

**AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004**
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Northern Gateway Regional Division No. 10

Legal Name of School Jurisdiction

4104 Kepler Street, Box 840, Whitecourt, Alberta, T7S 1M8

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
(Legal 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	
Warren Bruleigh Name	"ORIGINAL SIGNED" Signature

SUPERINTENDENT	
Eugene J. Miller Name	"ORIGINAL SIGNED" Signature

SECRETARY TREASURER OR TREASURER	
Michael Gramatovich Name	"ORIGINAL SIGNED" Signature

26-Oct-04
Board-approved Release Date

TABLE OF CONTENTS

	Page
AUDITORS' REPORT	
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF REVENUES AND EXPENSES	4
STATEMENT OF CASH FLOWS	5
STATEMENT OF CHANGES IN NET ASSETS	6
STATEMENT OF CAPITAL ALLOCATIONS	7
NOTES TO THE FINANCIAL STATEMENTS	

SUPPORTING SCHEDULES

SCHEDULE A	Allocation of Revenues and Expenses to Programs	8
SCHEDULE B	Instruction - Grades 1 to 12 Program Expenses	9
SCHEDULE C	Instruction - Grades 1 to 12 Program Details	9
SCHEDULE D	Calculation of Maximum Eligible Expense Limits for Board (Governance) and System Administration	10
SCHEDULE E	Source & Application of School Generated Funds (SGF)	11
SCHEDULE F	Operations & Maintenance Program Expenses	12
SCHEDULE G	Disclosure of Salaries and Benefits	13
SCHEDULE G1	Completion Information for Schedule G	14

Clews & Shoemaker

CHARTERED ACCOUNTANTS

Graham Rex Clews Professional Corporation



John S. Shoemaker Professional Corporation

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, 2004, 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, 2004, 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
October 20, 2004

Clews & Shoemaker

CHARTERED ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION
as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		\$563,012	\$1,333,875
Accounts receivable (net after allowances)		\$2,127,176	\$2,588,719
Prepaid expenses		\$355,973	\$340,406
Other current assets		\$0	\$0
Total current assets		\$3,046,161	\$4,263,000
School generated assets		\$897,845	\$874,489
Trust assets		\$224,813	\$267,007
Long term accounts receivable		\$0	\$0
Long term investments		\$0	\$0
Capital assets			
Land		\$2,201,271	\$1,382,484
Buildings	\$63,481,832		
Less: accumulated amortization	(\$14,573,848)	\$48,907,984	\$50,418,217
Equipment	\$2,604,891		
Less: accumulated amortization	(\$1,883,335)	\$721,556	\$968,477
Vehicles	\$3,363,683		
Less: accumulated amortization	(\$1,595,163)	\$1,768,520	\$1,876,831
Total capital assets		\$53,599,332	\$54,646,009
TOTAL ASSETS		\$57,768,150	\$60,050,505
LIABILITIES			
Current liabilities			
Bank indebtedness		\$0	\$0
Accounts payable and accrued liabilities		\$1,009,648	\$1,492,420
Deferred revenue		\$672,012	\$693,263
Deferred capital allocations		\$42,136	\$37,152
Current portion of all long term debt		\$1,261,024	\$1,394,213
Total current liabilities		\$2,984,820	\$3,617,048
School generated liabilities		\$897,845	\$874,489
Trust liabilities		\$224,813	\$267,007
Employee future benefits liability		\$98,377	\$133,512
Long term debt			
Supported: Debentures and other supported debt		\$7,574,875	\$8,800,343
Less: Current portion of supported debt		(\$1,078,610)	(\$1,225,468)
Unsupported: Debentures and Capital Loans		\$569,408	\$738,135
Capital Leases		\$0	\$0
Mortgages		\$0	\$0
Less: Current portion of unsupported debt		(\$182,414)	(\$168,745)
Unamortized capital allocations		\$38,321,999	\$38,384,047
Total long term liabilities		\$46,426,292	\$47,803,320
TOTAL LIABILITIES		\$49,411,112	\$51,420,368
NET ASSETS			
Unrestricted net assets		\$489,458	\$499,458
Operating Reserves		\$630,945	\$1,361,795
Accumulated Operating Surplus (Deficit)		\$1,120,403	\$1,861,253
Investment in capital assets		\$7,133,050	\$6,723,487
Capital Reserves		\$103,583	\$45,398
Total Capital Funds		\$7,236,633	\$6,768,885
Total net assets		\$8,357,036	\$8,630,138
TOTAL LIABILITIES AND NET ASSETS		\$57,768,149	\$60,050,506

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

STATEMENT OF REVENUES AND EXPENSES
for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	\$36,646,023	\$36,310,287	\$35,968,581
Alberta Infrastructure	\$4,261,071	\$3,799,874	\$4,858,904
Alberta Finance	\$856,434	\$856,388	\$987,972
Other Government of Alberta	\$86,623	\$6,250	\$85,821
Federal Government and/or First Nations	\$1,004,500	\$1,046,254	\$1,132,572
Other Alberta school authorities	\$0	\$0	\$0
Out of province authorities	\$0	\$0	\$0
Alberta Municipalities	\$27,044	\$17,044	\$16,116
Instruction resource fees	\$235,487	\$236,079	\$234,322
Transportation fees	\$33,995	\$20,000	\$22,918
Other sales and services	\$50,091	\$93,233	\$70,501
Investment income	\$79,486	\$103,751	\$111,804
Gifts and donations	\$32,012	\$0	\$76,061
Rentals of facilities	\$161,981	\$95,649	\$145,129
Net school generated funds	\$1,052,425	\$892,456	\$916,105
Gains on disposal of capital assets	\$13,908	\$0	\$0
Amortization of capital allocations	\$1,535,815	\$1,533,577	\$1,483,332
Total Revenues	\$46,076,895	\$45,010,842	\$46,110,138
EXPENSES			
Certificated salaries	\$21,680,399	\$21,443,677	\$20,994,904
Certificated benefits	\$2,333,723	\$2,274,806	\$2,334,016
Uncertificated salaries and wages	\$6,955,676	\$6,345,750	\$6,534,924
Uncertificated benefits	\$1,491,684	\$1,392,829	\$1,370,606
Services, contracts and supplies	\$10,307,348	\$10,153,624	\$11,035,308
Net school generated funds	\$1,052,425	\$892,456	\$916,105
Capital and debt services			
Amortization of capital assets			
Supported	\$1,535,815	\$1,533,577	\$1,483,332
Unsupported	\$890,166	\$839,378	\$941,631
Total Amortization of capital assets	\$2,425,981	\$2,372,955	\$2,424,963
Interest on capital debt			
Supported	\$856,434	\$856,388	\$987,972
Unsupported	\$54,517	\$54,519	\$68,003
Total Interest on capital debt	\$910,951	\$910,907	\$1,055,975
Other interest charges	\$2,374	\$0	\$497
Losses on disposal of capital assets	\$8,221	\$0	\$8,607
Total Expenses	\$47,168,784	\$45,787,004	\$46,675,905
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM			
	(\$1,091,889)	(\$776,162)	(\$565,767)
Unrestricted revenues used for capital purposes	\$0	\$0	\$0
Extraordinary Item	\$0	\$0	\$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	(\$1,091,889)	(\$776,162)	(\$565,767)

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

STATEMENT OF CASH FLOWS
for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	(\$1,091,889)	(\$565,768)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	(\$1,535,815)	(\$1,483,332)
Total amortization expense	\$2,425,981	\$2,424,963
Gains on disposal of capital assets	(\$13,908)	\$0
Losses on sale of capital assets	\$8,221	\$8,607
Changes in accrued accounts:		
Accounts receivable	\$461,543	(\$1,145,718)
Prepays and other current assets	(\$15,567)	\$80,493
Long term accounts receivable	\$0	\$0
Long term investments	\$0	\$0
Payables and accrued liabilities	(\$482,772)	\$370,871
Deferred revenue	(\$21,251)	(\$593,326)
Employee future benefits	(\$35,135)	(\$203,411)
Other (describe)	\$0	\$0
Total sources (uses) of cash from Operations	(\$300,591)	(\$1,106,621)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	\$0	\$0
Buildings	(\$257,347)	(\$2,119,791)
Equipment	(\$75,845)	(\$55,748)
Vehicles	(\$292,645)	(\$301,934)
Net proceeds from disposal of capital assets	\$71,010	\$10,000
Other (describe)	\$0	\$0
Total sources (uses) of cash from Investing activities	(\$554,827)	(\$2,467,473)
C. FINANCING ACTIVITIES		
Capital allocations received	\$253,283	\$2,099,301
Issue of long term debt	\$0	\$0
Repayment of long term debt	(\$1,394,195)	(\$1,481,842)
Add back: supported portion	\$1,225,468	\$1,325,719
Other (describe)	\$0	\$0
Total sources (uses) from Financing activities	\$84,556	\$1,943,178
Net sources (uses) of cash equivalents* during year	(\$770,863)	(\$1,630,916)
Cash Equivalents at the beginning of the year	\$1,333,875	\$2,964,791
Cash Equivalents at the end of the year	\$563,012	\$1,333,875

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtedness.
Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

School Jurisdiction Code: 2275

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	RESTRICTED NET ASSETS									
					School Based		Infrastructure	Board & System Admin.		Transportation		External Services		
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	\$8,630,138	\$6,723,487	\$499,458	\$1,407,193	\$1,106,683	\$30,451	(\$11,248)	\$14,947	\$179,534	\$0	\$86,826	\$0	\$0	\$0
Prior period adjustments (describe)														
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted Balance, Aug.31, 2003	\$8,630,138	\$6,723,487	\$499,458	\$1,407,193	\$1,106,683	\$30,451	(\$11,248)	\$14,947	\$179,534	\$0	\$86,826	\$0	\$0	\$0
Surplus(def) of revenue over expenses	(\$1,091,889)		(\$1,091,889)											
Board funded capital transactions		\$377,539	\$0	(\$377,539)	(\$11,507)	(\$1,893)	(\$98,445)	(\$10,000)	\$0	\$0	(\$255,695)	\$0	\$0	\$0
Donations of non-amortizable assets	\$0	\$0												
Amortization of capital assets		(\$2,425,981)	\$2,425,981											
Amortization of capital allocations		\$1,535,815	(\$1,535,815)											
Disposal of unsupported capital assets	\$0	(\$65,323)	(\$5,687)	\$71,010		\$5,000		\$22,360		\$0		\$43,650		\$0
Disposal of supported capital assets-unsupported portion	\$818,787	\$818,787	\$0			\$0		\$0		\$0		\$0		\$0
Debt principal payments (unsupported)		\$168,726	(\$168,726)											
Net transfers to operating reserves			\$375,204	(\$375,204)	(\$512,807)		\$150,605		(\$29,803)		\$16,801			\$0
Net transfers from operating reserves			(\$10,000)	\$10,000	\$10,000		\$0		\$0		\$0			\$0
Net transfers to capital reserves			\$932	(\$932)		\$0		(\$932)		\$0		\$0		\$0
Net transfers from capital reserves			\$0	\$0		\$0		\$0		\$0		\$0		\$0
Balance at August 31, 2004	\$8,357,036	\$7,133,050	\$489,458	\$734,528	\$592,370	\$33,558	\$40,913	\$26,375	\$149,731	\$0	(\$152,068)	\$43,650	\$0	\$0

**STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)**

for the Year Ended August 31, 2004

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003	\$37,152	\$38,384,047
Add:		
Capital allocations from: AB Infrastructure - New/Modernization Projects	\$248,299	
Other Government of Alberta	\$0	
Federal Government and/or First Nations	\$0	
Other sources	\$0	
Interest earned on provincial government capital allocations	\$1,984	
Other capital grants and donations	\$0	
Proceeds on disposal of supported capital assets	\$3,000	
Insurance proceeds	\$0	
Donated capital assets (depreciable, at Fair Market Value)		\$0
Transferred in capital assets (depreciable)		\$0
Current Year Debenture Principal Repayment		\$1,225,468
Expended capital allocations - current year	(\$248,299)	\$248,299
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		\$0
Capital allocations amortized to revenue		\$1,535,815
Balance at August 31, 2004	\$42,136	\$38,321,999

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2004

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the School Act, Revised statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta School Jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those 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

Revenue is recognized as follows:

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 contributions are recognized as revenue when received or receivable. Contributions in kind are recorded at fair market value, when reasonably determinable.

Externally restricted contributions are recognized as revenue in the period in which the restriction is complied with. Endowment funds are recognized as direct increases in net assets in the period in which they are received.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2004

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 contributed 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	10% 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

These are funds in the community, which come under the control and responsibility of the school principal and are used for school 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, 2004

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) Pensions

Pension cost included in these statements compose 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 certificated staff.

The School board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of \$224,061 (\$181,943 in 2003) for the Year ended August 31, 2004. At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of \$1,410,987,000 (2002 deficiency of \$444,980,000).

(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 of compiling these hours and the fact that these services are generally not otherwise purchased, 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, accounts receivable, accounts payable, 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 arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximate their carrying values. The Regional Division has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2004

(j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for future operating or capital expenditures. Such reserves represent appropriations of 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. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of \$1,000,000 that bears interest at the bank prime rate plus 1/4%. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2004.

4. DEFERRED REVENUE

	<u>2004</u>	<u>2003</u>
OES, Demolition	\$ 387,884	\$ -
One time block funding	27,371	27,371
AISI	91,505	-
Whitecourt concept study	937	1,183
Valleyview concept study	80,383	80,383
BQRP for 2001 - 2003	-	148,572
BRQP for 2003 - 2004	24,538	-
Prepaid Transportation Fees	13,216	12,720
ASHIP	46,178	-
School portables	-	106,368
One time funding - maintenance	-	258,266
One time funding - transportation	-	58,400
	<u>\$ 672,012</u>	<u>\$ 693,263</u>

5. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for the following areas;

	<u>2004</u>	<u>2003</u>
Endowment funds for scholarships	\$ 217,788	\$ 232,894
Deferred salary leave plans	-	19,195
Rental damage deposits	7,025	7,025
Early childhood services (ECS)	-	7,893
	<u>\$ 224,813</u>	<u>\$ 267,007</u>

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2004

6. LONG TERM DEBT

	<u>2004</u>	<u>2003</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 \$47,954,951.</p>	\$ 7,574,875	\$ 8,905,118
<p>Johnson Controls Ltd financing agreement, repayable at \$10,750 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 \$953,033.</p>	<u>569,408</u>	<u>633,369</u>
	8,144,283	9,538,487
Less: current portion	<u>1,261,024</u>	<u>1,394,215</u>
	<u>\$ 6,883,259</u>	<u>\$ 8,144,272</u>

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

	<u>Supported Principal</u>	<u>Unsupported Principal</u>
2005	\$ 1,078,609	\$ 182,415
2006	978,298	197,275
2007	871,089	125,324
2008	797,210	10,097
2009	732,990	-
Thereafter	<u>3,170,975</u>	<u>-</u>
	<u>\$ 7,629,171</u>	<u>\$ 515,111</u>

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2004

7. CONTINGENCY

The Regional Division is a member of the Alberta School Boards Insurance Exchange (ASBIE). 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 liquidate.

8. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2004

10. INTERFUND TRANSFERS

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

	<u>2004</u>	<u>2003</u>
a) Transfers between restricted operating reserves and unrestricted net assets:		
Current operating revenues in excess of expenditures	\$ (1,091,888.79)	\$ (565,768.00)
Amortization of capital assets	2,425,980.00	2,424,963.00
Amortization of capital allocations	\$ (1,535,815.00)	\$1,483,332.00)
Gain/Loss on disposal of capital assets	(5,687.00)	8,607.00
Principal payments on unsupported debt	(168,726.40)	(156,125.00)
Interest transfer for Capital Supported Allocations	<u>932.00</u>	<u>-</u>
Net transfer from unrestricted to restricted funds	<u>\$ (375,205.19)</u>	<u>\$ 228,345.00</u>
b) Transfers between restricted operating reserves and capital reserves:		
Interest earned on capital reserves	\$ -	\$ 1,132.00
Board motion to transfer funds for Storm Student Conference	<u>(10,000.00)</u>	<u>(2,704.00)</u>
Net transfer from capital reserves to restricted operating reserves	<u>\$ (10,000.00)</u>	<u>\$ (1,572.00)</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>2004</u>	<u>2003</u>
A. Total capital assets	\$53,599,332	\$54,646,009
Deduct: Long Term debt		
- supported	(7,629,171)	(8,800,343)
- unsupported	<u>(515,111)</u>	<u>(738,135)</u>
Net total	<u>\$45,455,050</u>	<u>\$45,107,531</u>
B. Unamortized capital allocations	38,321,999	38,384,047
Add: Investment in capital assets	<u>7,133,051</u>	<u>6,723,487</u>
Net total	<u>45,455,050</u>	<u>45,107,534</u>
C. Variance	<u>\$ -</u>	<u>\$ (3)</u>

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2004

13. SALE OF SCHOOL

One of the jurisdiction's schools closed on June 30, 2003. The jurisdiction is selling this school for \$1 in 2004/2005. The school has a net book value at August 31, 2004 of \$172,981 (land & building).

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. COMMITMENTS

a) Building Projects

The jurisdiction is committed to further capital expenditures at Onoway Elementary School of approximately \$7,800,000. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure.

b) Leases

The jurisdiction is committed to equipment leases at it's various schools in the amount of \$341,024 repayable as follows:

2005	\$ 115,941
2006	\$ 103,211
2007	\$ 63,667
2008	\$ 21,432
2009	\$ <u>36,774</u>
	\$ 341,025

16. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Northern Gateway Regional Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

17. ADJUSTMENTS TO CAPITAL ASSETS

In 1995, with the change in accounting policy to record amortization, the Division had reconstructed the various capital asset accounts for their known assets at the time. All excess items were netted out in the depreciable asset accounts (equal amounts in asset costs and accumulated amortization) with the excess credit being used as an offset to land. This "draw down" of the land was balanced with an adjustment (probably) to the unamortized capital allocation account.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2004

17. ADJUSTMENTS TO CAPITAL ASSETS (Cont'd)

The Division had a project to reallocate these amounts in 2003/2004. The initial findings showed the 1995 cost evaluations were probably as accurate as could be determined. The Division has therefore decided to write off these unallocated amounts in 2003/2004. This write off had the following effect:

Land increased by \$821,789

Buildings and accumulated amortization - buildings, both decreased by \$8,841,833.

Equipment and accumulated amortization - equipment, both decreased by \$14,109,590

Vehicles and accumulated amortization - vehicles, both decreased by \$1,504,713.

Investment in capital assets also increased by \$821,789 (shown on statement of net assets column 2, on the Disposal of supported capital assets - unsupported portion line) (net of \$3,000 cost of land disposed of during in another transaction).

The Division now has supporting schedules which agree to the revised numbers at the year end.

A summary of the activity this year in the capital asset accounts is as follows:

<u>Assets</u>	<u>Land</u>	<u>Building</u>	<u>Equipment</u>	<u>Vehicles</u>
Beginning Balance	\$ 1,382,484	\$ 72,066,318	\$ 16,662,635	\$ 4,747,312
Additions	-	257,347	75,845	292,645
Disposals	(3,000)	-	(24,000)	(171,562)
Write (off) up of unallocated	<u>821,787</u>	<u>(8,841,833)</u>	<u>(14,109,590)</u>	<u>(1,504,713)</u>
Ending Balance	\$ <u>2,201,271</u>	\$ <u>63,481,832</u>	\$ <u>2,604,890</u>	\$ <u>3,363,682</u>

<u>Accumulated Amortization</u>				
Beginning Balance		\$ 21,648,101	\$ 15,694,158	\$ 2,870,481
Current year provision		1,767,580	310,767	347,633
Disposals		-	(12,000)	(118,238)
Write (off) up of unallocated		<u>(8,841,833)</u>	<u>(14,109,590)</u>	<u>(1,504,713)</u>
Ending Balance		\$ <u>14,573,848</u>	\$ <u>1,883,335</u>	\$ <u>1,595,163</u>

**SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004**

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.	
Alberta Learning allocations									
(1) Instruction block	\$28,701,317	\$1,466,514	\$27,234,803						
(2) Support block	\$5,255,691				\$3,666,830			\$1,588,861	
(3) Instruction & support block reallocations	\$12,824	\$0	\$0		\$12,491			\$333	\$0
(4) Alberta Initiative for School Improvement (AISi)	\$584,815	\$20,469	\$564,347						
(5) Student Health Initiative (SHI)	\$88,423	\$0	\$88,423						\$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	\$738,952	\$0	\$680,552	\$0	\$58,400			\$0	\$0
(11) Total Alberta Learning Revenue	\$36,646,023	\$1,520,660	\$29,778,187	\$0	\$3,737,722			\$1,609,455	\$0
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	\$344,363			\$344,363					
(13) Operations & Maintenance support	\$3,658,442			\$3,658,442					
(14) Operations & Maintenance support (One-Time)	\$258,266			\$258,266					
(15) Total Alberta Infrastructure Revenue	\$4,261,071			\$4,261,071					
Alberta Finance	\$856,434			\$856,434					\$0
(17) Other - Government of Alberta	\$86,623	\$0	\$78,807	\$5,205	\$0			\$2,611	\$0
(18) Federal Government and/or First Nations	\$1,004,500	\$0	\$913,452	\$52,827	\$0			\$38,221	\$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	\$27,044	\$0	\$27,044	\$0	\$0			\$0	\$0
(22) Instruction resource fees	\$235,487	\$14,954	\$220,533						
(23) Transportation fees	\$33,995				\$33,995				
(24) Other sales and services	\$50,091	\$0		\$11,926	\$38,165			\$0	\$0
(25) Investment income	\$79,486	\$0	\$71,088	\$7,682	\$563			\$154	\$0
(26) Gifts and donations	\$32,012	\$0	\$32,012	\$0	\$0			\$0	\$0
(27) Rentals of facilities	\$161,981		\$4,848	\$149,550	\$0			\$7,583	\$0
(28) Net school generated funds	\$1,052,425	\$0	\$1,052,425	\$0	\$0			\$0	\$0
(29) Gains on disposal of capital assets	\$13,908		\$0	\$5,458	\$8,450			\$0	\$0
(30) Amortization of capital allocations	\$1,535,815		\$0	\$1,535,815	\$0			\$0	\$0
(31) TOTAL REVENUES	\$46,076,895	\$1,535,614	\$32,178,396	\$6,885,967	\$3,818,895			\$1,658,023	\$0
EXPENSES									
(32) Certificated salaries	\$21,680,399	\$616,778	\$20,788,662				\$274,960	\$274,960	\$0
(33) Certificated benefits	\$2,333,723	\$74,384	\$2,234,900				\$24,438	\$24,438	\$0
(34) Uncertificated salaries and wages	\$6,955,676	\$343,137	\$4,234,652	\$751,934	\$890,698	\$180,333	\$554,923	\$735,255	\$0
(35) Uncertificated benefits	\$1,491,684	\$86,683	\$940,880	\$155,303	\$160,263	\$28,805	\$119,752	\$148,557	\$0
(36) SUB - TOTAL	\$32,461,483	\$1,120,981	\$28,199,094	\$907,237	\$1,050,961	\$209,137	\$974,073	\$1,183,210	\$0
(37) Services, contracts & supplies	\$10,307,348	\$134,295	\$3,717,802	\$3,208,107	\$2,742,528	\$145,531	\$359,085	\$504,617	\$0
(38) Cost recoveries & transfers (must balance to zero)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(39) Net school generated funds	\$1,052,425	\$0	\$1,052,425	\$0	\$0	\$0	\$0	\$0	\$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	\$1,535,815	\$0	\$0	\$1,535,815	\$0		\$0	\$0	\$0
(41) Unsupported	\$890,166	\$0	\$447,984	\$108,609	\$301,290	\$0	\$32,283	\$32,283	\$0
(42) Total Amortization	\$2,425,981	\$0	\$447,984	\$1,644,424	\$301,290	\$0	\$32,283	\$32,283	\$0
Interest on capital debt									
(43) Supported	\$856,434	\$0	\$0	\$856,434	\$0		\$0	\$0	\$0
(44) Unsupported	\$54,517	\$0	\$0	\$54,517	\$0	\$0	\$0	\$0	\$0
(45) Other interest charges	\$2,374	\$0	\$2,219	\$0	\$155		\$0	\$0	\$0
(46) Losses on disposal of capital assets	\$8,221	\$0	\$2,200	\$0	\$6,021	\$0	\$0	\$0	\$0
(47) TOTAL EXPENSES	\$47,168,784	\$1,255,276	\$33,421,725	\$6,670,719	\$4,100,954	\$354,669	\$1,365,441	\$1,720,110	\$0
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	(\$1,091,889)	\$280,338	(\$1,243,329)	\$215,248	(\$282,060)			(\$62,086)	\$0

**SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 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	\$16,704,367	\$1,980,127	\$93,836	\$999,403	\$690,048	\$320,881	\$0	\$20,788,662
Certificated benefits	\$1,827,816	\$176,777	\$8,266	\$115,440	\$76,207	\$30,395	\$0	\$2,234,900
Uncertificated salaries and wages	\$369,431	\$1,451,047	\$47,602	\$537,208	\$1,766,557	\$62,808	\$0	\$4,234,652
Uncertificated benefits	\$73,039	\$326,738	\$11,675	\$120,449	\$395,127	\$13,852	\$0	\$940,880
SUB - TOTAL REMUNERATION	\$18,974,654	\$3,934,690	\$161,378	\$1,772,499	\$2,927,938	\$427,936	\$0	\$28,199,094
Services, contracts & supplies	\$2,958,730	\$288,785	\$92,919	\$22,488	\$39,516	\$160,688	\$154,676	\$3,717,802
Cost recoveries & transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net school generated funds	\$1,052,425							\$1,052,425
Amortization of capital assets								
Supported	\$0	\$0	\$0					\$0
Unsupported	\$416,401	\$31,583	\$0					\$447,984
Total Amortization	\$416,401	\$31,583	\$0					\$447,984
Interest on capital debt								
Supported	\$0	\$0						\$0
Unsupported	\$0	\$0						\$0
Other interest charges	\$2,219	\$0						\$2,219
Losses on disposal of capital assets	\$2,200	\$0						\$2,200
TOTAL EXPENSES	\$23,406,629	\$4,255,057	\$254,297	\$1,794,988	\$2,967,454	\$588,624	\$154,676	\$33,421,725
FTE Certificated				15.3	10.7			
FTE Uncertificated				18.1	57.3			

**SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details**

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	\$22,484,567	\$2,343,905	\$2,179,676	\$0	\$27,008,148	\$24,706,029	\$2,302,119
School Admin & Instruction Support Expenses						\$4,255,057	(\$4,255,057)
System Instruction Support Expenses						\$254,297	(\$254,297)
Total Basic Instruction	\$22,484,567	\$2,343,905	\$2,179,676	\$0	\$27,008,148	\$29,215,382	(\$2,207,235)
Sub-Programs & Initiatives							
Severely Disabled	\$1,971,169	\$0	\$0		\$1,971,169	\$2,967,454	(\$996,286)
English as a Second Language	\$44,160				\$44,160	\$44,160	\$0
Enhanced Opportunities	\$0				\$0	\$0	\$0
First Nations, Metis, and Inuit Education	\$84,810		\$0		\$84,810	\$165,624	(\$80,814)
Institutional Programs	\$0				\$0	\$0	\$0
Sparsity & Distance	\$1,998,895				\$1,998,895		\$1,998,895
Growth & Density	\$39,957				\$39,957		\$39,957
Teacher Assistants Program	\$103,566				\$103,566	\$180,923	(\$77,357)
Early Literacy Initiative (K-2)	\$186,862				\$186,862	\$97,338	\$89,525
Learning Resources Credit & Resources for the Classroom	\$66,725	\$199,479	\$220,533		\$486,737	\$486,737	\$0
Technology Integration	\$226,688		\$0		\$226,688	\$226,688	\$0
French Language Program & Francisation (all jurisdictions)	\$7,232		\$0		\$7,232	\$7,232	\$0
Home Education	\$20,171		\$0		\$20,171	\$30,186	(\$10,015)
Total Sub-Programs & Initiatives	\$4,750,236		\$220,533		\$5,170,248	\$4,206,342	\$963,906
INSTRUCTION, GRADES 1-12	\$27,234,803	\$2,543,384	\$2,400,209	\$0	\$32,178,396	\$33,421,725	(\$1,243,329)

**SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR
BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004**

STEP 1	
Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration	
Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	\$28,474,629
Support Block - Transportation	\$3,666,830
SUBTOTAL	\$32,141,459
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	\$3,658,442
Teacher Salary Enhancement	\$1,264,000
Other Alberta Learning revenues (Describe)	\$0
Other - Government of Alberta (Excluding Alberta Finance)	\$86,623
Federal government/First Nations	\$1,004,500
Other Alberta school authorities	\$0
Out of province local authorities	\$0
Alberta municipalities	\$27,044
Other sales and services	\$50,091
Interest on investments	\$79,486
Rentals of facilities	\$161,981
Gains on disposal of capital assets	\$13,908
Amortization of capital allocations	\$1,535,815
School generated funds (Schedule E)	\$1,639,487
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	\$41,662,836
STEP 2	
Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses	
If "Total Net Enrolled Students" are 6,000 and over = 4%	4.40%
If "Total Net Enrolled Students" are 2,000 and less = 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.	
STEP 3	
Calculate maximum expense limit AMOUNTS for Board and System Administration expenses	
Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	\$1,831,498
Considerations for Charter Schools and Small Boards:	
If Charter School, enter 51,000	0
If Francophone Board, enter 400,000	0
(If none of these considerations apply, leave the above cells blank)	
MAXIMUM EXPENSE LIMIT	\$1,831,498
STEP 4	
Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)	
Actual Board Governance & System Administration expenses	\$1,720,110
PLUS: transfers to Restricted - Operating (Board/System Administration)	-\$29,803
LESS: transfers from Restricted - Operating (Board/System Administration)	\$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	\$1,690,306
Maximum Expense Limit for Board & System Administration (Step 3)	\$1,831,498
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-\$141,192

**SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004**

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)	\$874,489
Source of School Generated Funds:	
Total School Generated Funds for the year (Note 2)	\$1,639,487
Less: SGF - related cost recoveries (Note 3)	\$740,135
- capitalized at the District level (Note 4)	\$0
Net Total	\$899,352
Plus: Donations Received (Note 5)	\$176,429
Equals: Net Additions to SGF	\$1,075,781
Net SGF Available for discretionary spending	\$1,950,270
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39	
Net expended SGF for discretionary purposes (Note 6)	\$1,052,425
Unexpended SGF - Closing Balance August 31, 2004	\$897,845
<p>Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.</p> <p>Note 2 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). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.</p> <p>Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and 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. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.</p> <p>Note 4 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>Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.</p> <p>Note 6 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 2003-2004 Expenses**

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	\$0	\$617,002	\$0	\$0	\$134,932	\$751,934		\$751,934
Uncertificated benefits	\$0	\$130,186	\$0	\$0	\$25,117	\$155,303		\$155,303
Sub-total Remuneration	\$0	\$747,188	\$0	\$0	\$160,049	\$907,237		\$907,237
Contracted Services	\$1,041,177	\$63,511	\$0	\$347,520	\$64,928	\$1,517,136		\$1,517,136
Supplies	\$85,398	\$282,849	\$0	\$0	\$2,648	\$370,895		\$370,895
Electricity			\$566,565			\$566,565		\$566,565
Natural Gas/Heating Fuel			\$465,431			\$465,431		\$465,431
Sewer and Water			\$101,648			\$101,648		\$101,648
Telecommunications			\$19,373			\$19,373		\$19,373
Insurance					\$167,060	\$167,060		\$167,060
Net school generated funds	\$0	\$0	\$0	\$0	\$0	\$0		\$0
Amortization of capital assets								
Supported							\$1,535,815	\$1,535,815
Unsupported						\$108,609		\$108,609
Total Amortization						\$108,609	\$1,535,815	\$1,644,424
Interest on capital debt								
Supported							\$856,434	\$856,434
Unsupported				\$0		\$54,517		\$54,517
Other interest charges								\$0
Losses on disposal of capital assets								\$0
Cost recoveries & transfers						\$0		\$0
TOTAL EXPENSES	\$1,126,574	\$1,093,548	\$1,153,017	\$347,520	\$394,685	\$4,278,470	\$2,392,249	\$6,670,719
SQUARE METRES								
School Buildings								73,151.7
Non School Buildings								4,565.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	0.0	14.8						
Contracted Services	17.0	0.0						

- 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 IMP & Portable Relocations:** All expenses associated with non-capital activities related to Infrastructure Maintenance Program (IMP) 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, IMP (BQRP), 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 - 2003-2004
(SECTION 148.1 OF THE SCHOOL ACT)**

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name Judy Muir	1.0	\$34,180	\$4,353	\$0			\$38,533	\$12,027
Name	0.0	\$0	\$0	\$0			\$0	\$0
Other Board Members:								
Name Warren Bruleigh	1.0	\$16,207	\$1,007	\$0			\$17,214	\$6,471
Name Stan Jeffreys	1.0	\$19,607	\$4,793	\$0			\$24,400	\$6,794
Name Grethe Jensen	1.0	\$20,614	\$4,813	\$0			\$25,427	\$10,411
Name Barbara Maddigan	1.0	\$11,538	\$1,549	\$0			\$13,087	\$4,227
Name Terry Slemko	1.0	\$19,850	\$4,774	\$0			\$24,625	\$5,456
Name Gerry Steinke	1.0	\$22,044	\$794	\$0			\$22,838	\$8,989
Name Maureen Wilcox	1.0	\$14,639	\$1,822	\$0			\$16,461	\$4,388
Name Merv Zadderey	1.0	\$21,969	\$4,900	\$0			\$26,869	\$10,193
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Name	0.0	\$0	\$0	\$0			\$0	\$0
Subtotal	9.0	\$180,648	\$28,805	\$0			\$209,453	\$68,956
Superintendent Eugene J. Miller	1.0	\$118,600	\$8,891	\$0	\$0	\$0	\$127,491	\$29,256
Superintendent	1.0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Secretary/Treasurer Michael Gramatovich	0.0	\$95,000	\$15,391	\$0	\$0	\$0	\$110,391	\$15,704
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	331.7	\$21,561,799	\$2,324,833	\$0	\$0	\$0	\$23,886,632	
Uncertificated Salaries & Wages	230.0	\$6,680,028	\$1,447,488	\$0	\$0	\$0	\$8,127,516	
TOTALS		\$28,636,075	\$3,825,407	\$0	\$0	\$0	\$32,461,483	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual).

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)	Remuneration includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments EXCEPTING TERMINATION BENEFITS (See #10A below), any other direct cash remuneration EXCEPTING PERFORMANCE PAY (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)	Benefits 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)	Allowances include all monies paid to an employee as miscellaneous negotiated 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. CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES , as outlined in collective agreements, are included in Remuneration - NOT Allowances.
(10)	Performance Bonuses include those monies paid to employees of the school authority that are tied to the achievement of some specified goal or objective.
(10A)	Other includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).
(11)	Expenses will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee or on his/her behalf 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.