

**AUDITED  
FINANCIAL STATEMENTS  
and Supporting Schedules  
FOR THE YEAR ENDED AUGUST 31, 2005**  
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

**Palliser Regional Division No. 26**

Legal Name of School Jurisdiction

**101, 3305 - 18 Avenue North Lethbridge, Alberta, T1H 5S1**

Mailing Address

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

The financial statements and supporting schedules \_\_\_\_\_ Palliser Regional Division No. 26

(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**

**Mr. Don Zech**

Name

**"ORIGINAL SIGNED"**

Signature

**SUPERINTENDENT**

**Dr. Garry Andrews**

Name

**"ORIGINAL SIGNED"**

Signature

**SECRETARY TREASURER OR TREASURER**

**Mr. Laurie Marston**

Name

**"ORIGINAL SIGNED"**

Signature

**25-Nov-05**

Board-approved Release Date

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**BDO Dunwoody LLP**  
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## AUDITORS' REPORT

To the Board of Trustees of the  
Palliser Regional Division No. 26

We have audited the statement of financial position of the Palliser Regional Division No. 26 as at August 31, 2005 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 an audit to obtain reasonable assurance 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 the 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 school jurisdiction as at August 31, 2005 and the results of its operations changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purposes 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.

Lethbridge, Alberta  
November 4, 2005

*BDO Dunwoody LLP*

Chartered Accountants

**STATEMENT OF FINANCIAL POSITION**  
as at August 31, 2005

(in dollars)

|  | 2005           | 2004         |
|--|----------------|--------------|
| <b>ASSETS</b>                                  |                |              |
| Current assets                                 |                |              |
| Cash and temporary investments                 | \$2,825,830    | \$4,152,742  |
| Accounts receivable (net after allowances)     | \$2,158,944    | \$904,968    |
| Prepaid expenses                               | \$127,812      | \$219,325    |
| Other current assets                           | \$83,809       | \$12,965     |
| <b>Total current assets</b>                    | \$5,196,395    | \$5,290,000  |
| School generated assets                        | \$717,626      | \$525,405    |
| Trust assets                                   | \$162,425      | \$168,807    |
| Long term accounts receivable                  | \$0            | \$0          |
| Long term investments                          | \$0            | \$0          |
| Capital assets                                 |                |              |
| Land   | \$340,000      | \$340,000    |
| Buildings                                      | \$43,195,615   |              |
| Less: accumulated amortization                 | (\$18,433,191) | \$24,762,424 |
| Equipment                                      | \$2,468,981    |              |
| Less: accumulated amortization                 | (\$1,655,422)  | \$813,559    |
| Vehicles                                       | \$6,414,489    |              |
| Less: accumulated amortization                 | (\$3,640,266)  | \$2,774,222  |
| <b>Total capital assets</b>                    | \$28,690,205   | \$25,857,592 |
| <b>TOTAL ASSETS</b>                            | \$34,766,651   | \$31,841,804 |
| <b>LIABILITIES</b>                             |                |              |
| Current liabilities                            |                |              |
| Bank indebtedness                              | \$0            | \$0          |
| Accounts payable and accrued liabilities       | \$1,117,811    | \$1,838,014  |
| Deferred revenue                               | \$639,977      | \$430,659    |
| Deferred capital allocations                   | \$0            | \$973,375    |
| Current portion of all long term debt          | \$576,725      | \$563,769    |
| <b>Total current liabilities</b>               | \$2,334,514    | \$3,805,817  |
| School generated liabilities                   | \$717,626      | \$525,405    |
| Trust liabilities                              | \$162,425      | \$168,807    |
| Employee future benefits liability             | \$0            | \$0          |
| Long term payables and accrued liabilities     | \$0            | \$0          |
| Long term debt                                 |                |              |
| Supported: Debentures and other supported debt | \$4,301,920    | \$4,730,931  |
| Less: Current portion of supported debt        | (\$417,989)    | (\$429,012)  |
| Unsupported: Debentures and Capital Loans      | \$158,736      | \$306,191    |
| Capital Leases                                 | \$0            | \$0          |
| Mortgages                                      | \$0            | \$0          |
| Less: Current portion of unsupported debt      | (\$158,736)    | (\$134,757)  |
| Unamortized capital allocations                | \$18,686,056   | \$15,380,665 |
| <b>Total long term liabilities</b>             | \$23,450,037   | \$20,548,230 |
| <b>TOTAL LIABILITIES</b>                       | \$25,784,551   | \$24,354,047 |
| <b>NET ASSETS</b>                              |                |              |
| Unrestricted net assets                        | \$116,655      | \$136,197    |
| Operating Reserves                             | \$2,359,805    | \$993,375    |
| Accumulated Operating Surplus (Deficit)        | \$2,476,460    | \$1,129,572  |
| Investment in capital assets                   | \$5,543,503    | \$5,439,814  |
| Capital Reserves                               | \$962,137      | \$918,371    |
| Total Capital Funds                            | \$6,505,640    | \$6,358,185  |
| <b>Total net assets</b>                        | \$8,982,101    | \$7,487,757  |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>        | \$34,766,651   | \$31,841,804 |

**Note:** Input "(Restated)" in 2004 column heading where comparatives are not taken from the finalized 2003-2004 Audited Financial Statements.

**STATEMENT OF REVENUES AND EXPENSES**

for the Year Ended August 31, 2005

(in dollars)

|  | Actual<br>2005      | Budget<br>2005      | Actual<br>2004      |
|--|---------------------|---------------------|---------------------|
| <b>REVENUES</b>  |                     |                     |                     |
| Government of Alberta  | \$32,127,274        | \$30,346,260        | \$30,298,002        |
| Federal Government and/or First Nations                                      | \$509,995           | \$421,999           | \$548,287           |
| Other Alberta school authorities   | \$11,403            | \$182,269           | \$13,418            |
| Out of province authorities  | \$0                 | \$0                 | \$0                 |
| Alberta Municipalities (excluding supplementary requisitions)                | \$47,917            | \$9,000             | \$9,000             |
| Instruction resource fees  | \$403,946           | \$268,422           | \$143,485           |
| Transportation fees  | \$19,630            | \$108,200           | \$37,600            |
| Other sales and services   | \$68,760            | \$111,187           | \$477,645           |
| Investment income  | \$125,474           | \$88,600            | \$125,557           |
| Gifts and donations  | \$66,653            | \$0                 | \$22,725            |
| Rentals of facilities  | \$404,642           | \$392,558           | \$390,544           |
| Net school generated funds   | \$359,041           | \$200,000           | \$320,507           |
| Gains on disposal of capital assets  | \$20,745            | \$30,000            | \$47,228            |
| Amortization of capital allocations  | \$1,134,218         | \$1,131,981         | \$1,083,772         |
| <b>Total Revenues</b>  | <b>\$35,299,697</b> | <b>\$33,290,476</b> | <b>\$33,517,770</b> |
| <b>EXPENSES</b>  |                     |                     |                     |
| Certificated salaries  | \$15,021,400        | \$15,146,924        | \$15,059,353        |
| Certificated benefits  | \$1,693,599         | \$1,817,631         | \$1,682,325         |
| Uncertificated salaries and wages  | \$7,618,276         | \$7,014,117         | \$7,238,589         |
| Uncertificated benefits  | \$1,472,656         | \$1,052,118         | \$1,270,199         |
| Services, contracts and supplies   | \$5,369,305         | \$5,475,641         | \$5,400,242         |
| Net school generated funds   | \$359,041           | \$200,000           | \$320,507           |
| <b>Capital and debt services</b>   |                     |                     |                     |
| Amortization of capital assets   |                     |                     |                     |
| Supported  | \$1,134,218         | \$1,131,981         | \$1,083,766         |
| Unsupported  | \$678,928           | \$626,444           | \$690,183           |
| <b>Total Amortization of capital assets</b>                                  | <b>\$1,813,146</b>  | <b>\$1,758,425</b>  | <b>\$1,773,949</b>  |
| Interest on capital debt   |                     |                     |                     |
| Supported  | \$440,764           | \$462,715           | \$485,577           |
| Unsupported  | \$17,167            | \$34,764            | \$30,190            |
| <b>Total Interest on capital debt</b>  | <b>\$457,931</b>    | <b>\$497,479</b>    | <b>\$515,767</b>    |
| Other interest charges   | \$0                 | \$0                 | \$0                 |
| Losses on disposal of capital assets   | \$0                 | \$0                 | \$0                 |
| <b>Total Expenses</b>  | <b>\$33,805,353</b> | <b>\$32,962,335</b> | <b>\$33,260,931</b> |
| <b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE EXTRAORDINARY ITEM</b> |                     |                     |                     |
|  | \$1,494,343         | \$328,141           | \$256,839           |
| Extraordinary Item   | \$0                 | \$0                 | \$0                 |
| <b>SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES</b>                           | <b>\$1,494,343</b>  | <b>\$328,141</b>    | <b>\$256,839</b>    |

**Note:** Input "(Restated)" in Budget 2005 and/or Actuals 2004 column headings where comparatives are not taken from the respective finalized 2004-2005 Budget Report and/or finalized 2003-2004 Audited Financial Statements.

**STATEMENT OF CASH FLOWS**  
**for the Year Ended August 31, 2005**  
(in dollars)

|  | 2005                 | 2004                 |
|--|----------------------|----------------------|
| <b>CASH FLOWS FROM:</b>  |                      |                      |
| <b>A. OPERATIONS</b>   |                      |                      |
| Surplus (deficit) of revenues over expenses for the year                       | \$1,494,343          | \$256,839            |
| Add (Deduct) items not requiring cash:   |                      |                      |
| Amortization of capital allocations revenue                                    | (\$1,134,218)        | (\$1,083,772)        |
| Total amortization expense   | \$1,813,146          | \$1,773,949          |
| Gains on disposal of capital assets  | (\$20,745)           | (\$47,228)           |
| Losses on sale of capital assets   | \$0                  | \$0                  |
| Changes in accrued accounts:   |                      |                      |
| Accounts receivable  | (\$1,253,976)        | \$810,574            |
| Prepays and other current assets   | \$20,669             | (\$89,721)           |
| Long term accounts receivable  | \$0                  | \$0                  |
| Long term investments  | \$0                  | \$0                  |
| Payables and accrued liabilities   | (\$720,203)          | \$54,877             |
| Deferred revenue   | \$209,318            | \$56,840             |
| Employee future benefit expense (recovery)                                     | \$0                  | \$0                  |
| Other (describe)   | \$0                  | \$0                  |
| <b>Total sources (uses) of cash from Operations</b>                            | <b>\$408,335</b>     | <b>\$1,732,358</b>   |
| <b>B. INVESTING ACTIVITIES</b>   |                      |                      |
| Purchases of capital assets  |                      |                      |
| Land   | \$0                  | \$0                  |
| Buildings  | (\$4,010,597)        | (\$2,085,204)        |
| Equipment  | (\$5,929)            | (\$6,511)            |
| Vehicles   | (\$687,230)          | (\$322,430)          |
| Net proceeds from disposal of capital assets                                   | \$78,742             | \$95,276             |
| Other (describe)   | \$0                  | \$0                  |
| <b>Total sources (uses) of cash from Investing activities</b>                  | <b>(\$4,625,014)</b> | <b>(\$2,318,869)</b> |
| <b>C. FINANCING ACTIVITIES</b>   |                      |                      |
| Capital allocations  | \$3,037,222          | \$2,711,090          |
| Issue of long term debt  | \$0                  | \$0                  |
| Repayment of long term debt  | (\$576,466)          | (\$603,061)          |
| Add back: supported portion  | \$429,012            | \$454,911            |
| Other (describe)   | \$0                  | \$0                  |
| <b>Total sources (uses) of cash from Financing activities</b>                  | <b>\$2,889,768</b>   | <b>\$2,562,940</b>   |
| <b>Net sources (uses) of cash during year</b>                                  | <b>(\$1,326,912)</b> | <b>\$1,976,429</b>   |
| <b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/04</b> | <b>\$4,152,742</b>   | <b>\$2,176,313</b>   |
| <b>Cash and temporary investments, net of bank indebtedness, at Aug. 31/05</b> | <b>\$2,825,830</b>   | <b>\$4,152,742</b>   |

**Note:** 1 Input "(Restated)" in 2004 column heading where not taken from the finalized 2003-2004 Audited Financial Statements.  
2 Cash and temporary investments are net of cash obligations.

**STATEMENT OF CHANGES IN NET ASSETS  
for the Year Ended August 31, 2005**

School Jurisdiction 2255

(in dollars)

|  | (1)                                   | (2)                                | (3)                           | (4)  | (5)                              | (6)                 | (7)                            | (8)                 | (9)                   | (10)                | (11)                  | (12)                | (13)                  | (14)                |
|--|---------------------------------------|------------------------------------|-------------------------------|--|----------------------------------|---------------------|--------------------------------|---------------------|-----------------------|---------------------|-----------------------|---------------------|-----------------------|---------------------|
|  | TOTAL<br>NET<br>ASSETS<br>Cols. 2+3+4 | INVESTMENT<br>IN CAPITAL<br>ASSETS | UNRESTRICTED<br>NET<br>ASSETS | TOTAL<br>INTERNALLY<br>RESTRICTED<br>NET ASSETS<br>Cols. 5 to 14 | INTERNALLY RESTRICTED NET ASSETS |                     |                                |                     |                       |                     |                       |                     |                       |                     |
|  |                                       |                                    |                               |  | School Based                     |                     | Infrastructure                 |                     | Board & System Admin. |                     | Transportation        |                     | External Services     |                     |
|  |                                       |                                    |                               |  | Operating<br>Reserves            | Capital<br>Reserves | O & M<br>Operating<br>Reserves | Capital<br>Reserves | Operating<br>Reserves | Capital<br>Reserves | Operating<br>Reserves | Capital<br>Reserves | Operating<br>Reserves | Capital<br>Reserves |
| <b>Balance at August 31, 2004</b>                              | \$7,487,757                           | \$5,439,814                        | \$136,197                     | \$1,911,746  | \$1,198,720                      | \$303,012           | (\$162,928)                    | \$198,836           | \$45,767              | \$113,214           | (\$88,184)            | \$303,309           | \$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                 |
| <b>Adjusted Balance, Aug. 31, 2004</b>                         | \$7,487,757                           | \$5,439,814                        | \$136,197                     | \$1,911,746  | \$1,198,720                      | \$303,012           | (\$162,928)                    | \$198,836           | \$45,767              | \$113,214           | (\$88,184)            | \$303,309           | \$0                   | \$0                 |
| Surplus(def) of revenue over expenses                          | \$1,494,343                           |                                    | \$1,494,343                   |  |                                  |                     |                                |                     |                       |                     |                       |                     |                       |                     |
| Board funded capital transactions                              |                                       | \$693,160                          | (\$693,160)                   | \$0  | \$0                              | \$0                 | \$0                            | \$0                 | \$0                   | \$0                 | \$0                   | \$0                 | \$0                   | \$0                 |
| Direct credits to net assets                                   | \$0                                   | \$0                                |                               |  |                                  |                     |                                |                     |                       |                     |                       |                     |                       |                     |
| Amortization of capital assets                                 |                                       | (\$1,813,146)                      | \$1,813,146                   |  |                                  |                     |                                |                     |                       |                     |                       |                     |                       |                     |
| Amortization of capital allocations                            |                                       | \$1,134,218                        | (\$1,134,218)                 |  |                                  |                     |                                |                     |                       |                     |                       |                     |                       |                     |
| Disposal of unsupported capital assets                         | \$0                                   | (\$57,998)                         | \$0                           | \$57,998   |                                  | \$0                 |                                | \$0                 |                       | \$0                 |                       | \$57,998            |                       | \$0                 |
| Disposal of supported capital assets<br>(board funded portion) | \$0                                   | \$0                                | \$0                           | \$0  |                                  | \$0                 |                                | \$0                 |                       | \$0                 |                       | \$0                 |                       | \$0                 |
| Debt principal payments (unsupported)                          |                                       | \$147,455                          | (\$147,455)                   |  |                                  |                     |                                |                     |                       |                     |                       |                     |                       |                     |
| Net transfers to operating reserves                            |                                       |                                    | (\$1,366,430)                 | \$1,366,430  | \$1,105,866                      |                     | \$75,822                       |                     |                       |                     | \$184,742             |                     | \$0                   |                     |
| Net transfers from operating reserves                          |                                       |                                    | \$0                           | \$0  | \$0                              |                     | \$0                            |                     | \$0                   |                     | \$0                   |                     | \$0                   |                     |
| Net transfers to capital reserves                              |                                       |                                    | (\$678,928)                   | \$678,928  |                                  | \$152,060           |                                | \$59,222            |                       | \$0                 |                       | \$467,646           |                       | \$0                 |
| Net transfers from capital reserves                            |                                       |                                    | \$693,160                     | (\$693,160)  |                                  | (\$31,762)          |                                | \$0                 |                       | \$0                 |                       | (\$661,398)         |                       | \$0                 |
| <b>Balance at August 31, 2005</b>                              | \$8,982,100                           | \$5,543,503                        | \$116,655                     | \$3,321,942  | \$2,304,586                      | \$423,310           | (\$87,106)                     | \$258,058           | \$45,767              | \$113,214           | \$96,558              | \$167,555           | \$0                   | \$0                 |

**STATEMENT OF CAPITAL ALLOCATIONS  
(SUPPORTED CAPITAL FINANCING ONLY)  
for the Year Ended August 31, 2005  
(in dollars)**

|   | <b>Deferred<br/>Capital<br/>Allocations</b> | <b>Unamortized<br/>Capital<br/>Allocations</b> |
|---|---|--|
| <b>Balance at August 31, 20</b>   | \$973,375                                   | \$15,380,665                                   |
| <b>Prior period adjustment</b>  | \$0   | \$0  |
| <b>Adjusted balance, August 31, 2004</b>  | \$973,375                                   | \$15,380,665                                   |
| <b>Add:</b>   |   |  |
| <b>Capital allocations from: Infrastructure and Transportation-New/Modernization Projects</b> | \$2,979,316                                 |  |
| Other Government of Alberta   | \$0   |  |
| Federal Government and/or First Nations   | \$48,000                                    |  |
| Other sources   | \$0   |  |
| <b>Interest earned on provincial government capital allocations</b>                           | \$9,906                                     |  |
| <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 (amortizable, at Fair Market Value)</b>                             |   | \$0  |
| <b>Transferred in capital assets (amortizable, at Net Book Value)</b>                         |   | \$0  |
| <b>Current Year Debenture Principal Repayment</b>   |   | \$429,012                                      |
| <b>Expended capital allocations - current year</b>  | (\$4,010,597)                               | \$4,010,597                                    |
| <b>Less:</b>  |   |  |
| <b>Unamortized Capital Allocation affected by a disposal through transfer out</b>             |   | \$0  |
| <b>Capital allocations amortized to revenue</b>   |   | \$1,134,218                                    |
| <b>Balance at August 31, 2005</b>   | \$0   | \$18,686,056                                   |



**PALLISER REGIONAL DIVISION NO. 26**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**AUGUST 31, 2005**

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**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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP). 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 judgment. 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 in which they relate.
- Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.
- 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 deferred and 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.

b) **Capital Assets** – Capital assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

- Buildings 2.5-4%
- Vehicles & Buses 10-20%
- Equipment & Furnishings 10-20%

Only capital assets with costs in excess of \$5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

- c) **School-Generated Funds** – These are funds in the community, which come under the control and responsibility of the school principal and are 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.).
- d) **Vacation Pay** – Vacation pay is accrued in the period in which the employee earns the benefit.
- e) **Pensions** – 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 Palliser School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan – the Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of \$228,066 for the year ended August 31, 2005. At December 31, 2004, the Local Authorities Pension Plan reported an actuarial deficiency of \$1,288,924,000 (2003 deficiency of \$1,410,987,000).

- f) **Inventories** – Inventories are recorded at the lesser of cost or net realizable value.
- g) **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 fall into this category.
- h) **Contributed Services** – Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as 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 not otherwise purchased, contributed services are not recognized in the financial statements.
- i) **Financial Instruments** – The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.
- j) **Operating and Capital Reserves** – Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.
- k) **Employee Future Benefits** – The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2005, the recorded obligation is NIL (2004 Nil).
- l) **Investments** – Short-term investments are valued at the lower of cost or market. Long-term investments are valued at cost or, where there has been other than a temporary impairment in the value of the investment, at market value.

### 3. ACCOUNTS RECEIVABLE

|   | <b>2005</b>         | <b>2004</b>       |
|---|---------------------|-------------------|
| Alberta Education                         | \$ 183,043          | \$ (70,551)       |
| Alberta Infrastructure and Transportation | 1,320,235           | 500,479           |
| Alberta Finance                           | 214,656             | 236,532           |
| Federal Government                        | 144,440             | 127,028           |
| First Nations                             | 202,036             | (11,474)          |
| Other                                     | 94,534              | 122,954           |
|   | <b>\$ 2,158,944</b> | <b>\$ 904,968</b> |

### 4. TRUST ASSETS AND LIABILITIES

|                    | <b>2005</b>      | <b>2004</b>      |
|--------------------|------------------|------------------|
| Scholarship Trusts | <b>\$162,245</b> | <b>\$168,807</b> |

### 5. 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. This line of credit is secured by a borrowing bylaw and a security agreement, covering all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2005.

### 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

|  | <b>2005</b>         | <b>2004</b>         |
|--|---------------------|---------------------|
| Alberta Finance                            | \$ 214,582          | \$ 236,532          |
| Federal Government                         | -                   | 4,489               |
| Other Trade Payables & Accrued Liabilities | 903,229             | 1,596,993           |
|  | <b>\$ 1,117,811</b> | <b>\$ 1,838,014</b> |

### 7. DEFERRED REVENUE

|   | <b>2005</b>       | <b>2004</b>       |
|---|-------------------|-------------------|
| Alberta Initiative for School Improvement           | \$ 189,487        | \$ 194,175        |
| Infrastructure Maintenance Program                  | 118,499           | 119,492           |
| Infrastructure Plant Operations & Maintenance Grant | 6,102             | 6,102             |
| High Speed Networking Grant                         | 60,000            | -                 |
| 2004-2005 One-Time Video-Conferencing Grant         | 90,715            | -                 |
| 2003-2004 One-Time FNMI Grant                       | 24,405            | 62,189            |
| Class Size Initiative Funding                       | 56,657            | -                 |
| 2004-2005 One-Time Textbook Grant                   | 38,674            | -                 |
| Other   | 55,438            | 48,701            |
|   | <b>\$ 639,977</b> | <b>\$ 430,659</b> |

## 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.

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## 9. LONG-TERM DEBT

- a) **Debenture Debt – Supported** – The debenture debt bears interest at rates varying between 6.875% and 11.625%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

| Year         | Principle           | Interest            | Total               |
|--------------|---------------------|---------------------|---------------------|
| 2006         | 417,989             | 419,862             | <b>837,851</b>      |
| 2007         | 402,796             | 378,194             | <b>780,990</b>      |
| 2008         | 395,281             | 338,043             | <b>733,324</b>      |
| 2009         | 386,853             | 298,597             | <b>685,450</b>      |
| 2010         | 382,704             | 260,116             | <b>642,820</b>      |
| Thereafter   | 2,316,297           | 831,077             | <b>3,147,374</b>    |
| <b>Total</b> | <b>\$ 4,301,920</b> | <b>\$ 2,525,889</b> | <b>\$ 6,827,809</b> |

- b) **Long Term Debt – Unsupported** – Unsupported debt consists of a mortgage on the jurisdiction's administrative building. This debt is not supported by Alberta Finance. The mortgage bears interest at 7.17% and is repayable in monthly blended payments of \$13,718.48. Payments due over the year are as follows:

| Year | Principle | Interest | Total          |
|------|-----------|----------|----------------|
| 2006 | 158,736   | 6,244    | <b>164,980</b> |

- c) **Capital Leases – Unsupported** – There are currently no capital leases held by the jurisdiction.
- 

## 10. 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.

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## 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.

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## **12. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY**

The Palliser School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent of this funding.

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## **13. CONTINGENT LIABILITY**

In October 2003, the jurisdiction was named defendant in a lawsuit filed in Lethbridge Provincial Court. The complainants allege they suffered personal injuries through the negligence of the jurisdiction to properly control environmental contamination on one of its school properties. In the opinion of management and legal counsel, the outcome of the lawsuit, now pending, is not determinable. Should any loss not covered by insurance result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

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SCHEDULE A to the AFS

School Jurisdiction Code 2255

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2004-2005

| REVENUES  | TOTAL        | ECS to Grade 12 Instruction | Operations and Maintenance of Schools & Maintenance Shops | Transportation | Board & System Admin. | External Services |
|---|--------------|-----------------------------|---|----------------|-----------------------|-------------------|
| (1) Alberta Education Revenues<br>Alberta Infrastructure and Transportation | \$28,591,852 | \$24,676,773                | \$0   | \$2,493,710    | \$1,421,369           | \$0               |
| (2) Infrastructure Maintenance Program & Portable Relocations support       | \$310,445    | \$0                         | \$310,445   |                |                       |                   |
| (3) Regular Operations & Maintenance support                                | \$2,560,427  |                             | \$2,560,427   |                |                       |                   |
| (4) Other support   | \$0          | \$0                         | \$0   |                |                       |                   |
| (5) Total Alberta Infrastructure and Transportation Revenues                | \$2,870,872  | \$0                         | \$2,870,872   |                |                       |                   |
| (6) Alberta Finance   | \$440,838    |                             | \$440,838   |                |                       | \$0               |
| (7) Other - Government of Alberta   | \$223,712    | \$223,712                   | \$0   | \$0            | \$0                   | \$0               |
| (8) Federal Government and/or First Nations                                 | \$509,995    | \$440,118                   | \$47,099  | \$0            | \$22,777              | \$0               |
| (9) Other Alberta school authorities  | \$11,403     | \$1,200                     | \$0   | \$10,203       | \$0                   | \$0               |
| (10) Out of province authorities  | \$0          | \$0                         | \$0   | \$0            | \$0                   | \$0               |
| (11) Alberta municipalities (excl. supplementary requisitions)              | \$47,917     | \$38,917                    | \$0   | \$9,000        | \$0                   | \$0               |
| (12) Instruction resource fees  | \$403,946    | \$403,946                   |   |                |                       |                   |
| (13) Transportation fees  | \$19,630     |                             |   | \$19,630       |                       |                   |
| (14) Other sales and services   | \$68,760     | \$42,431                    | \$1,999   | \$18,581       | \$5,748               | \$0               |
| (15) Investment income  | \$125,474    | \$0                         | \$5,413   | \$0            | \$120,061             | \$0               |
| (16) Gifts and donations  | \$66,653     | \$66,653                    | \$0   | \$0            |                       | \$0               |
| (17) Rentals of facilities  | \$404,642    | \$1,782                     | \$402,860   | \$0            | \$0                   | \$0               |
| (18) Net school generated funds   | \$359,041    | \$359,041                   |   |                | \$0                   |                   |
| (19) Gains on disposal of capital assets                                    | \$20,745     | \$0                         | \$0   | \$20,745       | \$0                   | \$0               |
| (20) Amortization of capital allocations                                    | \$1,134,218  |                             | \$1,134,218   | \$0            |                       | \$0               |
| (21) TOTAL REVENUES   | \$35,299,697 | \$26,254,573                | \$4,903,299   | \$2,571,869    | \$1,569,956           | \$0               |
| <b>EXPENSES</b>   |              |                             |   |                |                       |                   |
| (22) Certificated salaries  | \$15,021,400 | \$14,702,445                |   |                | \$318,955             | \$0               |
| (23) Certificated benefits  | \$1,693,599  | \$1,580,983                 |   |                | \$112,615             | \$0               |
| (24) Uncertificated salaries and wages                                      | \$7,618,276  | \$4,808,609                 | \$1,089,022   | \$1,113,529    | \$607,116             | \$0               |
| (25) Uncertificated benefits  | \$1,472,656  | \$988,009                   | \$274,805   | \$115,231      | \$94,611              | \$0               |
| (26) SUB - TOTAL  | \$25,805,930 | \$22,080,046                | \$1,363,827   | \$1,228,760    | \$1,133,298           | \$0               |
| (27) Services, contracts & supplies   | \$5,369,305  | \$2,364,867                 | \$1,812,280   | \$754,525      | \$437,633             | \$0               |
| (28) Cost recoveries & charges to programs                                  | \$0          | \$64,779                    | \$0   | (\$63,804)     | (\$975)               | \$0               |
| (29) Net school generated funds   | \$359,041    | \$359,041                   |   |                |                       |                   |
| <b>Capital and debt services</b>  |              |                             |   |                |                       |                   |
| Amortization of capital assets  |              |                             |   |                |                       |                   |
| (30) Supported  | \$1,134,218  | \$0                         | \$1,134,218   | \$0            | \$0                   | \$0               |
| (31) Unsupported  | \$678,928    | \$152,060                   | \$59,222  | \$467,646      | \$0                   | \$0               |
| (32) Total Amortization   | \$1,813,146  | \$152,060                   | \$1,193,440   | \$467,646      | \$0                   | \$0               |
| Interest on capital debt  |              |                             |   |                |                       |                   |
| (33) Supported  | \$440,764    | \$0                         | \$440,764   | \$0            | \$0                   | \$0               |
| (34) Unsupported  | \$17,167     | \$0                         | \$17,167  | \$0            | \$0                   | \$0               |
| (35) Other interest charges   | \$0          | \$0                         | \$0   | \$0            | \$0                   | \$0               |
| (36) Losses on disposal of capital assets                                   | \$0          | \$0                         | \$0   | \$0            | \$0                   | \$0               |
| (37) TOTAL EXPENSES   | \$33,805,353 | \$25,020,792                | \$4,827,478   | \$2,387,128    | \$1,569,956           | \$0               |
| (38) SURPLUS (DEFICIT) BEFORE EXTRAORDINARY ITEM                            | \$1,494,343  | \$1,233,780                 | \$75,822  | \$184,742      | (\$0)                 | \$0               |

**SCHEDULE B to the AFS**  
**ALBERTA EDUCATION REVENUES 2004-2005**

|  | TOTAL        |
|--|--------------|
| <b>Base Funding</b>  |              |
| Early Childhood Services (ECS)   | \$660,212    |
| Base Instruction (Gr 1-12)   | \$17,276,114 |
| Outreach Programs  | \$104,040    |
| Home Education   | \$0          |
| <b>Differential Cost Funding *</b>   | \$9,093,257  |
| <b>Other Provincial Support</b>  |              |
| Institutional Programs   | \$0          |
| Regional Consortium (6 boards) and Regional Educational Consulting Services (4 boards)     | \$0          |
| Learning Resources Credit  | \$34,551     |
| <b>Federal French Funding</b>  | \$0          |
| <b>Provincial Priority Targeted Funding</b>  |              |
| Class Size Initiative  | \$476,214    |
| Student Health Initiative (SHI)  | \$0          |
| Alberta Initiative for School Improvement (AISI)   | \$463,786    |
| High Speed Networking  | \$0          |
| Children and Youth with Complex Needs  | \$0          |
| <b>Other Alberta Education Revenues</b> (describe): Video-conference grant, textbook grant | \$483,679    |
| <b>Total Alberta Education Revenues</b>  | \$28,591,852 |

\* Differential Cost Funding is based on distribution formulas designed to address variable cost factors and incremental costs associated with other variables and specific student populations. Included in differential cost funding are allocations for students with severe disabilities, English as a second language students, Francisation and support services for immigrant students, aboriginal students, gifted & talented early childhood services children and those with mild or moderate or severe disabilities, the percentage of the student population experiencing low socio-economic status, small schools by necessity, intra-jurisdiction distances, year to year enrolment fluctuations, small school board administration, schools located in the north, boarding, transportation, stabilization of funding, and cost differences among school jurisdictions for purchasing goods and services.

**SCHEDULE C the AFS**  
**ECS to Grade 12 INSTRUCTION PROGRAMS Expense Details - 2004-2005**

| SUB-PROGRAMS & INITIATIVES                                 | ECS to GRADE 12 Instruction |                             |   |                    |                             |                             |                     |
|--|-----------------------------|-----------------------------|---|--------------------|-----------------------------|-----------------------------|---------------------|
|  | Certificated Remuneration   | Uncertificated Remuneration | Services, Contracts & Supplies <sup>1</sup> | Learning Resources | Cost Recoveries & Transfers | Other Expenses <sup>2</sup> | TOTAL EXPENSES      |
| School Administration & All Instruction Support            | \$1,491,688                 | \$715,770                   | \$24,192                                    |                    | \$0                         | \$0                         | \$2,231,650         |
| Mild & Moderate Disabilities/Gifted & Talented(ECS-12)     | \$723,886                   | \$429,225                   | \$81,914                                    |                    | \$0                         |                             | \$1,235,025         |
| ECS Program Unit (PUF)                                     | \$160,248                   | \$558,402                   | \$341,790                                   |                    | \$0                         |                             | \$1,060,440         |
| Severe Disabilities (Gr 1-12)                              | \$504,172                   | \$1,878,499                 | \$148,023                                   |                    | \$0                         |                             | \$2,530,694         |
| English as a Second Language                               | \$7,409                     | \$230,495                   | \$5,167                                     |                    | \$0                         |                             | \$243,071           |
| French Language Program & Francisation (all jurisdictions) | \$0                         | \$0                         | \$0   |                    | \$0                         |                             | \$0                 |
| First Nations, Metis and Inuit Education(ECS - Gr 12)      | \$5,991                     | \$834                       | \$32,392                                    |                    | \$0                         |                             | \$39,217            |
| Home Education   | \$0                         | \$0                         | \$36,910                                    |                    | \$0                         |                             | \$36,910            |
| Institutional Programs                                     | \$0                         | \$0                         | \$0   |                    | \$0                         |                             | \$0                 |
| Alberta Initiative for School Improvement                  | \$312,972                   | \$3,719                     | \$156,090                                   | \$0                | \$0                         |                             | \$472,781           |
| Student Health Initiative                                  | \$0                         | \$213,159                   | \$4,681                                     |                    | \$0                         |                             | \$217,840           |
| High Speed Networking                                      |                             |                             | \$0   |                    | \$0                         |                             | \$0                 |
| Class Size   | \$476,214                   | \$0                         | \$0   | \$0                | \$0                         |                             | \$476,214           |
| Children and Youth with Complex Needs(ECS - Gr 12)         | \$0                         | \$0                         | \$0   |                    | \$0                         |                             | \$0                 |
| All Other Student Instruction Expenses(ECS - Gr 12)        | \$12,600,849                | \$1,766,515                 | \$1,533,708                                 | \$0                | \$64,779                    | \$511,100                   | \$16,476,951        |
| <b>TOTAL EXPENSES</b>                                      | <b>\$16,283,428</b>         | <b>\$5,796,618</b>          | <b>\$2,364,867</b>                          | <b>\$0</b>         | <b>\$64,779</b>             | <b>\$511,100</b>            | <b>\$25,020,792</b> |

| FULL-TIME-EQUIVALENCIES(Board/Contract)                      | FTE Certificated | FTE Uncertificated |
|--|------------------|--------------------|
| Mild & Moderate Disabilities/Gifted & Talented (ECS - Gr 12) | 10.2             | 20.1               |
| ECS Program Unit (PUF)                                       | 1.9              | 29.3               |
| Severe Disabilities (Gr 1-12)                                | 6.8              | 91.9               |

**Note 1** Excludes Learning Resources.

**Note 2** Includes Net School Generated Funds, Amortization, Interest, and Losses on Disposal of Instruction Program Capital Assets.



**SCHEDULE D to the AFS  
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMIT FOR  
BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION - 2004-2005**

|  |       |                     |
|--|-------|---------------------|
| <b>TOTAL EXPENSES</b>  |       | <b>\$33,805,353</b> |
| <b>STEP 1</b>  |       |                     |
| <b>Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses</b>  |       |                     |
| If "Total Net Enrolled Students" are 6,000 and over  | = 4%  | <b>5.32%</b>        |
| If "Total Net Enrolled Students" are 2,000 and less  | = 6%  |                     |
| <p>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.<br/>         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%.<br/>         Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 &amp; less.</p> |       |                     |
| <b>STEP 2</b>  |       |                     |
| <b>Calculate maximum expense limit AMOUNTS for Board and System Administration expenses</b>  |       |                     |
| Maximum Expense Limit percentage (Step 1) x TOTAL EXPENSES   |       | <b>\$1,798,445</b>  |
| <b>Considerations for Charter Schools and Small School Boards:</b>   |       |                     |
| If <b>Charter School</b> , enter \$56,100  | \$0   | \$0                 |
| If <b>School Board</b> , please enter your 04-05 Gr 1- 12 funded enrolment   | 3,361 |                     |
|  | \$0   | \$0                 |
| <b>MAXIMUM EXPENSE LIMIT</b>   |       | <b>\$1,798,445</b>  |
| <b>STEP 3</b>  |       |                     |
| <b>Compare maximum expense limit amounts calculated in Step 2 to actual expenses (from Schedule A)</b>   |       |                     |
| Actual Board Governance & System Administration expenses   |       | \$1,569,956         |
| PLUS: transfers to Restricted - Operating (Board/System Administration)  |       | \$0                 |
| LESS: transfers from Restricted - Operating (Board/System Administration)  |       | \$0                 |
| <b>TOTAL BOARD GOVERNANCE &amp; SYSTEM ADMINISTRATION EXPENSES</b>   |       | <b>\$1,569,956</b>  |
| <b>MAXIMUM EXPENSE LIMIT</b>   |       | <b>\$1,798,445</b>  |
| <b>ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT</b>   |       | <b>-\$228,489</b>   |

**SCHEDULE E to the AFS  
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2004-2005**

|  |                  |                         |                |
|--|------------------|-------------------------|----------------|
| <b>Unexpended SGF - Opening Balance August 31, 2004</b> (Note 1)   |                  |                         | \$525,405      |
| <b>Source of Net School Generated Funds:</b>   |                  |                         |                |
|  | <b>Gross SGF</b> | <b>Related Expenses</b> | <b>Net SGF</b> |
| Fundraising activities   | \$1,144,771      | \$916,447               | \$228,324      |
| Student fees (Non-Instructional) (Note 2)  | \$304,299        |                         | \$304,299      |
| Donations and grants to schools  | \$18,640         |                         | \$18,640       |
| Other (describe):  | \$0              | \$0                     | \$0            |
| <b>Net Additions to SGF</b>  | \$1,467,709      | \$916,447               | \$551,262      |
| <b>Net SGF Available for Discretionary Spending</b>  |                  |                         | \$1,076,667    |
| <b>Application of Net School Generated Funds:</b>  |                  |                         |                |
| Extra-curricular activities  |                  |                         | \$267,207      |
| School beautification  |                  |                         | \$0            |
| Field Trips  |                  |                         | \$91,834       |
| Equipment  |                  |                         | \$0            |
| Family literacy and other community resources  |                  |                         | \$0            |
| Other (describe):  |                  |                         | \$0            |
| <b>Net SGF Expended for Discretionary Purposes</b> (Note 3)  |                  |                         | \$359,041      |
| <b>Unexpended SGF - Closing Balance August 31, 2005</b> (Note 4)   |                  |                         | \$717,626      |
| <p>School Generated Funds (SGF) are funds raised in the community for student activities that come under the control and responsibility of school management. These funds are usually collected and retained at the school for expenditures paid at the school level. SGF does not include fees with respect to instructional supplies or materials collected pursuant to Section 60(2)(j) of the <i>School Act</i>, and any other funds collected at the school but remitted to central office and accounted for by the jurisdiction (facility rentals, capital assets purchases, etc.)</p> |                  |                         |                |
| <p><b>Note 1</b> Input "(Restated)" beside Balance at August 31, 2004 where not taken from the finalized 2003-2004 Audited Financial Statements.</p>   |                  |                         |                |
| <p><b>Note 2</b> Excludes fees collected pursuant to Section 60(2)(j) of the School Act (fees with respect to instructional supplies or materials - essentially textbooks, resource materials in lieu of textbooks, media, software, and materials for classrooms). Amounts collected for CEU-related activities are recorded as instruction resource fees, not SGF.</p>   |                  |                         |                |
| <p><b>Note 3</b> Net SGF Expended for Discretionary Purposes is recorded as revenue and expense in the Statement of Revenues &amp; Expenses.</p>   |                  |                         |                |
| <p><b>Note 4</b> Unexpended SGF is carried forward to the Statement of Financial Position.</p>   |                  |                         |                |

**SCHEDULE F to the AFS  
Operations and Maintenance Program Expenses - 2004-2005**

| EXPENSES                                     | Custodial   | Maintenance | Utilities and Telecommunications | Expensed Mod./I.M.P. & Portable Relocations | Facility Planning & Operations Administration | SUB-TOTAL Operations & Maintenance | Supported Capital & Debt Services | TOTAL Operations and Maintenance |
|--|-------------|-------------|----------------------------------|---|---|------------------------------------|-----------------------------------|----------------------------------|
| Uncertificated salaries and wages            | \$691,702   | \$329,858   | \$0                              | \$0   | \$67,462                                      | \$1,089,022                        |                                   | \$1,089,022                      |
| Uncertificated benefits                      | \$174,546   | \$83,236    | \$0                              | \$0   | \$17,023                                      | \$274,805                          |                                   | \$274,805                        |
| <b>Sub-total Remuneration</b>                | \$866,248   | \$413,095   | \$0                              | \$0   | \$84,485                                      | \$1,363,827                        |                                   | \$1,363,827                      |
| Contracted Services                          | \$214,242   | \$369,858   | \$0                              | \$310,445                                   | \$0   | \$894,545                          |                                   | \$894,545                        |
| Supplies                                     | \$97,036    | \$64,618    | \$0                              | \$0   | \$5,088                                       | \$166,742                          |                                   | \$166,742                        |
| Electricity                                  |             |             | \$416,694                        |   |   | \$416,694                          |                                   | \$416,694                        |
| Natural Gas/Heating Fuel                     |             |             | \$288,088                        |   |   | \$288,088                          |                                   | \$288,088                        |
| Sewer and Water                              |             |             | \$38,879                         |   |   | \$38,879                           |                                   | \$38,879                         |
| Telecommunications                           |             |             | \$7,333                          |   |   | \$7,333                            |                                   | \$7,333                          |
| Insurance                                    |             |             |                                  |   | \$0   | \$0                                |                                   | \$0                              |
| <b>Amortization of capital assets</b>        |             |             |                                  |   |   |                                    |                                   |                                  |
| Supported                                    |             |             |                                  |   |   |                                    | \$1,134,218                       | \$1,134,218                      |
| Unsupported                                  |             |             |                                  |   |   | \$59,222                           |                                   | \$59,222                         |
| <b>Total Amortization</b>                    |             |             |                                  |   |   | \$59,222                           | \$1,134,218                       | \$1,193,440                      |
| <b>Interest on capital debt</b>              |             |             |                                  |   |   |                                    |                                   |                                  |
| Supported                                    |             |             |                                  |   |   |                                    | \$440,764                         | \$440,764                        |
| Unsupported                                  |             |             |                                  | \$0   |   | \$17,167                           |                                   | \$17,167                         |
| <b>Other interest charges</b>                |             |             |                                  |   |   | \$0                                |                                   | \$0                              |
| <b>Losses on disposal of capital assets</b>  |             |             |                                  |   |   | \$0                                |                                   | \$0                              |
| <b>Cost recoveries &amp; transfers</b>       |             |             |                                  |   |   | \$0                                |                                   | \$0                              |
| <b>TOTAL EXPENSES</b>                        | \$1,177,525 | \$847,571   | \$750,993                        | \$310,445                                   | \$89,573                                      | \$3,252,495                        | \$1,574,982                       | \$4,827,478                      |
| <b>SQUARE METRES</b>                         |             |             |                                  |   |   |                                    |                                   |                                  |
| School Buildings                             |             |             |                                  |   |   |                                    |                                   | 58,767.0                         |
| Non School Buildings                         |             |             |                                  |   |   |                                    |                                   | 3,485.0                          |
| <b>UNCERTIFICATED FTE'S (Board/Contract)</b> | 29.0        | 7.0         |                                  |   |   |                                    |                                   |                                  |

- 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 Block Mod/I.M.P. & Portable Relocations:** All expenses associated with non-capital activities related to Block Modernization, Infrastructure Maintenance Programs (AKA Building Quality Restoration Program) and portable relocations.
  - Facility Planning & Operations Administration:** 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, I.M.P., 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 - 2004-2005  
(SECTION 148.1 OF THE SCHOOL ACT)**

|  | FTEs       | Remuneration        | Benefits           | Allowances | Performance Bonuses | ERIP's / Other | Total               | Expenses        |
|--|------------|---------------------|--------------------|------------|---------------------|----------------|---------------------|-----------------|
| <b>Chairperson:</b>                    |            |                     |                    |            |                     |                |                     |                 |
| Name Mr. Don Zech                      | 1.0        | \$17,000            | \$763              | \$0        |                     |                | \$17,763            | \$10,308        |
| Name Mrs. Marlene McCann               | 0.1        | \$1,540             | \$69               | \$0        |                     |                | \$1,609             | \$614           |
| <b>Other Board Members:</b>            |            |                     |                    |            |                     |                |                     |                 |
| Name Mrs. Ester Willms                 | 0.9        | \$10,510            | \$435              | \$0        |                     |                | \$10,945            | \$8,630         |
| Name Mrs Jean Mrak                     | 0.9        | \$10,910            | \$439              | \$0        |                     |                | \$11,349            | \$7,744         |
| Name Mr. Joe Watson                    | 1.0        | \$9,560             | \$498              | \$0        |                     |                | \$10,058            | \$2,377         |
| Name Mrs. Colleen Dietz                | 1.0        | \$14,520            | \$618              | \$0        |                     |                | \$15,138            | \$11,445        |
| Name Mr. Robert Strauss                | 1.0        | \$6,360             | \$345              | \$0        |                     |                | \$6,705             | \$2,136         |
| Name Mrs Erna Dyck                     | 0.1        | \$660               | \$24               | \$0        |                     |                | \$684               | \$58            |
| 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             |
| <b>Subtotal</b>                        | <b>6.0</b> | <b>\$71,060</b>     | <b>\$3,191</b>     | <b>\$0</b> |                     |                | <b>\$74,251</b>     | <b>\$43,311</b> |
| Superintendent Dr. Garry Andrews       | 1.0        | \$120,669           | \$7,002            | \$0        | \$0                 | \$0            | \$127,672           | \$12,684        |
| Superintendent                         | 0.0        | \$0                 | \$0                | \$0        | \$0                 | \$0            | \$0                 | \$0             |
| Secretary/Treasurer Mr. Laurie Marston | 1.0        | \$109,429           | \$18,374           | \$0        | \$0                 | \$0            | \$127,803           | \$11,287        |
| 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                  | 205.7      | \$14,791,302        | \$1,668,223        | \$0        | \$0                 | \$0            | \$16,459,525        |                 |
| Uncertificated Salaries & Wages        | 228.5      | \$7,547,216         | \$1,469,464        | \$0        | \$0                 | \$0            | \$9,016,680         |                 |
| <b>TOTALS</b>                          |            | <b>\$22,639,677</b> | <b>\$3,166,253</b> | <b>\$0</b> | <b>\$0</b>          | <b>\$0</b>     | <b>\$25,805,930</b> |                 |

**Note:** Please refer to completion information on page 15.

Don Zech was elected Chair at the October 29004 organizational meeting but was aboard member prior to that. Therefore he is listed at 1.0 FTE  
Erna Dyck and Marlene McCann did not run for re-election and were replaced by Ester Willms and Jean Mrak in October.

**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.   |