\$508,065
Operating Reserves	\$1,361,795	\$1,479,468
Accumulated Operating Surplus (Deficit)	\$1,861,253	\$1,987,533
Investment in capital assets	\$6,723,487	\$7,149,428
Capital Reserves	\$45,399	\$58,946
Total Capital Funds	\$6,768,886	\$7,208,374
<b>Total net assets</b>	<b>\$8,630,139</b>	<b>\$9,195,907</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$60,050,507</b>	<b>\$60,671,772</b>

**Note:** Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

**STATEMENT OF REVENUES AND EXPENSES**  
for the Year Ended August 31  
(in dollars)

	Actual 2003	Budget 2003	Actual 2002
<b>REVENUES</b>			
Alberta Learning	\$35,968,581	\$34,832,159	\$34,857,166
Alberta Infrastructure	\$4,858,904	\$3,819,527	\$2,381,098
Alberta Finance	\$987,972	\$1,075,604	\$1,126,916
Other Government of Alberta	\$85,821	\$0	\$60,176
Federal Government and/or First Nations	\$1,132,572	\$890,184	\$960,268
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities (excluding supplementary requisitions)	\$16,116	\$17,044	\$16,211
Instruction resource fees	\$234,322	\$217,967	\$212,798
Transportation fees	\$22,918	\$18,150	\$26,419
Other sales and services	\$70,501	\$78,606	\$115,529
Investment income	\$111,804	\$120,000	\$122,644
Gifts and donations	\$76,061	\$0	\$0
Rentals of facilities	\$145,129	\$158,300	\$135,675
Net school generated funds	\$916,105	\$790,000	\$832,294
Gains on disposal of capital assets	\$0	\$0	\$13,650
Amortization of capital allocations	\$1,483,332	\$1,485,450	\$1,480,927
<b>Total Revenues</b>	<b>\$46,110,138</b>	<b>\$43,502,991</b>	<b>\$42,341,771</b>
<b>EXPENSES</b>			
Certificated salaries	\$20,994,904	\$21,190,878	\$19,137,061
Certificated benefits	\$2,334,016	\$2,015,492	\$2,175,714
Uncertificated salaries and wages	\$6,534,924	\$6,127,838	\$6,068,855
Uncertificated benefits	\$1,370,606	\$1,144,226	\$1,143,368
Services, contracts and supplies	\$11,035,308	\$10,104,608	\$10,156,765
Net school generated funds	\$916,105	\$790,000	\$832,294
<b>Capital and debt services</b>			
Amortization of capital assets			
Supported	\$1,483,332	\$1,485,450	\$1,480,927
Unsupported	\$941,631	\$1,000,653	\$889,241
Total Amortization of capital assets	\$2,424,963	\$2,486,103	\$2,370,168
Interest on capital debt			
Supported	\$987,972	\$1,075,604	\$1,126,392
Unsupported	\$68,003	\$10,098	\$80,489
Total Interest on capital debt	\$1,055,976	\$1,085,702	\$1,206,881
Other interest charges	\$497	\$0	\$564
Losses on disposal of capital assets	\$8,607	\$0	\$0
<b>Total Expenses</b>	<b>\$46,675,906</b>	<b>\$44,944,847</b>	<b>\$43,091,670</b>
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM</b>			
	(\$565,768)	(\$1,441,856)	(\$749,899)
Block BQRP revenue used for capital purposes	\$0	\$0	\$0
Block MOD revenue used for capital purposes	\$0	\$0	\$0
1999 One-time grant revenue used for capital purposes	\$0	\$0	\$0
Extraordinary Item	\$0	\$0	\$0
<b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES</b>	<b>(\$565,768)</b>	<b>(\$1,441,856)</b>	<b>(\$749,899)</b>

**Note:** Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

**STATEMENT OF CASH FLOWS**  
for the Year Ended August 31

(in dollars)

	2003	2002
<b>CASH FLOWS FROM:</b>		
<b>A. OPERATIONS</b>		
Surplus (deficit) of revenues over expenses for the year	(\$565,768)	(\$749,898)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	(\$1,483,332)	(\$1,480,927)
Total amortization expense	\$2,424,963	\$2,370,168
Gains on disposal of capital assets	\$0	(\$13,650)
Losses on sale of capital assets	\$8,607	\$0
Changes in accrued accounts:		
Accounts receivable	(\$1,145,718)	\$74,468
Prepays and other current assets	\$80,493	(\$304,513)
Payables and accrued liabilities	\$370,871	(\$231,637)
Deferred revenue	(\$593,326)	\$262,849
Employee future benefit expense (recovery)	(\$203,411)	\$88,710
Other (describe)	\$0	\$0
<b>Total sources (uses) of cash from Operations</b>	<b>(\$1,106,620)</b>	<b>\$15,570</b>
<b>B. INVESTING ACTIVITIES</b>		
Purchases of capital assets		
Land	\$0	(\$19,956)
Buildings	(\$2,119,791)	(\$24,025)
Equipment	(\$55,748)	(\$208,461)
Vehicles	(\$301,934)	(\$379,957)
Net proceeds from disposal of capital assets	\$10,000	\$13,650
Other (describe)	\$0	\$0
<b>Total sources (uses) of cash from Investing activities</b>	<b>(\$2,467,473)</b>	<b>(\$618,749)</b>
<b>C. FINANCING ACTIVITIES</b>		
Capital allocations received	\$2,099,301	\$24,025
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$1,481,842)	(\$1,572,054)
Add back: supported portion	\$1,325,719	\$1,361,379
Other (describe)	\$0	\$0
<b>Total sources (uses) from Financing activities</b>	<b>\$1,943,179</b>	<b>(\$186,651)</b>
<b>Net sources (uses) of cash equivalents* during year</b>	<b>(\$1,630,914)</b>	<b>(\$789,830)</b>
<b>Cash Equivalents at the beginning of the year</b>	<b>\$2,964,791</b>	<b>\$3,754,621</b>
<b>Cash Equivalents at the end of the year</b>	<b>\$1,333,877</b>	<b>\$2,964,791</b>

**Notes:** Cash equivalents consist of cash and temporary investments net of bank indebtedness.  
Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

**STATEMENT OF CHANGES IN NET ASSETS**  
**for the Year Ended August 31, 2003**  
(in dollars)

School Jurisdiction Code: 2275

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS  (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS  Columns 5 to 15	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure		Board & System Admin.		Transportation		External Services		
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
<b>Balance at August 31, 2002</b>	\$9,233,059	\$7,149,428	\$508,065	\$1,575,566	\$1,071,630	\$38,776	\$115,567	\$40,968	\$0	\$115,663	\$2,704	\$176,608	\$13,650	\$0	\$0
Prior period adjustments (describe)															
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,816)	\$3,816	\$0	\$0	\$0	\$0	\$0	\$0
Change in Accounting Policy	(\$37,152)	\$0	\$0	(\$37,152)	\$0	\$0	\$0	(\$37,152)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Adjusted Balance, Aug.31, 2002</b>	\$9,195,907	\$7,149,428	\$508,065	\$1,538,414	\$1,071,630	\$38,776	\$115,567	\$0	\$3,816	\$115,663	\$2,704	\$176,608	\$13,650	\$0	\$0
Surplus(def) of revenue over expenses	(\$565,768)		(\$565,768)												
Block BQRP funded capital transactions		\$0	\$0												
Block MOD funded capital transactions		\$0	\$0												
Board funded capital transactions		\$378,172	\$0	(\$378,172)	(\$40,472)	(\$8,325)	(\$66,645)		\$0	(\$6,952)	\$0	(\$242,129)	(\$13,650)	\$0	\$0
Donations of non-amortizable assets	\$0	\$0													
Amortization of capital assets		(\$2,424,963)	\$2,424,963												
Amortization of capital allocations		\$1,483,332	(\$1,483,332)												
Disposal of unsupported capital assets	\$0	(\$18,607)	\$8,607	\$10,000		\$0			\$10,000		\$0		\$0		\$0
Disposal of supported capital assets	\$0	\$0	\$0			\$0			\$0		\$0		\$0		\$0
Debt principal payments (unsupported)		\$156,125	(\$156,125)												
Net transfers to operating reserves			(\$235,821)	\$235,821	\$75,525		(\$60,170)			\$68,120		\$152,346		\$0	
Net transfers from operating reserves			(\$2,704)	\$2,704	\$0		\$0			\$2,704		\$0		\$0	
Net transfers to capital reserves			(\$1,132)	\$1,132		\$0			\$1,132		\$0		\$0		\$0
Net transfers from capital reserves			\$2,704	(\$2,704)		\$0			\$0		(\$2,704)		\$0		\$0
<b>Balance at August 31, 2003</b>	\$8,630,139	\$6,723,487	\$499,458	\$1,407,195	\$1,106,683	\$30,451	(\$11,248)	\$0	\$14,947	\$179,534	\$0	\$86,826	\$0	\$0	\$0

**STATEMENT OF CAPITAL ALLOCATIONS  
(SUPPORTED CAPITAL FINANCING ONLY)  
for the Year Ended August 31, 2003  
(in dollars)**

	<b>Deferred Capital Allocations</b>	<b>Unamortized Capital Allocations</b>
<b>Balance at August 31, 2002</b>	\$0	\$36,442,358
<b>Prior period adjustment</b>	\$37,152	
<b>Adjusted balance, August 31, 2002</b>	\$37,152	\$36,442,358
<b>Add:</b>		
<b>Capital allocations from:</b>		
AB Infrastructure - New/Modernization Projects	\$0	
Other Government of Alberta	\$2,099,301	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
<b>Interest earned on provincial government capital allocations</b>	\$0	
<b>Other capital grants and donations</b>	\$0	
<b>Proceeds on disposal of supported capital assets</b>	\$0	
<b>Insurance proceeds</b>	\$0	
<b>Donated capital assets (depreciable, at Fair Market Value)</b>		\$0
<b>Transferred in capital assets (depreciable, at Net Book Value)</b>		\$0
<b>Current Year Debenture Principal Repayment</b>		\$1,325,719
<b>Expended capital allocations - current year</b>	(\$2,099,301)	\$2,099,301
<b>Less:</b>		
<b>Unamortized Capital Allocation affected by a disposal through transfer out</b>		\$0
<b>Capital allocations amortized to revenue</b>		\$1,483,332
<b>Balance at August 31, 2003</b>	\$37,152	\$38,384,047

**Note:** Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.



NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2003

1. AUTHORITY AND PURPOSE

Northern Gateway Regional Division #10 delivers education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between instruction and support blocks.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province for new construction are recorded as deferred capital allocations until spent. Once spent, the capital allocations are transferred to unamortized capital allocations, which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Capital allocations for the purpose of debt repayment are recorded as unamortized capital allocations.

Unrestricted donations are recognized as revenue when received or receivable. Donations in kind are recorded at fair market value, when reasonably determinable.

Externally restricted donations are recognized as revenue in the period in which the restriction is complied with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

(c) Capital Assets

Capital assets are recorded at cost, except for donated assets which are recorded at the estimated fair market when acquired. The capital assets are amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 5%
Equipment	5% to 20%
Vehicles and buses	10% to 20%

Only capital assets with a cost in excess of \$5,000 are capitalized. Assets with a cost less than \$5,000 are treated as current operating expenses. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(d) School Generated Funds

School generated funds are funds in the community, which come under the control and responsibility of the school principal and are used for school based activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the Regional Division because the accountability, control and ownership of these funds rests with the Regional Division's officials or their appointees.

(e) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

(f) Pensions

Employees of the Regional Division participate in a multi-employer pension plan referred to as the Local Authorities Pension Plan (LAPP), which is covered by the Public Sector Pension Plans Act. The plan serves 143,113 people and about 401 employers. It is funded by employer and employee contributions and investment earnings within the fund.

The Regional Division is required to make current service contributions to the Plan of 5.525% of pensionable earnings up to the Canada Pension Plan's annual maximum pensionable earnings and 7.4% for the excess.

Total current service contributions made by the Regional Division to the Local Authorities Pension Plan in 2002/2003 were \$181,943. Total current service contributions made by the Regional Division's employees to the Local Authorities Pension Plan in 2002/2003 were \$148,836.

At December 31, 2002, the Plan disclosed an actuarial deficit of \$444.9 million in the Plan (2002 surplus of \$634.9 million).

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

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Northern Gateway Regional Division #10 does not make pension contributions for certified staff.

(g) Contributed Services

Volunteers contribute a considerable number of hours to assist schools within the Regional Division in the delivery of programs, including but not limited to, kindergarten, lunch services and the raising of school generated funds. Because of the difficulty in compiling the hours and determining the fair market value of these services and given the fact that these services are generally not otherwise purchased, these contributed services are not recognized in the financial statements.

(h) Inventories

The Regional Division expenses all items under \$5,000 as current operating expenses and, therefore, does not track inventories of supplies in its financial statements.

(i) Financial Instruments

The Regional Division's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities and long term debt. It is management's opinion that the Regional Division is not exposed to significant interest, currency or credit risk from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximate their carrying values. The Regional Division is of the opinion that it has invested surplus funds in accordance with Section 44 of the School Act and Section 5 of the Trustees Act.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

(j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the regional Division or externally, to set aside for future operating or capital expenditures. Such reserves represent appropriations of the accumulated surplus.

(k) Employee Future Benefits

The Regional Division accounts for the future cost of employee benefits in accordance with Section 3461 of the CICA Handbook.

3. DEFERRED REVENUE

	<u>2003</u>	<u>2002</u>
One time investment grant	\$ -	\$ 96,197
One time block funding	27,371	27,371
Block modernization funding 2001	-	313,382
Whitecourt concept study	1,183	2,558
Valleyview concept study	80,383	80,632
BQRP for 2001 - 2003	148,572	609,022
One time grant 2002 - 2003	-	151,407
Miscellaneous	12,720	6,020
School portables	106,368	-
One time funding - maintenance	258,266	-
One time funding - transportation	<u>58,400</u>	<u>-</u>
	<u>\$ 693,263</u>	<u>\$ 1,286,589</u>

4. TRUST ASSETS AND LIABILITIES

	<u>2003</u>	<u>2002</u>
Endowment funds for scholarships	\$ 232,894	\$ 230,638
Deferred salary leave plans	19,195	7,961
Rental damage deposits	7,025	8,165
Early childhood services (ECS)	<u>7,893</u>	<u>7,804</u>
	<u>\$ 267,007</u>	<u>\$ 254,468</u>

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

5. LONG TERM DEBT

	<u>2003</u>	<u>2002</u>
<p>Debentures repayable to Alberta Municipal Financing Corporation at \$2,587,868 per year, including interest at rates of 6.875% to 12.0%. Debenture debt is issued on the credit and security of the Regional Division and matures between 2002 and 2019. Certain of these debentures are eligible for Provincial support. These debentures funded the construction of school buildings with a net carrying amount of \$46,645,657.</p>	\$ 8,905,118	\$10,240,934
<p>Johnson Controls Ltd financing agreement, repayable at \$10,570 per month including interest at a rate of 7.0%, plus an additional \$75,000 principal on the anniversary of the completion of the project. The agreement, used to fund the energy retrofit project, matures in December 2006 and is secured by certain property with a net book value of \$996,980.</p>	<u>633,369</u>	<u>779,386</u>
	9,538,487	11,020,320
Less: current portion	<u>1,394,215</u>	<u>1,481,845</u>
	<u>\$ 8,144,272</u>	<u>\$ 9,538,475</u>

The payments of principal required to meet long term debt obligations in each of the next five years are as follows:

	<u>Supported Principle</u>	<u>Unsupported Principal</u>
2004	\$ 1,225,468	\$ 168,745
2005	1,078,609	182,415
2006	978,298	197,275
2007	871,089	125,324
2008	797,210	10,097
Thereafter	<u>3,849,668</u>	<u>54,289</u>
	<u>\$ 8,800,342</u>	<u>\$ 738,145</u>

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

6. LEASE COMMITMENTS

The Regional Division's total obligations, under various operating leases for office equipment over each of the next five years, exclusive of maintenance costs, are as follows:

2004	\$ 139,027
2005	99,594
2006	86,864
2007	47,320
2008	<u>5,085</u>
	<u>\$ 377,890</u>

7. CONTINGENCY

The Regional Division is a member of the Alberta Local Authorities Reciprocal Insurance Exchange (ALARIE). Under the terms of membership, the Regional Division could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted as a current expenditure in the year the losses are determined. A portion of premiums paid each year are applied to the equity of the Exchange. These payments are recorded as expenses of the Regional Division in the current year as the equity of the Exchange is potentially subject to liability claims and is not a tangible asset the jurisdiction can realize.

8. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

10. INTERFUND TRANSFERS

During the year the Regional Division transferred the following amounts between funds:

	<u>2003</u>	<u>2002</u>
a) Transfers between restricted operating reserves and unrestricted net assets:		
Current operating revenues in excess of expenditures related to restricted funds	\$ (565,768)	\$ (749,898)
Amortization of capital assets	2,424,963	2,370,168
Amortization of capital allocations	(1,483,332)	(1,480,928)
(Gain) loss on disposal of capital assets	8,607	(13,650)
Principal payments on unsupported debt	<u>(156,125)</u>	<u>(210,676)</u>
Net transfer from unrestricted to restricted funds	<u>\$ 228,345</u>	<u>\$ (84,984)</u>
b) Transfers between restricted operating reserves and capital reserves:		
Interest earned on capital reserves	\$ 1,132	\$ 996
Ministerial order to transfer equipment lease payments	<u>(2,704)</u>	<u>(10,610)</u>
Net transfer from capital reserves to restricted operating reserves	<u>\$ (1,572)</u>	<u>\$ (9,614)</u>

11. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

12. CAPITAL RECONCILIATION

	<u>2003</u>	<u>2002</u>
A. Total capital assets	\$54,646,009	\$54,612,108
Deduct: Long Term debt		
- supported	(8,800,343)	10,126,066)
- unsupported	<u>(738,135)</u>	<u>(894,255)</u>
Net total	<u>\$45,107,531</u>	<u>\$43,591,787</u>
B. Unamortized capital allocations	38,384,047	36,442,358
Add: Investment in capital assets	<u>6,723,487</u>	<u>7,149,427</u>
Net total	<u>45,107,534</u>	<u>43,591,785</u>
C. Variance	<u>\$ (3)</u>	<u>\$ 2</u>

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

13. SCHOOL CLOSURE

One of the jurisdiction's schools closed on June 30, 2003. The Division is reviewing options for its future use or sale. The school is shown on the books at a net book value of \$162,381. It is expected, if the facility is sold, that the final selling price will be substantially below the book value.

14. LEGAL CASE

The Division has been named in a legal case involving Stress leave. The maximum liability to the Division would be \$40,000.

15. PRIOR PERIOD ADJUSTMENT

Deferred capital allocation previously reported as \$0 in 2002, has been increased by \$37,152 and supported capital reserves previously reported as \$37,152 have been reduced to \$0 to correct the accounting treatment of net proceeds from the sale of supported capital assets (school buildings). The use of these proceeds are externally restricted by the Alberta Government and not internally restricted by the jurisdiction.

16. RECLASSIFICATION

Other Government of Alberta Revenue has been restated for 2001/2002 by \$649,320.50 to \$60,176. Other Alberta Learning Revenue has been restated from (\$1,204,485.19) to (\$1,229,230.60) and expensed Mod/BQRP and Portable relocation has been reclassified from \$352,538.12 to \$1,206,604.03.



**SCHEDULE A to the AFS  
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-200:**

School Jurisdiction Code: \_\_\_\_\_ 2275

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
<b>Alberta Learning allocations</b>									
(1) Instruction block	\$28,449,060	\$1,334,978	\$27,114,081						
(2) Support block	\$5,247,213				\$3,701,660			\$1,545,553	
(3) Instruction & support block reallocations	\$0	(\$25,924)	\$0		\$25,924			\$0	\$0
(4) Alberta Initiative for School Improvement (AISI)	\$698,047	\$24,200	\$673,847						
(5) Student Health Initiative (SHI)	\$214,065	\$10,000	\$204,065						\$0
(6) Supernet Access	\$0		\$0					\$0	
(7) Teacher Salary Enhancement (TSE)	\$1,264,000	\$33,677	\$1,210,062					\$20,261	\$0
(8) Regional P.D. Consortium (6 boards only)	\$0								\$0
(9) Regional Assessment Services (4 boards only)	\$0								\$0
(10) Other Alberta Learning revenues	\$96,197	\$0	\$96,197		\$0			\$0	\$0
<b>(11) Total Alberta Learning Revenue</b>	<b>\$35,968,581</b>	<b>\$1,376,932</b>	<b>\$29,298,253</b>	<b>\$0</b>	<b>\$3,727,584</b>			<b>\$1,565,813</b>	<b>\$0</b>
<b>Alberta Infrastructure</b>									
(12) Expensed Block Mod, Block BQRP support	\$1,122,395	\$0	\$0	\$1,122,395					
(13) Operations & Maintenance support	\$3,614,501			\$3,614,501					
(14) Operations & Maintenance support (One-Time)	\$122,008			\$122,008					
<b>(15) Total Alberta Infrastructure Revenue</b>	<b>\$4,858,904</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,858,904</b>					
<b>Alberta Finance</b>									
(16) Alberta Finance	\$987,972			\$987,972	\$0			\$0	\$0
(17) Other - Government of Alberta	\$85,821	\$0	\$78,786	\$7,035	\$0			\$0	\$0
(18) Federal Government and/or First Nations	\$1,132,572	\$20,279	\$985,122	\$81,133	\$0			\$46,038	\$0
(19) Other Alberta school authorities	\$0	\$0	\$0	\$0	\$0			\$0	\$0
(20) Out of province authorities	\$0	\$0	\$0	\$0	\$0			\$0	\$0
(21) Alberta municipalities (excl. supplementary requisitions)	\$16,116	\$0	\$16,116	\$0	\$0			\$0	\$0
(22) Instruction resource fees	\$234,322	\$19,607	\$214,715						
(23) Transportation fees	\$22,918				\$22,918				
(24) Other sales and services	\$70,501	\$0	\$0	\$6,213	\$61,899			\$2,389	\$0
(25) Investment income	\$111,804	\$0	\$107,486	\$3,681	\$394			\$243	\$0
(26) Gifts and donations	\$76,061	\$0	\$55,571	\$20,490	\$0				\$0
(27) Rentals of facilities	\$145,129		\$222	\$138,603	\$0			\$6,305	\$0
(28) Net school generated funds	\$916,105		\$916,105					\$0	
(29) Gains on disposal of capital assets	\$0		\$0	\$0	\$0			\$0	\$0
(30) Amortization of capital allocations	\$1,483,332		\$0	\$1,483,332	\$0				\$0
<b>(31) TOTAL REVENUES</b>	<b>\$46,110,138</b>	<b>\$1,416,817</b>	<b>\$31,672,377</b>	<b>\$7,587,361</b>	<b>\$3,812,795</b>			<b>\$1,620,789</b>	<b>\$0</b>
<b>EXPENSES</b>									
(32) Certificated salaries	\$20,994,904	\$549,798	\$20,141,720				\$303,386	\$303,386	\$0
(33) Certificated benefits	\$2,334,016	\$62,018	\$2,246,444				\$25,555	\$25,555	\$0
(34) Uncertificated salaries and wages	\$6,534,924	\$330,023	\$3,973,264	\$723,949	\$848,055	\$142,042	\$517,590	\$659,632	\$0
(35) Uncertificated benefits	\$1,370,606	\$67,768	\$863,567	\$145,976	\$156,444	\$24,663	\$112,188	\$136,851	\$0
<b>(36) SUB - TOTAL</b>	<b>\$31,234,450</b>	<b>\$1,009,607</b>	<b>\$27,224,994</b>	<b>\$869,925</b>	<b>\$1,004,499</b>	<b>\$166,705</b>	<b>\$958,719</b>	<b>\$1,125,424</b>	<b>\$0</b>
(37) Services, contracts & supplies	\$11,035,308	\$90,696	\$3,772,266	\$4,089,649	\$2,655,452	\$144,038	\$283,207	\$427,244	\$0
(38) Cost recoveries & transfers (must balance to zero)	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0
(39) Net school generated funds	\$916,105		\$916,105						
<b>Capital and debt services</b>									
Amortization of capital assets									
(40) Supported	\$1,483,332	\$0	\$0	\$1,483,332	\$0		\$0	\$0	\$0
(41) Unsupported	\$941,631	\$0	\$556,035	\$109,666	\$245,038	\$0	\$30,892	\$30,892	\$0
(42) Total Amortization	\$2,424,963	\$0	\$556,035	\$1,592,998	\$245,038	\$0	\$30,892	\$30,892	\$0
Interest on capital debt									
(43) Supported	\$987,972	\$0	\$0	\$987,972	\$0		\$0	\$0	\$0
(44) Unsupported	\$68,003	\$0	\$0	\$68,003	\$0	\$0	\$0	\$0	\$0
(45) Other interest charges	\$497	\$0	\$0	\$0	\$497		\$0	\$0	\$0
(46) Losses on disposal of capital assets	\$8,607	\$0	\$0	\$8,607	\$0	\$0	\$0	\$0	\$0
<b>(47) TOTAL EXPENSES</b>	<b>\$46,675,906</b>	<b>\$1,100,303</b>	<b>\$32,469,401</b>	<b>\$7,617,155</b>	<b>\$3,905,487</b>	<b>\$310,743</b>	<b>\$1,272,818</b>	<b>\$1,583,561</b>	<b>\$0</b>
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	(\$565,768)	\$316,514	(\$797,024)	(\$29,794)	(\$92,692)			\$37,228	\$0
<b>Applicable student numbers/FTE equivalent</b>	<b>5,607.0</b>	<b>406</b>	<b>5,404.0</b>	<b>5,572.3</b>	<b>4,681</b>			<b>5,607.0</b>	
<b>AVERAGE PROGRAM COSTS per student</b>	<b>\$8,325</b>	<b>\$2,710</b>	<b>\$6,008</b>	<b>\$1,367</b>	<b>\$834</b>			<b>\$282</b>	

**SCHEDULE B1 to the AFS  
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses**

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	\$16,429,107	\$1,974,239	\$129,203	\$805,716	\$413,586	\$389,869	\$0	\$20,141,720
Certificated benefits	\$1,889,279	\$150,742	\$12,400	\$98,955	\$50,010	\$45,058	\$0	\$2,246,444
Uncertificated salaries and wages	\$576,131	\$1,409,502	\$19,472	\$398,645	\$1,450,520	\$112,888	\$6,106	\$3,973,264
Uncertificated benefits	\$117,609	\$321,304	\$4,909	\$87,154	\$313,413	\$16,984	\$2,194	\$863,567
<b>SUB - TOTAL REMUNERATION</b>	\$19,012,126	\$3,855,786	\$165,984	\$1,390,470	\$2,227,529	\$564,799	\$8,300	\$27,224,994
Services, contracts & supplies	\$3,013,400	\$291,372	\$102,295	\$15,720	\$21,585	\$180,141	\$147,753	\$3,772,266
Cost recoveries & transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net school generated funds	\$916,105							\$916,105
Amortization of capital assets								
Supported	\$0	\$0	\$0					\$0
Unsupported	\$524,452	\$31,583	\$0					\$556,035
<b>Total Amortization</b>	\$524,452	\$31,583	\$0					\$556,035
Interest on capital debt								
Supported	\$0	\$0						\$0
Unsupported	\$0	\$0						\$0
Other interest charges	\$0	\$0						\$0
Losses on disposal of capital assets	\$0	\$0						\$0
<b>TOTAL EXPENSES</b>	\$23,466,083	\$4,178,741	\$268,279	\$1,406,190	\$2,249,115	\$744,940	\$156,053	\$32,469,401
FTE Certificated				13.1	6.7			
FTE Uncertificated				17.4	63.2			

**SCHEDULE B2 to the AFS  
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details**

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
<b>Basic Instruction</b>	\$22,602,028	\$2,184,105	\$2,159,408	\$0	\$26,945,541	\$24,340,084	\$2,605,457
School Admin & Instruction Support Expenses						\$4,178,741	(\$4,178,741)
System Instruction Support Expenses						\$268,279	(\$268,279)
<b>Total Basic Instruction</b>	\$22,602,028	\$2,184,105	\$2,159,408	\$0	\$26,945,541	\$28,787,104	(\$1,841,562)
<b>Sub-Programs &amp; Initiatives</b>							
Severely Disabled	\$1,684,872		\$0		\$1,684,872	\$2,249,115	(\$564,243)
English as a Second Language	\$42,410				\$42,410	\$42,410	\$0
Enhanced Opportunities	\$0				\$0	\$0	\$0
First Nations, Metis, and Inuit Education	\$58,063		\$0		\$58,063	\$134,423	(\$76,360)
Institutional Programs	\$0				\$0	\$0	\$0
Sparsity & Distance	\$2,014,629				\$2,014,629		\$2,014,629
Growth & Density	\$89,869				\$89,869		\$89,869
Teacher Assistants Program	\$107,562				\$107,562	\$295,313	(\$187,751)
Early Literacy Initiative (K-2)	\$195,861				\$195,861	\$234,608	(\$38,747)
Learning Resources Credit & Resources for the Classroom	\$39,973	\$66	\$214,715		\$254,754	\$254,754	\$0
Technology Integration	\$223,428		\$0		\$223,428	\$407,522	(\$184,094)
French Language Program & Francisation (all jurisdictions)	\$7,085		\$0		\$7,085	\$7,997	(\$912)
Home Education	\$48,302		\$0		\$48,302	\$56,155	(\$7,853)
<b>Total Sub-Programs &amp; Initiatives</b>	\$4,512,054		\$214,715		\$4,726,835	\$3,682,297	\$1,044,538
<b>INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)</b>	\$27,114,081	\$2,184,171	\$2,374,124	\$0	\$31,672,377	\$32,469,401	(\$797,024)

**SCHEDULE C to the AFS  
SUMMARY OF REVENUE TRANSFERS  
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003**

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
<b>Alberta Learning block allocations - Schedule A (Lines 1 &amp; 2)</b>	\$1,334,978	\$27,114,081		\$3,701,660	\$1,545,553	
<b>Reallocations permitted by the "Funding for School Authorities" manual</b>						
From Instruction block to External Services		\$0				\$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	(\$25,924)			\$25,924		
From all or part of maximum 2% of Instruction block to Transportation		\$0		\$0		
<b>Calculation: 2% of \$28,449,060 = \$568,981 (\$25,924)</b>						
From Instruction block (Growth & Density component) to Transportation		\$0		\$0		
<b>Reallocations directed by the board of trustees</b>						
From Transportation block to Instruction		\$0		\$0		
From Board and System Administration block to:						
(1) Transportation				\$0	\$0	
(2) Instruction		\$0			\$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	\$0	\$0				
(2) ECS to: Instruction	\$0	\$0				
<b>AMOUNTS REFLECTED ON SCHEDULE A (Line 3)</b>	(\$25,924)	\$0		\$25,924	\$0	\$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

**SCHEDULE D to the AFS  
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR  
BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003**

<b>STEP 1</b>	
Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration	
<b>Total Revenues (Schedule A):</b>	
Instruction Block - Grades ECS -12 (excluding technology integration)	\$28,225,632
Support Block - Transportation	\$3,701,660
<b>SUBTOTAL</b>	<b>\$31,927,292</b>
<b>Other Revenues</b>	
Alberta Infrastructure (Operations & Maintenance and Lease support)	\$3,614,501
Teacher Salary Enhancement	\$1,264,000
Other Alberta Learning revenues (Describe)	\$0
Other - Government of Alberta (Excluding Alberta Finance)	\$85,821
Federal government/First Nations	\$1,132,572
Other Alberta school authorities	\$0
Out of province local authorities	\$0
Alberta municipalities	\$16,116
Other sales and services	\$70,501
Interest on investments	\$111,804
Rentals of facilities	\$145,129
Gains on disposal of capital assets	\$0
Amortization of capital allocations	\$1,483,332
<b>School generated funds (Schedule E)</b>	<b>\$1,401,704</b>
<b>BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS</b>	<b>\$41,252,771</b>
<b>STEP 2</b>	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses	
If "Total Net Enrolled Students" are 6,000 and ov = 4%	<b>4.35%</b>
If "Total Net Enrolled Students" are 2,000 and le = 6%	
The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE. EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%. Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.	
<b>STEP 3</b>	
Calculate maximum expense limit AMOUNTS for Board and System Administration expenses	
Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	\$1,794,908
<b>Considerations for Charter Schools and Francophone Boards:</b>	
If Charter School, enter 50,000	0
If Francophone Board, enter 330,000	0
(If none of these considerations apply, leave the above cells blank)	
<b>MAXIMUM EXPENSE LIMIT</b>	<b>\$1,794,908</b>
<b>STEP 4</b>	
Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)	
Actual Board Governance & System Administration expenses	\$1,583,561
PLUS: transfers to Restricted - Operating (Board/System Administration)	\$68,120
LESS: transfers from Restricted - Operating (Board/System Administration)	\$2,704
<b>TOTAL BOARD GOVERNANCE &amp; SYSTEM ADMINISTRATION EXPENSES</b>	<b>\$1,654,384</b>
Maximum Expense Limit for Board & System Administration (Step 3)	\$1,794,908
<b>ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT</b>	<b>-\$140,524</b>

**SCHEDULE E to the AFS  
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003**

<b>Unexpended SGF - Opening Balance August 31, 2002</b> (Note 1)	\$976,506
<b>Source of School Generated Funds:</b>	
Total School Generated Funds for the year (Note 2)	\$1,401,704
Less: SGF - related cost recoveries (Note 3)	\$670,186
- capitalized at the District level (Note 4)	\$0
<b>Net Total</b>	<b>\$731,518</b>
Plus: Donations Received (Note 5)	\$82,571
<b>Equals: Net Additions to SGF</b>	<b>\$814,089</b>
<b>Net SGF Available for discretionary spending</b>	<b>\$1,790,595</b>
<b>Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39</b>	
Net expended SGF for discretionary purposes (Note 6)	\$916,105
<b>Unexpended SGF - Closing Balance August 31, 2003</b>	<b>\$874,489</b>
<p><b>Note 1</b> Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.</p> <p><b>Note 2</b> Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.</p> <p><b>Note 3</b> These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.</p> <p><b>Note 4</b> All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.</p> <p><b>Note 5</b> Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.</p> <p><b>Note 6</b> Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.</p>	

**SCHEDULE F to the AFS  
Operations and Maintenance Program 2002-2003 Expenses**

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$0	\$596,342	\$0	\$0	\$127,607	\$723,949		\$723,949
Uncertificated benefits	\$0	\$117,903	\$0	\$0	\$28,073	\$145,976		\$145,976
<b>Sub-total Remuneration</b>	\$0	\$714,245	\$0	\$0	\$155,680	\$869,925		\$869,925
Contracted Services	\$1,002,191	\$80,889	\$0	\$595,813	\$492	\$1,679,385		\$1,679,385
Supplies	\$65,171	\$373,863	\$0	\$526,722	\$10,442	\$976,198		\$976,198
Electricity			\$619,607			\$619,607		\$619,607
Natural Gas/Heating Fuel			\$563,902			\$563,902		\$563,902
Sewer and Water			\$93,848			\$93,848		\$93,848
Telecommunications			\$16,903			\$16,903		\$16,903
Insurance					\$139,807	\$139,807		\$139,807
<b>Amortization of capital assets</b>								
Supported							\$1,483,332	\$1,483,332
Unsupported						\$109,666		\$109,666
<b>Total Amortization</b>						\$109,666	\$1,483,332	\$1,592,998
<b>Interest on capital debt</b>								
Supported							\$987,972	\$987,972
Unsupported						\$68,003		\$68,003
<b>Other interest charges</b>						\$0		\$0
<b>Losses on disposal of capital assets</b>						\$8,607		\$8,607
<b>Cost recoveries &amp; transfers</b>						\$0		\$0
<b>TOTAL EXPENSES</b>	\$1,067,362	\$1,168,997	\$1,294,259	\$1,122,535	\$306,420	\$5,145,851	\$2,471,304	\$7,617,155
<b>SQUARE METRES</b>								
School Buildings								73,439.2
Non School Buildings								5,402.4

- Notes:**
- Custodial:** All expenses related to activities undertaken to keep the school environment clean and safe.
  - Maintenance:** All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
  - Utilities & Telecommunications:** All expenses related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
  - Expensed Block Mod/BQRP & Portable Relocations:** All expenses associated with non-capital activities related to Block Modernization, Building Quality Restoration Program and portable relocations.
  - Facility Planning & Operations Maintenance:** All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.
  - Supported Capital & Debt Services:** All expenses related to supported capital assets amortization and interest on supported capital debt.

**SCHEDULE G to the AFS  
DISCLOSURE OF SALARIES AND BENEFITS - 2002-200:  
(SECTION 148.1 OF THE SCHOOL ACT)**

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
<b>Chairperson:</b>								
Name Judy Muir	1.0	\$29,496	\$3,750	\$0	\$0	\$0	\$33,246	\$11,255
Name	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Other Board Members:</b>								
Name Warren Bruleigh	1.0	\$11,970	\$852	\$0	\$0	\$0	\$12,822	\$7,997
Name Stan Jeffreys	1.0	\$15,085	\$3,968	\$0	\$0	\$0	\$19,053	\$7,961
Name Grethe Jensen	1.0	\$14,551	\$3,911	\$0	\$0	\$0	\$18,462	\$9,016
Name Barbara Maddigan	1.0	\$10,856	\$1,510	\$0	\$0	\$0	\$12,366	\$5,411
Name Terry Slemko	1.0	\$14,485	\$3,894	\$0	\$0	\$0	\$18,378	\$5,663
Name Gerry Steinke	1.0	\$19,281	\$884	\$0	\$0	\$0	\$20,165	\$10,574
Name Maureen Wilcox	1.0	\$10,257	\$1,513	\$0	\$0	\$0	\$11,769	\$5,198
Name Marvin Zadderey	1.0	\$16,709	\$4,027	\$0	\$0	\$0	\$20,735	\$8,989
Name	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Name	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Name	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Name	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Name	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Name	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Name	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Name	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Name	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Name	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Name	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Subtotal</b>	<b>9.0</b>	<b>\$142,689</b>	<b>\$24,307</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$166,997</b>	<b>\$72,063</b>
Superintendent Eugene J. Miller	1.0	\$112,460	\$8,479	\$0	\$0	\$0	\$120,940	\$28,555
Superintendent	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Secretary/Treasurer Michael Gramatovich	1.0	\$94,171	\$14,325	\$0	\$0	\$0	\$108,496	\$11,973
Secretary/Treasurer	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board Secretary	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board Secretary	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Board Treasurer	0.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Certificated Salaries	313.0	\$20,882,444	\$2,325,537	\$0	\$0	\$0	\$23,207,981	
Uncertificated Salaries & Wages	230.0	\$6,298,063	\$1,331,974	\$0	\$0	\$0	\$7,630,037	
<b>TOTALS</b>		<b>\$27,529,827</b>	<b>\$3,704,623</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$31,234,450</b>	

Note: Please refer to completion information on page 15

**SCHEDULE G1 to the AFS**  
**DISCLOSURE OF SALARIES AND BENEFITS (SECTION 148.1 OF THE SCHOOL ACT)**  
**COMPLETION INFORMATION**

(1)	Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.
(2)	<b>Remuneration</b> includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments <b>EXCEPTING TERMINATION BENEFITS</b> (See #10A below), any other direct cash remuneration <b>EXCEPTING PERFORMANCE PAY</b> (See #10 below).
(3)	Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.
(4)	Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.
(5)	Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.
(6)	Salary must include deferred salary accruals.
(7)	Salary includes only payments for services subject to an employer-employee relationship.
(8)	<b>Benefits</b> include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.
(9)	<b>Allowances</b> include all monies paid to an employee as miscellaneous <b>negotiated</b> allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. <b>CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES</b> , as outlined in collective agreements, are included in <b>Remuneration</b> - NOT Allowances.
(10)	<b>Performance Bonuses</b> include those monies paid to employees of the school authority that are tied to the achievement of some specified goal or objective.
(10A)	<b>Other</b> includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).
(11)	<b>Expenses</b> will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee <b>or on his/her behalf</b> in performing the responsibilities of employment.
(12)	The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.
(13)	The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.
(13)	A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.
(14)	Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.
(15)	If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.